



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 254

PRINTER'S NO: 1111
As Amended by A03971

PRIME SPONSOR: Fairchild

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	See Analysis	See Analysis

OVERVIEW:

House Bill 254, Printer Number 1111 amends the Public Welfare Code by adding a new Section 215 that requires the Department of Public Welfare to make a good faith effort to determine whether an applicant for cash, medical or energy assistance is a veteran. As a condition for eligibility to receive assistance, an applicant who is a veteran would be required to contact an accredited veteran service officer to determine the applicant's eligibility for veteran benefits. The bill requires the department to develop a standard form to be used by a veteran service officer to verify the applicant's eligibility for veteran benefits.

Amendment A03971 amends Section 441.4 to limit the ability of Medical Assistance long-term care recipients to deduct unpaid medical expenses in determining the amount of income they must contribute toward the cost of their nursing home care. The amendment also makes technical corrections to the hospital assessment in Article VIII-E to clarify that long term care hospitals will be excluded from the assessment and that Philadelphia is authorized to use its share of the assessment for city health clinics. In addition, Section 415 is amended to eliminate the requirement that nominees to county boards of assistance be confirmed by a two-thirds vote of the Senate, requiring instead that each appointment to a County Board of Assistance bear the endorsement of the senator of the district in which the nominee resides. In the case of a vacancy in a senatorial district, the nominee shall be endorsed by the senator of an adjacent district.

This act would take effect immediately.

ANALYSIS:

House Bill 254, as amended, is expected to generate state savings of \$7.5 million in FY 2009/10 and \$15.0 million in 2010/11 as a result of the changes to Section 441.1, which are necessary to make state law comply with federal requirements. Specifically, medical expenses incurred six months or more prior to application for Medical Assistance shall be disallowed as a deduction from income and medical expenses that were incurred as a result of an asset transfer penalty are also disallowed, provided that these limitations do not result in undue hardship.

The provisions relating to veterans have no impact on expenditures for the Department of Public Welfare because they largely reflect current practice under which the department attempts to claim federal benefits for veterans. The Medical Assistance program is the payor of last resort and the department currently attempts to claim federal benefits for veterans in the program. It is assumed that the department could absorb the costs associated with developing the standard form required under this act.

There is no fiscal impact associated with the technical corrections to the Philadelphia hospital assessment and the changes regarding appointments to county boards of assistance.

PREPARED BY: Elizabeth Balaban
House Appropriations Committee, (D)

DATE: October 1, 2009

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*