

### Fiscal Estimate - 2015 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>15-4597/1</b>	<b>Introduction Number</b> <b>SB-687</b>	
<b>Description</b> Long-term care districts and care management organizations		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around; font-size: small;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div>		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                     1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                      2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                      4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     5. Types of Local Government Units Affected  <input type="checkbox"/> Towns      <input type="checkbox"/> Village      <input type="checkbox"/> Cities  <input type="checkbox"/> Counties      <input type="checkbox"/> Others  <input type="checkbox"/> School Districts      <input type="checkbox"/> WTCS Districts                 </div> </div>		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
<b>Agency/Prepared By</b> DHS/ Angela Waltz (608) 266-5362	<b>Authorized Signature</b> Andy Forsaith (608) 266-7684	<b>Date</b> 2/9/2016

## Fiscal Estimate Narratives

DHS 2/9/2016

LRB Number	<b>15-4597/1</b>	Introduction Number	<b>SB-687</b>	Estimate Type	<b>Original</b>
<b>Description</b> Long-term care districts and care management organizations					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law at 46.2895(13), if a long-term care (LTC) district created to deliver the Family Care benefit is legally dissolved, the property of the district shall be transferred back to the creating entity or entities (i.e. county, tribe, band, or a combination of these entities). Under this bill, both the property and assets of the LTC district shall be transferred to the Department, rather than to the creating entity. The Department's estimate of the fiscal effect of this bill is indeterminate. It is notable, however, that the State's four LTC districts contracted to deliver the Family Care benefits maintain substantial positive equity amounts, calculated as total assets minus liabilities at a point in time. The most recent calculation of total combined equity in these LTC districts is \$51.8 million. This equity does not represent cash but includes all cash reserves and will fluctuate based on the MCO's activities, diminishing as the MCO invests accumulated resources into expansion of operations or services; however this bill does provide an avenue by which the Department may recover some of its contractually invested resources, should a LTC district be dissolved.

### Long-Range Fiscal Implications