

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: HB 167
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB167-FCS-OCS-FCSN-04-28-2023
Title: MINORS IN FACILITIES OUTSIDE AK
Sponsor: FIELDS
Requester: Health Health and Social Services

Department: Department of Family and Community Services
Appropriation: Children's Services
Allocation: Foster Care Special Need
OMB Component Number: 3317

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2024	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2024 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES	FY 2024	FY 2024					
Personal Services							
Travel							
Services		210.0	210.0	210.0	210.0	210.0	210.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	210.0	210.0	210.0	210.0	210.0	210.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)		210.0	210.0	210.0	210.0	210.0	210.0
Total	0.0	210.0	210.0	210.0	210.0	210.0	210.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? NA

Why this fiscal note differs from previous version/comments:

This is an initial version.

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Division: <u>Office of Children's Services</u>	Date: <u>04/28/2023</u>
Approved By: <u>Marian Sweet, Assisant Commissioner</u>	Date: <u>04/28/23</u>
Agency: <u>Family and Community Services</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. HB167

Analysis

HB167 would amend AS 47.14.100(a) to prohibit the Department of Family and Community from providing medical and/or behavioral health services to a child at any for-profit facility outside of the Alaska. Additionally, HB167 requires to the department to provide an annual report to the Legislature on the number of children placed in a non-profit facility outside of the state.

HB167 would immediately reduce the number of available out of state placements for children with high medical or behavioral needs from 27 approved facilities to the 7 currently approved non-profit facilities. Individual facilities are not interchangeable, with each facility providing care to specific populations and specialized diagnoses. The department seeks in-state services for children before consideration of any out of state placement. Due to the specialized and often complex needs of these children, the number of appropriate placements is already extremely limited. Significant wait lists and other placement approval challenges already create delay care for these youth accessing appropriate care and treatment. By dramatically limiting the availability of service providers, HB167 will exponentially increase the waiting time children experience and potentially deny the most appropriate care for children in state's custody who are already facing severe medical and behavioral health challenges.

The department is unable to provide an estimate of the significant toll children will experience for delays or denial of appropriate care due to this bill.

One measurable fiscal impact of HB167 is the increase cost it would require to provide staff to chaperone children with high medical needs while they are awaiting placement. The majority of these children are inappropriate for the available temporary foster placement available which are also not able to meet the needs of the children. Expanding contracting supervision services would be required. The service cost the department for two full-time chaperones is estimated to \$3,700 per day. By prohibiting 2/3 of currently utilized out of state for-profit placements and the need to provide safe temporary placement the department projects a 50% increase per year (\$210,000) in costs.

When contract services are not available, department staff provide the supervision. The department is unable to determine the cost of these staff supervision expenses without significant research and analysis.

Sometimes children are discharged from their current placement without a new appropriate placement available. In these situations, it is common for there to be no available placements for multiple days. Sometimes the only option is to domicile the child in an OCS office until an appropriate alternative becomes available. These offices are not adequately equipped for overnight stays. If wait times for placements significantly increase, the division would need to consider altering office space to accommodate these situations more frequently. This potential cost is difficult to estimate as each office would need varying levels of construction, supplies and training to provide adequate behavioral and medical care, and sleeping space both for children awaiting placement and staff pairs assigned to chaperone and care for the child.

The bill's requirement for reporting of out-of-state placement can be accomplished using existing resources.

As noted above, the department's initial estimates of fiscal impact of HB167 pale in comparison to overwhelming negative impact vulnerable and medically fragile children will experience as they are made to wait an indeterminate amount of time to received medically necessary and prescribed therapeutic care.