

Revised to include revised agency response

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill establishes the Quality Home Care Act. This bill establishes the nine-member Quality Home Care Council within the Department of Health and Human Services Finance and Support. The council is required to hire an executive director and other necessary staff to carry out its duties. The council is to ensure the quality of home care services in Nebraska by: 1) establishing qualifications and reasonable standards for accountability, 2) identifying and recruiting qualified home care workers and prospective workers, 3) providing training, either directly or through contracts with community colleges or other entities, 4) establishing a statewide referral registry of home care workers, 5) taking actions to retain qualified home care workers by providing referrals for respite care, 6) setting wages and establishing economic benefits for workers. Home care workers must not be listed on the child abuse registry or the Adult Protective Services Central Registry. A criminal background check is also required. Home care workers would be deemed public employees of the council for the sole purpose of collective bargaining governed by the Industrial Relations Act. The employees would not be employees of the State of Nebraska, but only of the council. The Legislative Performance Audit Section shall conduct a performance audit in 2011 and every three years thereafter.

The salary of the Executive Director would be set by the council. For purposes of this fiscal note is assumed to be \$60,000. Based on the duties of the council, other staff would be required. One estimate is that an administrative assistant and two registry/training specialists would be needed. Total costs for wages and benefits for the four staff positions are projected to be approximately \$226,100 each year. The travel reimbursement of the council is estimated to be \$7,700 annually. Other operating costs are estimated to be \$300,027 in FY 08 and \$215,027 in FY 09. All funds would be from general funds.

The bill establishes collective bargaining for home care workers. The increase in wages that would be provided if collective bargaining occurs is unknown. The Nebraska Home Caregivers Association has published information that shows home care providers who are covered by collective bargaining experience increases in wages between 19% and 210%. For illustration purposes only, based on current payments to in-home providers through Medicaid, the Social Services Block Grant, and Developmental Disabilities, using the lower end of wage increases of 19%, the increase in wages would increase state aid costs by \$7,457,500 (\$3,534,855 GF and \$3,922,645 FF). The council is also required to set other economic benefits. If this includes health insurance and retirement benefits the cost would be substantially more.

Technical Note: The Quality Home Care Council is under the Department of Health and Human Services Finance and Support. The bill states that home care workers are considered employees of the council for collective bargaining purposes only but are not employees of the State of Nebraska or any other public entity. It is unclear how the home care workers could be considered employees of the council which is a state entity but not employees of the state.