

## BILL SUMMARY

1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2331</b>
<b>Version:</b>	<b>PCS</b>
<b>Request Number:</b>	<b>7821</b>
<b>Author:</b>	<b>Rep. Branham</b>
<b>Date:</b>	<b>2/20/2019</b>
<b>Impact:</b>	<b>Year 1: \$1,904,494 state share; \$1,864,918, state share thereafter</b>

### Research Analysis

The PCS for HB 2331 creates the “Families Actively Made for Independent-Living-Aged Youth (FAMILY) Act, which prohibits DHS from restricting the ability of private child-placing agencies to recruit, certify or provide services for foster family homes unless the contract with the department prohibits those activities. Therapeutic foster family homes that have available space will be allowed to accept the placement of a child who does not require a therapeutic placement, under certain conditions, and will be reimbursed for each child at the therapeutic rate. Finally, the measure requires DHS to create a unit within the department to be known as the “Unit for Runaway, Homeless and At-Risk Youth” and establishes criteria for a homeless child to enter into the voluntary custody of the department.

Prepared By: Marcia Johnson

### Fiscal Analysis

Fiscal analysis provided by the Department of Human Services:

#### Section 1:

Paragraph B and C are unclear as to the effects of the language.

Paragraph D(1) allowing sibling placements is allowed by the current program and contracts at a rate that has the traditional foster care payment and an administrative payment to the agency.

Paragraph D(2) paying the foster parent a TFC rate for non-TFC children is complicated. The TFC rate is split into two sections: (1) room and board paid by DHS and is the foster care payment and (2) is the fee for service OHCA payments paid by OHCA to the agency for services rendered. One of two scenarios could occur: (1) first since the child is not eligible for the Medicaid the agency would either get no payment which would mean that the payment would be the foster care payment with no administrative payment; or (2) the state would be paying 100% state dollars for therapeutic services not performed or not needed at \$2,080 per month. Also note that TFC funding will be used to fund the new iTFC program beginning this fiscal year. The cost would be based on the scenario and the population. The cost could be the \$2,080 per month per child placed in this setting not eligible or in need of services costing \$2,496,000 per year per 100 youth placed in this setting.

#### Section 2:

Using the point in time study prepared by the Homeless Alliance and extrapolating their findings of homeless youth in OKC to other urban centers and across the state, the cost to allow an additional 265 children to enter voluntary custody if “determined homeless” by a “credible

witness” as described in HB 2331 could be \$4,020,978 total the first year, with a \$1,904,494 state share in the first year. After the first year, the onetime costs associated with creating new staff positions would roll off requiring a total annual cost ongoing of \$3,967,554, with a \$1,864,918 state share.

This calculation includes the salaries, benefits, and other associated costs with creating new positions which would be required to support the potential population. The costs of foster care maintenance payments for this population are also included.

The same study mentions the population of *couch homeless* youth who would benefit from services. It is unclear as to whether or not this population would meet the criteria of HB 2331. If so, the total cost would be \$346,215,877 the first year, with a \$160,621,554 state share the first year. After the first year, the onetime costs associated with creating new staff positions would roll off requiring a total annual cost ongoing of \$335,512,957 with a \$152,692,831 state share.

This calculation includes the salaries, benefits, and other associated costs with creating new positions which would be required to support the potential population. The costs of foster care maintenance payments for this population are also included. This calculation does not include the cost of the increased management positions which would be required to support such a dramatic increase in our workforce.

Prepared By: Stacy Johnson

### **Other Considerations**

None.