

HOUSE BILL 13

Introduced by Pavolich

12/27	Introduced
12/27	Referred to Appropriations
12/28	Fiscal Note Requested
1/06	Fiscal Note Received
1/07	First Reading
1/09	Fiscal Note Printed
3/21	Hearing
	Died in Committee

HOUSE BILL NO. 13

INTRODUCED BY PAVLOVICH

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR ESTABLISHMENT OF AN ANNEX OF THE MONTANA VETERANS' HOME TO BE LOCATED IN GALEN, MONTANA, CONTINGENT UPON COSTS OF RENOVATION AND FEDERAL PER DIEM REIMBURSEMENT ELIGIBILITY; APPROPRIATING FUNDS; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Establishment of forty-bed nursing home annex in Galen. There is a 40-bed nursing home annex of the Montana veterans' home located in Galen. The department of institutions shall operate the facility in the same manner as provided under this part for operation of the Montana veterans' home in Columbia Falls.

NEW SECTION. Section 2. Implementation. The department of institutions shall implement the provisions of [section 1] to establish 40 nursing beds at the Galen facility no earlier than July 1, 1991, contingent upon the following two conditions:

(1) that the necessary renovation to the Galen facility, based upon the cost estimates provided by the department of administration's architecture and engineering division to bring the facility into compliance with

applicable federal, state, and federal veterans administration licensing and certification requirements, as detailed by the survey reports of the department of health and environmental sciences and the federal veterans administration, does not exceed \$300,000; and

(2) that the department of institutions can certify that these 40 nursing beds are eligible for federal veterans administration per diem payments to state homes for the nursing care of eligible residents.

NEW SECTION. Section 3. Appropriation. (1) There is appropriated from the long-range building program fund in the capital projects fund type to the department of institutions the sum of [_____] for the biennium ending June 30, 1993, to establish and operate through the Montana state hospital the facility provided for under [section 1].

(2) There is appropriated to Montana state hospital [_____] in spending authority from a state special revenue fund for revenues received from the operation of the veterans' nursing home annex.

NEW SECTION. Section 4. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 10, chapter 2, part 4, and the provisions of Title 10, chapter 2, part 4, apply to [section 1].

NEW SECTION. Section 5. Effective date -- contingent voidness. (1) [This act] is effective July 1, 1991.

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1 (2) If any one of the conditions contained in [section
2 2] cannot be met, [this act] is void.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0013, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


A bill for an act entitled: "An act providing for establishment of an annex of the Montana Veterans' Home to be located in Galen, Montana, contingent upon costs of renovation and federal per diem reimbursement eligibility; appropriating funds; and providing an effective date."

ASSUMPTIONS:

1. The Galen campus for alcohol and drug treatment will not close in the 1993 biennium.
2. The veterans' facility will not open until October 1, 1991.
3. If annex to Montana Veterans' Home, a financial investigator position will need to be added in Central Office at a cost of \$26,454 per year.
4. No VA revenue would be collected for the first two years of operation.
5. The Licensing and Certification Bureau of the Department of Health determined the use of the Galen Campus for a Veteran's Nursing Home would constitute a "new occupancy", and the facility would need to meet all current applicable fire, life, safety, building codes, and VA construction standards. The required renovation would be extensive, but is assumed to cost \$300,000 or less.
6. The renovation costs will come from the Long Range Building Program Fund (LRBPF).
7. The balance available in the LRBPF is \$215,433. Projects currently recommended in the Capital Construction Program will need to be eliminated to fund the shortfall.

FISCAL IMPACT:

see next page


ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning 1-5-91


ROBERT J. PAVLOVICH, PRIMARY SPONSOR DATE

Fiscal Note for HB0013, as introduced. **HB13**

Fiscal Note Request, HB0013

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Department of Institutions:

	<u>FY '92</u>			<u>FY '93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>EXPENDITURES:</u>						
FTE	0	20.1	20.1	0	26.8	26.8
Personal Services	0	459,766	459,766	0	615,926	615,926
Operating Expenses	0	112,804	112,804	0	150,810	150,810
Equipment	0	21,032	21,032	0	0	0
Capital Outlay	0	300,000	300,000	0	0	0
Total	0	893,602	893,602	0	766,736	766,736
<u>FUNDING:</u>						
General Fund (01)	0	255,249	255,249	0	313,249	313,249
Third Party (02)	0	308,673	308,673	0	415,808	415,808
Medicaid (03)	0	29,680	29,680	0	37,679	37,679
Capital Prjts Fund(05)	0	300,000	300,000	0	0	0
Total	0	893,602	893,602	0	766,736	766,736

Net Impact:

Cash balance in the LRBPF would be reduced to \$0, and \$84,567 worth of projects would need to be deleted from recommended list.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Long range maintenance and repair costs for the facility would have to be considered. If the facility were to receive reimbursement from the federal government, the facility would have to be maintained to comply with federal certification requirements.

TECHNICAL NOTES:

Section 3, lines 10-15 on page 2 appropriates money from the LRBPF for the operation of the proposed facility. The LRBPF does not fund the operation of facilities. This fund is for capital construction, repair and maintenance only.

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