

STORAGE NAME: h0705s1.ltc

DATE: April 7, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
EDUCATIONAL SERVICES
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: CS/HB 705

RELATING TO: Adult Family-Care Homes

SPONSOR(S): Committee on Elder Affairs & Long Term Care and Representative Roberts-Burke

STATUTE(S) AFFECTED: 400.621, 400.6211, 400.626, F.S.

COMPANION BILL(S): SB 738

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) Elder Affairs & Long Term Care YEAS 6 NAYS 0
- (2) Health and Human Services Appropriations
- (3)
- (4)
- (5)

I. SUMMARY:

CS/HB 705 amends s. 400.6211, F.S., to require the Department of Elder Affairs (DOEA), in consultation with the Department of Children and Family Services (DCFS), to provide adult family care home (AFCH) providers with an explanation of financial assistance and other benefits, including food stamps, which may be available to a recipient of supplemental security income (SSI) who resides in an AFCH.

The committee substitute also directs the DOEA, in consultation with the Agency for Health Care Administration (AHCA) and operators of AFCHs, to study how to apply the concept of "aging in place" in AFCHs licensed under chapter 400, Part VII, and the feasibility of creating a new licensure category in the AFCH program comparable to the extended congregate care (ECC) program under chapter 400, Part III. The DOEA is authorized to recommend legislative action that may be necessary.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Adult Family-Care Homes (AFCH) provide a full-time family-like living arrangement in a private home. The AFCH operator provides room, board, and personal care services for no more than five disabled adults or elders. The person applying for a license to operate an AFCH must own or rent and live in the home to be licensed. There are 400 licensed AFCHs now.

AFCH operators are paid a monthly fee by each resident. For an indigent person receiving Supplemental Security Income (SSI) and the Optional State Supplementation, the facility typically charges the resident \$612 per month.

The 1993 Legislature created in s. 400.407, F.S., a special licensure category within an assisted living facility (ALF) for extended congregate care (ECC), so that individuals needing care beyond that authorized under the standard ALF license could remain in the facility and, thus, avoid transfer to nursing home care, provided the resident does not need 24 hour nursing supervision. The primary purpose of ECC is to allow residents, as they become more impaired, the option of remaining in a familiar setting from which they would otherwise be disqualified for continued residency. This concept has come to be known as "aging in place". The Office of Program Policy Analysis and Governmental Accountability (OPPAGA) is currently in the third year of a pilot project study to assess the effects of direct admission to an ECC.

B. EFFECT OF PROPOSED CHANGES:

DOEA, in consultation with the Department of Children and Family Services (DCFS), will be required to provide information to AFCH operators about financial assistance and other benefits which would be available to a recipient of Supplemental Security Income (SSI).

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

DOEA, in consultation with DCFS, is directed to provide information regarding possible financial benefits, including food stamps, to AFCH operators.

DOEA is also directed to conduct a study related to possible application of the "aging in place" concept in the AFCHs.

- (3) any entitlement to a government service or benefit?

No.

- b. If an agency or program is eliminated or reduced:

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A.

- (2) what is the cost of such responsibility at the new level/agency?

N/A.

- (3) how is the new agency accountable to the people governed?

N/A.

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

Taxes are not addressed.

- b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No.

- e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A.

- (2) Who makes the decisions?

N/A.

- (3) Are private alternatives permitted?

N/A.

(4) Are families required to participate in a program?

N/A.

(5) Are families penalized for not participating in a program?

N/A.

b. Does the bill directly affect the legal rights and obligations between family members?

N/A.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A.

(2) service providers?

N/A.

(3) government employees/agencies?

N/A.

D. SECTION-BY-SECTION RESEARCH:

This section need be completed only in the discretion of the Committee.

Section 1. Amends section 400.622, F.S., and directs DOEA to provide an explanation of the financial assistance available to persons who receive Supplemental Security Income (SSI) and live in AFCHs.

Section 2. Directs the DOEA, in consultation with AHCA and AFCH operators to study how to apply the concept of "aging in place" to AFCHs and the feasibility of creating an ECC licensure category in the AFCH program.

Section 3. Provides an effective date upon becoming a law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

Costs associated with DOEA providing information to AFCH operators and conducting a study will be nominal.

2. Recurring Effects:

No impact is projected at this time.

3. Long Run Effects Other Than Normal Growth:

No impact is projected at this time.

4. Total Revenues and Expenditures:

No impact is projected at this time.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

No impact is projected.

2. Recurring Effects:

No impact is projected.

3. Long Run Effects Other Than Normal Growth:

No impact is projected.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

No fiscal impact is projected.

2. Direct Private Sector Benefits:

No fiscal impact is projected.

STORAGE NAME: h0705s1.ltc

DATE: April 7, 1997

PAGE 7

3. Effects on Competition, Private Enterprise and Employment Markets:

None is projected.

D. FISCAL COMMENTS:

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities and counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The committee substitute differs from the original bill in that it removed language which would have provided for respite care for AFCH operators and language which would have allowed AFCH operators to request waivers from AHCA to permit AFCH residents who become too frail to meet eligibility residency requirements to remain in the home and "age in place". The CS/HB 705 also added a provision directing DOEA to study the "aging in place" concept as it might be applied in AFCHs.

VII. SIGNATURES:

COMMITTEE ON Elder Affairs & Long Term Care:

Prepared by:

Legislative Research Director:

Melanie Meyer

Tom Batchelor, Ph.D.

STORAGE NAME: h0705s1.ltc

DATE: April 7, 1997

PAGE 8