

# BDR 39-780

## AB 224

### EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 27, 2017

Agency Submitting: Department of Health and Human Services, Aging and Disability Services

| Items of Revenue or Expense, or Both | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Effect on Future Biennia |
|--------------------------------------|---------------------|---------------------|---------------------|--------------------------|
| Personnel Services (Expense)         |                     | \$160,427,500       | \$213,903,333       | \$427,806,666            |
| Service Costs (Expense)              |                     | \$500,000,000       | \$500,000,000       | \$999,999,999            |
| Service Costs (Expense)              |                     | \$500,000,000       | \$500,000,000       | \$999,999,999            |
| Service Costs (Expense)              |                     | \$500,000,000       | \$500,000,000       | \$999,999,999            |
| Service Costs (Expense)              |                     | \$141,382,901       | \$500,000,000       | \$999,999,999            |
| Service Costs (Expense)              |                     |                     | \$188,510,534       | \$377,021,072            |
| Total                                | 0                   | \$1,801,810,401     | \$2,402,413,867     | \$4,804,827,734          |

#### Explanation

(Use Additional Sheets of Attachments, if required)

BDR 39-780/AB-224 as written, the act changes the definitions of Intellectual and Developmental Disability as currently defined in state government. It does not just simply replace the term. There is a significant fiscal impact with the changes outlined in the BDR. Based on our current definition, 1-3% of Nevada's population would be eligible to access services at the regional centers. Our current number served is 6,580 individuals which is .23% of Nevada's IDD or related conditions population. BDR 39-780/AB-224 expands the definition of who is eligible to receive services through Developmental Services to include all people (children and adults) having various disabilities. The term "Developmental Disability" used in this BDR is defined as, "attributable to a mental or physical impairment or a combination thereof;". Based on data from the Center for Disease Control and census data from 2011, 1 in 6 U.S. children are diagnosed with a developmental disability. The I.D.E.A. data reported from the Nevada 2011 Child Count, the number of students with disabilities ages 6 through 21 was 41,519; representing 10.4% of students in Nevada. This would result in a substantial increase in the number of persons eligible to receive services through Developmental Services. Using a conservative number of 3% of Nevada's population, the number eligible would be 80,420. Of the 80,420, a vast majority would not be eligible for the IDD Home and Community Based Services waiver as the waiver has criteria defined by federal regulation and cannot be expanded. Service funding would rely on state general fund dollars as a significant number of this population would not be Medicaid or SSI eligible.

Name Todd Myler

Title ASO 4

#### GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, February 17, 2017

The agency's response appears reasonable.

Name Nikki Hovden

Title Exec Branch Budget Officer

Developmental Services  
Estimate of Cost to Expand Service Delivery to All Disabled

SFY 2018

|  |                 | % of Pop    |
|--|-----------------|-------------|
| Estimated Population Per State Demographer   | 2,900,000       |             |
|  | X Times 3%      |             |
| Three Percent of Population                  | = 87,000        | 3.00%       |
| Less Current Developmental Services Caseload | - (6,580)       | -0.23%      |
| <b>Additional People in Delivery System</b>  | <b>= 80,420</b> | <b>2.8%</b> |

Projected Additional Costs to Service 3% of the population:

|  |          |                                |                          |
|--|----------|--------------------------------|--------------------------|
| <b>Staffing needs (1)</b>  |          |                                |                          |
| Total number of new FTE's estimated based on increased caseload                        | =        | 2,433                          |                          |
| Estimated cost for additional FTE's (See Exhibit 2) - Full year<br>9 months in FY 2018 |          | \$213,903,333                  | \$160,427,500            |
|  |          | Cost Per<br>Person<br>Annually |                          |
| <b>Sample of Services Likely to be Utilized</b>  |          |                                |                          |
| <b>Additional People in Delivery System Calculated from above:</b>                     |          | <b>80,420</b>                  |                          |
| Times Average Jobs & Day Training Cost Per Person                                      | X        | \$9,491                        | = \$763,270,707          |
| Times Average Intermittent Residential Support Cost Per Person                         | X        | \$9,646                        | = \$775,769,117          |
| Times Average Respite Cost Per Person  | X        | \$1,273                        | = \$102,343,076          |
| <b>Total Additional Cost to Service 3% of the population</b>                           |          |                                | <b>\$1,801,810,401</b>   |
| <b>Total Additional Cost to Service 6% of the population</b>                           | <b>X</b> | <b>Times 2</b>                 | <b>= \$3,603,620,801</b> |
| <b>Total Additional Cost to Service 1 in 6 of the population (16.6%) (2)</b>           | <b>X</b> | <b>Times 5.533</b>             | <b>= \$9,970,017,549</b> |

(1) Does not include cost of office space rent, supplies, supervisors and other administrative requirements

(2) 1 in 6 people equals 16.6% divided by 3% equals factor of 5.53 used to multiply times 3% additional cost calculation

Developmental Services  
Estimate of Cost to Expand Service Delivery to All Disabled

SFY 2019

|  |                 | % of Pop    |
|--|-----------------|-------------|
| Estimated Population Per State Demographer   | 2,900,000       |             |
|  | X Times 3%      |             |
| Three Percent of Population                  | = 87,000        | 3.00%       |
| Less Current Developmental Services Caseload | - (6,580)       | -0.23%      |
| <b>Additional People in Delivery System</b>  | <b>= 80,420</b> | <b>2.8%</b> |

