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FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
Analyst: LV/EE 3/17/92
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Version:

BILL NUMBER: SHB 5442
FILE NUMBER:
AMENDMENTS:

TITLE: "AN ACT CONCERNING THE OPERATION OF RESIDENCES FOR HOSPICE CARE"

FAVORABLY REPORTED BY Public Health

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER SHB 5442

STATE IMPACT	Potential Savings, See explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Department of Income Maintenance, Department of Health Services

EXPLANATION OF ESTIMATES:

Passage of this bill could result in a potential savings to the Department of Income Maintenance by a reduction in Medicaid expenditures. Hospice residences would act as a "substitute home" for terminally ill patients who lack adequate housing or caregiver services. Hospice residences would provide an intermittent level of nursing care to the residents as needed, and would not provide the more intense inpatient level of care found in hospitals, nursing homes, or inpatient hospice facilities such as the one in Branford. Patients and/or their families would pay for the residential services, though the hospice and home care services costs will continue to be reimbursed by Medicare, Medicaid and other insurers as they have been. Therefore, to the extent these hospice residences would help avoid more costly hospital and nursing home admittances by the terminally ill, a reduction in Medicaid expenditures would result. The extent of this savings cannot be determined at this time since it is contingent upon the number of hospices that would choose to operate a residence.

According to the Department of Health Services, under current statute, a home health care agency certified to provide hospice care has authorization to operate an unlicensed residence and provide those residents hospice health care and services. Therefore, the provision in the bill requiring the development of standards for the licensure and operation of such residences by the Commissioner of Health Services appears to be unnecessary. Consequently, no additional costs would be incurred by the Department of Health Services upon passage of this bill.