



## State Fiscal Note for Bill Number: 2021-H-5846

**Date of State Budget Office Approval:** Friday, April 23, 2021

**Date Requested:** Wednesday, March 24, 2021

**Date Due:** Saturday, April 3, 2021

### Impact on Expenditures

FY 2021	N/A
FY 2022	\$105,004
FY 2023	\$117,880

### Impact on Revenues

FY 2021	N/A
FY 2022	\$0
FY 2023	\$0

### Explanation by State Budget Office:

This bill creates a developmental disabilities ombudsperson program to be administratively attached to the Department of Administration (DOA). The Developmental Disabilities Ombudsperson would be selected by a committee and named by the Governor to advocate on behalf of adults with developmental disabilities and students with a developmental disability in transition to adult services. This bill allows the ombudsperson to hire additional staff and recruit/train volunteers as necessary to carry out the powers and duties of the office.

The Ombudsperson must be selected by the Developmental Disabilities Ombudsperson nominating committee, comprised of the director of the Department for Behavioral Health, Developmental Disabilities, and Hospitals (BHDDH), chairperson of the RI Developmental Disabilities Council, chairperson of the Governor's Commission on Disabilities, the executive director of the Rhode Island Disabilities Law Center, the Director of the Paul V. Sherlock Center on Disabilities, the chairperson of Advocates in Action, and the chairperson of the Rhode Island Providers network. The nominated ombudsperson must have expertise and experience in the fields of social work, long-term care, and advocacy, and must be qualified and experienced in the provision support services to adults with developmental disabilities. The committee is required to present the Governor with three to five candidates from which the Governor will appoint a candidate to a five-year term. DOA may operate the office directly, by contract, or by another arrangement with a public agency or nonprofit organization.

The Developmental Disabilities Ombudsperson must identify, investigate, and resolve complaints that are made by, or on behalf of, adults with a developmental disability and students with a developmental disabilities in transition to adult services that may adversely impact the health, safety, welfare, rights or quality of life of this population. The Ombudsperson will also formulate policies and procedures to identify, investigate and resolve complaints and represent the interests of this population. The office will also review, and if necessary, comment on any existing and proposed laws regulations and other government policies and actions that affect the parties subject to this statute. The Ombudsperson is required to submit an annual report that shall be made available to the public and various individuals including, but not limited to, the Governor, General Assembly, the Secretary of Health and Human Services, the Director of BHDDH, the Commissioner of Elementary and Secondary Education, the Chairperson of the Rhode Island Special Education Advisory Committee, the Chairperson of the Rhode Island Developmental

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Friday, April 23, 2021

Page 1 of 3



Disabilities Council, the Chairperson of the Governor's Commission on Disabilities, the Executive Director of the Rhode Island Disabilities Law Center, the Director of the Paul V. Sherlock Center on Disabilities, the Chairperson of Advocates in Action, the Chairperson of the Rhode Island Providers Network, and the State Librarian.

Other duties of this office include receiving all reports from BHDDH related to quality assurance within 24 hours or by next business day of the occurrence and receiving reports of 30-day notices for discharged adults with a developmental disability from community residences or shared living residences. The Ombudsperson will make appropriate referrals of investigations to BHDDH, the Executive Office of Health and Human Services (EOHHS), and the Attorney General and other state agencies. This office will also provide referral services to assist adults with developmental disabilities and students with a developmental disability in transition to adult services and inform this population of their rights and advocate on their behalf to improve their quality of life and live with dignity and respect. The Ombudsman will offer assistance to train public and private organizations on long-term care of adults with developmental disabilities.

This bill also requires the Developmental Disabilities Ombudsperson to establish an interagency agreement between BHDDH, the Department of Education, Department of Health, Department of Human Services, and the Office of Attorney General to ensure a cooperative effort in meeting the needs of adults with a developmental disability and students with a developmental disability in transition to adult services. Any individual who violates the provisions set forth in §§ 40.1-22.2-8 and 40.1-22.2-14 will be subject to a fine up to \$1,000 for each violation.

