

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

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6880

BILL NUMBER: SB 333

NOTE PREPARED: Feb 6, 2007

BILL AMENDED:

SUBJECT: Health Facility Administrator Class of License.

FIRST AUTHOR: Sen. Riegsecker

BILL STATUS: 2nd Reading - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Indiana State Board of Health Facility Administrators to adopt rules establishing separate education, experience, and training requirements for licensure as a: (1) comprehensive health facility administrator; and (2) residential health facility administrator. The bill requires a residential care facility administrator to be licensed as a comprehensive care facility administrator or a residential care facility administrator.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The Professional Licensing Agency (PLA) oversees the state regulation of health facility administrators. The PLA may incur additional expenses if an additional licensure classification is added. The promulgation of rules related to this bill is expected to require the Indiana State Board of Health Facility Administrators to hold additional meetings. The Professional Licensing Agency has estimated the potential increase in the Board's costs to be \$1,000. The PLA may also experience an increase in telephone inquiries about the proposed changes.

The funds and resources required above could be supplied through a variety of sources, including funds that otherwise would be reverted or from new appropriations. The PLA reverted \$81,600 in FY 2005 and \$63,329 in FY 2006 to the General Fund. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Creation of an additional licensure classification for health facility administrators may require revisions in State Department of Health administrative rules regarding residential facilities.

Explanation of State Revenues: The proposal may affect the number of new applications for another classification of health facility administrator. The specific impact is indeterminable. As of June 2006, there were 1,165 health facility administrators with active licenses in Indiana. The cost for an initial application is \$100, and the biennial renewal cost of a license is \$100. Revenue collected from the health facility administrators application and renewal fees were \$149,318 and \$32,368 for FY 2005 and FY 2006, respectively. These fees are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Professional Licensing Agency; State Department of Health.

Local Agencies Affected:

Information Sources: Barbara McNutt, Chief Counsel, Indiana Professional Licensing Agency.

Fiscal Analyst: Kathy Norris, 317-234-1360.