Projected Additional Costs to Service 3% of the population:

|   |          |                                |                           |
|---|----------|--------------------------------|---------------------------|
| <b>Staffing needs (1)</b>   |          |                                |                           |
| Total number of new FTE's estimated based on increased caseload                         | =        | 2,433                          |                           |
| Estimated cost for additional FTE's (See Exhibit 2) - Full year<br>12 months in FY 2018 |          | \$213,903,333                  | \$213,903,333             |
|   |          | Cost Per<br>Person<br>Annually |                           |
| <b>Sample of Services Likely to be Utilized</b>   |          |                                |                           |
| <b>Additional People in Delivery System Calculated from above:</b>                      |          | <b>80,420</b>                  |                           |
| Times Average Jobs & Day Training Cost Per Person                                       | X        | \$12,655                       | = \$1,017,694,276         |
| Times Average Intermittent Residential Support Cost Per Person                          | X        | \$12,862                       | = \$1,034,358,823         |
| Times Average Respite Cost Per Person   | X        | \$1,697                        | = \$136,457,435           |
| <b>Total Additional Cost to Service 3% of the population</b>                            |          |                                | <b>\$2,402,413,867</b>    |
| <b>Total Additional Cost to Service 6% of the population</b>                            | <b>X</b> | <b>Times 2</b>                 | <b>= \$4,804,827,735</b>  |
| <b>Total Additional Cost to Service 1 in 6 of the population (16.6%) (2)</b>            | <b>X</b> | <b>Times 5.533</b>             | <b>= \$13,293,356,733</b> |

(1) Does not include cost of office space rent, supplies, supervisors and other administrative requirements

(2) 1 in 6 people equals 16.6% divided by 3% equals factor of 5.53 used to multiply times 3% additional cost calculation

|                    |               |
|--------------------|---------------|
| Current Caseload   | 6,580         |
| Projected Increase | <u>73,840</u> |
| Total              | <u>80,420</u> |

| Ratio<br>(1 to X) | Staff<br>Needed | Salary | Benefits | Total | Total |
|-------------------|-----------------|--------|----------|-------|-------|
|-------------------|-----------------|--------|----------|-------|-------|

## Case Management

|   |    |              |       |        |        |         |             |
|---|----|--------------|-------|--------|--------|---------|-------------|
| Developmental Specialist 3 (DS3)        | 45 | # of Clients | 1,641 | 63,118 | 22,048 | 85,166  | 139,757,406 |
| Developmental Specialist 4 (Supervisor) | 7  | # of DS3     | 234   | 53,432 | 20,132 | 73,564  | 17,213,976  |
| Clinical Program Manager 2              | 60 | # of Staff   | 31    | 76,316 | 24,315 | 100,631 | 3,119,561   |
| Admin Assistants                        | 4  |              | 66    | 36,661 | 16,938 | 53,599  | 3,537,534   |

### Psychological Services

|                                      |       |              |     |         |        |         |            |
|--------------------------------------|-------|--------------|-----|---------|--------|---------|------------|
| <b><u>Psychological Services</u></b> | 189   | # of Clients | 391 |         |        |         |            |
| Psychologist 1                       | 50.0% | of total     | 195 | 105,319 | 29,819 | 135,138 | 26,351,910 |
| Mental Health Counselor 2            | 50.0% | of total     | 196 | 62,625  | 21,792 | 84,417  | 16,545,732 |

|                                |              |
|--------------------------------|--------------|
| Current ADSD FTE               | 961          |
| Projected Increase (see above) | <u>2,363</u> |
| Total                          | 3,324        |

## Human Resources

|                        |                |    |        |        |        |         |  |
|------------------------|----------------|----|--------|--------|--------|---------|--|
| <b>Human Resources</b> | 120            | 20 |        |        |        |         |  |
| Personnel Analyst 3    | 20.0% of total | 4  | 65,963 | 21,885 | 87,848 | 351,392 |  |
| Personnel Technician 3 | 80.0% of total | 16 | 42,717 | 17,430 | 60,147 | 942,574 |  |

## Information Technology

| <b>Information Technology</b> | 40    |          | 24 |        |        |         |           |
|-------------------------------|-------|----------|----|--------|--------|---------|-----------|
| IT Manager 1                  | 8.3%  | of total | 2  | 82,683 | 25,053 | 107,736 | 2,585,664 |
| IT Professional 3             | 16.7% | of total | 4  | 75,479 | 23,675 | 99,154  | 198,308   |
| IT Professional 2             | 33.3% | of total | 8  | 68,959 | 22,458 | 91,417  | 365,668   |
| IT Technician Supervisor      | 4.2%  | of total | 1  | 68,959 | 22,458 | 91,417  | 731,336   |
| IT Technician 6               | 8.3%  | of total | 2  | 63,118 | 21,340 | 84,458  | 84,458    |
| IT Technician 5               | 29.2% | of total | 7  | 57,715 | 20,304 | 78,019  | 156,038   |

Fiscal

|   |    |        |        |         |         |
|---|----|--------|--------|---------|---------|
| Administrative Service Officer 3            | 1  | 91,642 | 26,766 | 118,408 | 118,408 |
| Administrative Service Officer 2            | 2  | 75,479 | 23,675 | 99,154  | 198,308 |
| Management Analyst 3                        | 4  | 68,959 | 22,458 | 91,417  | 365,668 |
| Auditor 3                                   | 1  | 65,963 | 21,885 | 87,848  | 87,848  |
| Auditor 2                                   | 6  | 60,314 | 20,801 | 81,115  | 486,690 |
| Accountant Technician 3 (Supervisory)       | 2  | 52,876 | 19,376 | 72,252  | 144,504 |
| Accounting Assistant 3 (Billing & Payables) | 10 | 39,266 | 16,769 | 56,035  | 560,350 |

|                             |       |             |             |
|-----------------------------|-------|-------------|-------------|
| Total Additional FTE Needed | 2,433 | Grand Total | 213,903,333 |
|-----------------------------|-------|-------------|-------------|