



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 367 of the 129th G.A.

Date: March 16, 2012

Status: As Reported by House Health & Aging

Sponsor: Rep. Maag

Local Impact Statement Procedure Required: No

Contents: Licensing of pediatric respite care programs

State Fiscal Highlights

- **Ohio Department of Health (ODH).** ODH is required to establish a licensure program for pediatric respite care programs. ODH anticipates initial start-up costs to be approximately \$58,400 for rule promulgation and IT costs. After these initial start-up costs, ODH anticipates that revenues generated from license and inspection fees would be sufficient to cover expenses associated with operating the program.
- **Attorney General.** The bill requires background checks on applicants (those who would provide direct care to patients) for employment with a pediatric respite care program. The Attorney General's Office performs background checks. Thus, the office may experience an increase in administrative costs and also a subsequent gain in revenues relating to additional background checks.

Local Fiscal Highlights

- **Sheriffs' offices.** The bill requires criminal background checks for applicants (those who would provide direct care to patients) for employment with a pediatric respite care program. Some applicants may go to sheriffs' offices for these checks. As a result, these offices may experience an increase in administrative costs and also a subsequent gain in revenues.
- **County courts of common pleas.** The bill specifies that ODH must petition the court of common pleas in the appropriate county for an order enjoining a person or agency from conducting unlicensed activities. As a result, it is possible that county courts of common pleas could experience an increase in court costs. Any increase in costs should be minimal since the number of violators is expected to be small. Additionally, the court would likely require violators to pay for court costs and/or fines.

Detailed Fiscal Analysis

Pediatric Respite Care Licensing Program

The bill requires the Ohio Department of Health (ODH) to regulate pediatric respite care programs through a licensing process that is similar to ODH's existing hospice care licensing program. The bill outlines the services that may be provided by a program, as well as the required components of a program. The bill also discusses the licensure process and specifies that a license fee cannot exceed \$600 unless approved by the Controlling Board. Additionally, the maximum fee that may be approved by the Controlling Board is \$900. A license is valid for three years and renewal licenses may be obtained. ODH is required to inspect pediatric respite care program facilities and services as necessary to meet the requirements of the bill and rules adopted under it. An inspection fee cannot exceed \$1,750 unless approved by the Controlling Board and no approved fee can exceed \$2,625. The bill requires the Director of Health to adopt rules that provide for pediatric respite care licensure.

According to ODH, initial start-up costs for the pediatric respite care program would be approximately \$58,400 for rule promulgation and IT costs. These duties would be carried out by existing staff. The total costs for operating a pediatric respite care program would depend on the number of facilities seeking licensure. However, after initial start-up costs, ODH anticipates that revenues generated from license and inspection fees would be sufficient to cover expenses associated with operating the program. ODH currently licenses 131 hospice facilities. According to ODH, 0.32 full-time equivalent staff are devoted to the hospice licensing program. In FY 2011, the program collected \$58,200 in revenues.

Background checks

The bill provides that pediatric respite care programs are to be subject to the same requirements as hospice care programs. Therefore, applicants (those who would provide direct care to patients) for employment with a pediatric respite care program will be subject to criminal background checks. As a result, the Attorney General's Bureau of Criminal Identification and Investigation, which performs state-only background checks and if requested or required, administers FBI background checks, could experience an increase in administrative expenses if these entities do not currently require background checks. However, the fee would likely cover any expenses. The base fees of the state-only and FBI background checks are \$22 and \$24, respectively. The \$22 state-only background check fee and \$2 of the \$24 FBI background check fee are deposited into the General Reimbursement Fund (Fund 1060). The remaining \$22 of the FBI background check fee is sent to the FBI.

Authorized providers of background checks may include local county sheriffs' offices or certain approved deputy registrars contracting with the Ohio Bureau of Motor Vehicles. As a result, some of these entities may realize an increase in administrative expenses and a subsequent gain in revenue as a result of the bill.

Unlicensed activity prohibitions

The bill prohibits a person or public agency from doing any of the following without a license: (1) holding itself out as providing a pediatric respite care program; (2) providing a pediatric respite care program; and (3) using the term "pediatric respite care program" or any term containing "pediatric respite care" to describe or refer to a health program facility, or agency. The bill specifies that ODH must petition the court of common pleas in the appropriate county for an order enjoining that person or agency from conducting unlicensed activities. As a result, it is possible that county courts of common pleas could experience an increase in court costs. Any increase in costs should be minimal since the number of violators is expected to be small. Additionally, the court would likely require violators to pay for court costs and/or fines.