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## FISCAL IMPACT REPORT

SPONSOR: Taylor, JP DATE TYPED: 3/3/03 HB 773

SHORT TITLE: Respite Care for Developmentally Disabled SB \_\_\_\_\_

ANALYST: Dunbar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$75.0			Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates: HM4, SM16, HJM10, HB309, SB361

### SOURCES OF INFORMATION

#### Responses Received From

Department of Health (DOH)  
Health Policy Commission (HPC)

### SUMMARY

#### Synopsis of Bill

House Bill 773 appropriates \$75,000 to the Department of Health for expenditure in fiscal year 2004 for the purpose of providing respite services to the families of individuals with developmental disabilities

#### Significant Issues

The Long Term Services Division of the Department of Health, through State General Fund contracts, provides respite services to the families of children and adults with developmental disabilities with independent respite agencies around the State. \$1,554,728 was allocated for respite services in fiscal year 2003. Although funding for State match for the DD Waiver has been increased by the State Legislature several times over the past few years, there has not been a corresponding increase in the appropriation for respite services to the families of those individuals

who are awaiting DD Waiver services.

### **FISCAL IMPLICATIONS**

The appropriation of \$75.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY 04 shall revert to the general fund.

HB 773 would add \$75.0 in new funds to the amount already allocated for State-funded respite services for fiscal year 2004. Based on the current respite service rate of \$13.25 per hour, and the budget allocation formula of 200 hours per eligible recipient, this additional \$75.0 could serve at least 28 additional families of children and adults with developmental disabilities across New Mexico. The Long Term Services Division can add these additional funds to new and continuing respite service contracts based upon each contractor's historic expenditures and upon stated need.

### **ADMINISTRATIVE IMPLICATIONS**

There are none for the Long Term Services Division or the Department of Health. Contracted providers of respite services may need to recruit, hire and train additional respite care staff to meet the needs of additional families to be served.

### **RELATIONSHIP**

Relates to:

- HM4, SM16 and HJM10, which all express recognition and appreciation for Direct Care Staff who provide Developmental Disability Community-Based Services.
- HB309 – Medicaid Developmental Disabilities Waiver – makes an appropriation of \$3,264,656 to provide cost-of-living increases to providers and to reduce the waiting list for the Medicaid Developmental Disabilities Waiver program.
- SB361 – Reduce Developmental Disabilities Wait List – makes an appropriation of \$15 million to reduce the waiting list for New Mexico's Medicaid Developmental Disabilities Waiver program

### **OTHER SUBSTANTIVE ISSUES**

Respite services are provided by the Long Term Services Division of the Department of Health to the families of children and adults with developmental disabilities. Respite services are defined as a "flexible family support service that provides short term, temporary care to individuals with developmental disabilities in order that their families can take a break from the daily routine of care giving". These State-funded respite services are available to the families of individuals with developmental disabilities and to the families of children with, or at risk for, developmental delays, who have not been allocated to the DD Medicaid Waiver. In most cases, the individuals for whom these respite services are being provided are on the Long Term Services Division Central Registry and are awaiting allocation to the DD Waiver. The State-funded respite services that their families receive may be the only services available to them.

State-funded respite is a Long Term Services Division service that is always fully expended each fiscal year. Contracted providers of these respite services have long advocated for additional respite hours to provide to their families.

The following information was reported by HPC:

- The *Olmstead* decision (1999) determined that unnecessary institutionalization of persons with disabilities is a form of discrimination, and required the states to develop integration plans to administer services and programs for the developmentally disabled in the most integrated setting appropriate for each individual.
- There are an estimated 337,430 New Mexicans who have a disability of some sort, and DOH estimates that more than 27,000 of these have mental retardation or other developmental disabilities.
- Many of these individuals have substantial health issues and are on waiting lists for State funded programs. The Developmental Disability Waiver (DD Waiver) program currently serves 2,710 people, but has a waiting list of another 2,700 – and an average 4-year waiting period. Average cost per person is about \$60,000 per year. (NM Governor’s Committee on the Concerns of the Handicapped, 10/16/02).
- Respite care is generally defined as any of a wide range of services that allow the primary caregiver “time off.” Respite care may be in-home or in a day care setting, and is provided by trained respite care providers.
- DOH provides a wide array of services, but does not directly provide respite care. Instead, the DOH Division of Long Term Services contracts with local community agencies to provide respite care services to the developmentally disabled throughout New Mexico.
- The State Agency on Aging and other groups also provide respite care throughout New Mexico.

**BD/sb**