

February 11, 2022

The Honorable Susan Concannon, Chairperson
House Committee on Children and Seniors
Statehouse, Room 152-S
Topeka, Kansas 66612

Dear Representative Concannon:

SUBJECT: Fiscal Note for HB 2543 by House Committee on Children and Seniors

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2543 is respectfully submitted to your committee.

Currently, the Secretary for Aging and Disability Services is authorized to establish a program of in-home services and a program of preventative health services for Kansas residents 60 years of age or older who have functional limitations. HB 2543 would amend the Senior Care Act by authorizing the Secretary to establish a program for residents of Kansas younger than 60 years of age, who have been diagnosed with younger-onset Alzheimer's disease, that restricts the resident's ability to carry out activities of daily living and impedes the resident's ability to live independently.

Estimated State Fiscal Effect				
	FY 2022 SGF	FY 2022 All Funds	FY 2023 SGF	FY 2023 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$11,737,450	\$11,737,450
FTE Pos.	--	--	--	1.00

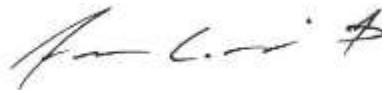
The Kansas Department for Aging and Disability Services (KDADS) states that the Senior Care Act scope of services is limited. In-home services, including attendant care, homemaker services, case management, personal emergency response services, and/or respite care are delivered to meet the specialized needs of older adults. In-home services are provided for a few hours a week. The typical Senior Care Act annual plan of care cost is approximately \$3,500. The

intent of the Senior Care Act was to serve the population of 60 years of age and older with functional limitations, but it wasn't designed to provide services to clients requiring a greater degree of observation and intervention and was not designed to provide 24-hour care. Adding the early onset Alzheimer's population would likely increase the costs of the typical client served on Senior Care Act by \$4,000 per year.

An average Senior Care Act client receives services for 36 months before end-of life or needing a higher level of service. However, if the age criteria included early onset Alzheimer's Disease, the amount of time served by the program would be much longer as research indicates that a person with early onset dementia lives an average of ten years with the disease.

KDADS indicates that enactment of HB 2543 would include early onset Alzheimer's Disease population and could add 2,700 additional Kansans to the Senior Care Act program which currently serves just under 4,000 Kansans 60 years of age and older. To prevent additional waiting lists for the program, the agency projection to provide services to the 2,700 Alzheimer's Disease population at \$4,000 per client, per year is \$10,800,000. KDADS would need an additional 1.00 FTE position to assist with program management at \$87,500 per year (including fringe benefits and other operating expenses). The development of a new assessment tool to address the new population would cost \$250,000 and the cost of training providers to administer the new tool would be \$45,000. Adding the early onset Alzheimer's Disease clients to the Senior Care Act program could cost an additional \$554,950 in start-up costs, including but not limited to, information technology system development. KDADS estimates that the on-going annual service costs would be \$10,855,000 for the program. The additional funding for the Senior Care Act would be from the State General Fund. Any fiscal effect associated with HB 2543 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Leigh Keck, Aging & Disability Services