

Testimony
House Bill 1032 Department of Human Services
House Human Services Committee
Representative Robin Weisz, Chairman
January 7, 2019

Chairman Weisz, and members of the House Human Services Committee, I am Nancy Nikolas Maier, Director of the Aging Services Division with the Department of Human Services (Department). I am here in support of HB1032 with a proposed amendment to annually update the SPED sliding fee schedule as recommended in the Executive Budget Request.

Service Payments to the Elderly and Disabled (SPED) is a state funded program which authorizes the Department to reimburse qualified service providers for the provision of covered home and community-based services to eligible aged and physically disabled individuals. The purpose of the program is to maintain people in their own homes and community. During this session, the Department is requesting several incremental investments in long term service and supports specifically in Home and Community Based Services. Updating the SPED sliding fee schedule is an investment that will allow more eligible individuals to access the services they need to remain safe in their home and community.

In order to qualify for SPED an individual must meet both functional and financial eligibility criteria. SPED financial eligibility is determined by using an income and asset based sliding fee schedule and having resources of \$50,000 or less. Resources are cash or similar assets that can be readily converted to cash and include residences owned by the applicant other than the applicant's primary residence. The sliding fee schedule has not been updated since 2009; which has had an impact on the number of people eligible for this service.

HB 1032 requires the Department to biennially adjust the sliding fee schedule for services received through SPED. This bill contains a fiscal note which explains how the fee schedule would be updated. The sliding fee schedule would initially be increased approximately 10%, which aligns with the Executive Budget Request. The fee schedule would then be updated biennially as required in the bill. The Department based the biennial increase on social security inflation.

Attached to my testimony is a proposed amendment to House Bill 1099. The proposed amendment replaces “biennially” with “annually” on page 1 (line 8) and renumbers accordingly.

Chart 1: describes the current fee schedule and the proposed fee schedule based on the proposed amendment.

SPED SLIDING FEE SCHEDULE

Current Fee Schedule

- Income and Asset Based Sliding Fee Scale
 - Two scales based on assets above or below \$25,000
 - Schedule 1 \$0-24,999
 - If a consumer lives alone and has more than \$1038 in countable income, they will have a client cost share
 - Schedule 2 \$25,000-\$50,000
 - If a consumer lives alone and has more than \$855 in countable income, they will have a client cost share

Proposed Fee Schedule

- Income and Asset Based Sliding Fee Scale Rebased and Annual Cost of Living Adjustment (COLA)
 - Two scales based on assets above or below \$25,000
 - Schedule 1 \$0-24,999
 - If a consumer lives alone and has more than \$1132 in countable income, they will have a client cost share
 - Schedule 2 \$25,000-\$50,000
 - If a consumer lives alone and has more than \$949 in countable income, they will have a client cost share

Chart 2: Illustrates the fiscal impact of updating the fee schedule annually based on social security inflation.

Fiscal Impact Amendment		
	2019-2021 Biennium	2021-2023 Biennium
HB 1032 Fiscal Note 12/21/2018	499,933.00	1,653,266.00
DHS Amendment to match Executive Budget Request (Annual Adjustment)	124,118.00	61,058.00
Executive Budget Request	624,051.00	1,714,324.00
Note: SPED is 100% General Fund dollars		

This concludes my testimony. I am happy to answer any questions.