

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7664
BILL NUMBER: SB 411

DATE PREPARED: Jan 18, 1999
BILL AMENDED:

SUBJECT: Penalties for nursing home violations.

FISCAL ANALYST: Ron Sobecki
PHONE NUMBER: 232-9854

FUNDS AFFECTED: **X GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill increases the penalties for violations of statutes or administrative rules governing health facilities. The bill provides that a person who fails to comply with an order for immediate correction may be subject to a civil penalty of not more than \$10,000 per day for each day of continued noncompliance.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues: This bill increases the fines the Commissioner of the State Department of Health (SDOH) may impose for certain violations committed by health facilities. The SDOH cited 64 out of 600 health facilities in the last fiscal year and collected approximately \$50,000 in fines. These fines are deposited in the state General Fund. It is not known if the increase in fines will increase or reduce the number of violations committed by health facilities.

Th bill also allows the State Department of Health to impose an immediate civil penalty of not more than \$10,000 per day for failure to comply with an order for immediate correction. Civil penalties are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Department of Health.

Local Agencies Affected:

Information Sources: Norma Selby, SDOH, 233-7673.