*Comments on  
Sources of Funds:*

Funding will be jointly derived from general revenue and federal funds. Pursuant to the Title XIX of the Social Security Act, state employees working directly with Medicaid populations are eligible for a 50 percent match in federal funds. It is important to note that with a cost allocation plan, the fund split may be different for this FTE. For simplicity, this analysis assumes that because all of the developmental disabilities population is Medicaid eligible, this FTE will likely be eligible for a 50-50 match. For overhead costs, this estimate conservatively assumes items like technology and travel expenses are not Medicaid eligible and will be fully covered by general revenues.

*Summary of Facts  
and Assumptions:*

Among the New England States, Connecticut operates an independent ombudsman program that most similarly represents the duties and responsibilities outlined in this bill. The state's Department of Developmental Services reports in their most recent Strategic Plan (2017-2022) that they support over 17,000 individuals and families. According to the 2015-2018 Annual Report of the Ombudsman, Connecticut received a total of 1,090 complaints in 2018, a number that has risen steadily since 2015.

Because Connecticut only lists the Ombudsman in the staff listing of this office, and this person serves a population over 4.5 times larger than Rhode Island, this analysis assumes 1.0 FTE is sufficient to fulfill the duties outlined in this bill. The average monthly projected FY 2022 caseload for individuals with developmental disabilities is 3,737. Based on Connecticut's client to complaint ratio, this analysis assumes that Rhode Island will receive about 240 complaints a year.



**Personnel costs:**

Regular wages for an Administrator I (BHDDH) are \$80,054. Assuming a benefits rate of 40 percent or \$32,022, the total cost of this FTE is \$112,076 per year. This analysis assumes passage on July 1, 2021, therefore there is no fiscal impact in FY 2021. For FY 2022, this analysis assumes it will take two months to select, appoint, and onboard the Ombudsperson for an all-funds total of \$96,732. For FY 2023, the full cost of the FTE is assumed. This salary is comparable to the Connecticut Ombudsperson, whose salary is approximately \$130,202. It is important to note that since this requires 1.0 new FTE, the FTE authorization for the Department of Administration or home agency must increase accordingly.

**Overhead costs:**

In addition, the Ombudsman office will likely incur overhead costs to cover technology and travel expenses. These expenses could include a hotline for individuals to file complaints, travel expenses to get to provider sites or interview individuals, or other recurring operating expenses. To account for these overhead costs, this estimate uses Washington state's Office of Developmental Disabilities Ombuds ("DD Ombuds") as a guide. In Washington's DD Ombuds' Annual Reports from 2018 to 2020, the state reports that their yearly administrative costs were \$32,150, or five percent of their \$643,000 state appropriation. Using this ratio, this estimate assumes five percent for overhead costs, or \$5,804 per year. For FY 2022, this estimate assumes the recurring five percent overhead plus an additional five percent to capture one-time start up overhead costs like new computer equipment and infrastructure for a hotline, which totals to \$11,608. For FY 2023, this estimate assumes the office will only need 5 percent to cover ongoing overhead costs for a total of \$5,804.

The bill also states that any individual who violates the provisions set forth in §§ 40.1-22.2-8 and 40.1-22.2-14 will be subject to a fine up to \$1,000 for each violation. While this presents a revenue opportunity, this analysis assumes the Ombudsman will not collect any fines in FY 2022 or FY 2023. Rhode Island's Ombudsman for Long-Term Care in the Office of Healthy Aging (OHA) has similar language in their statute regarding fines in § 42-66.7-16, but the Ombudsman office does not report receiving any funds as result of this statute.

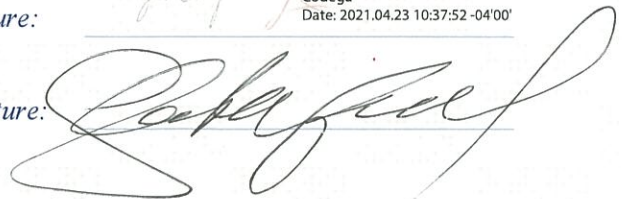
**Summary of Fiscal Impact:**

For FY 2022, the 10 months of personnel costs and 10 percent overhead costs total to an all-funds impact of \$105,004. Because this estimate assumes personnel is Medicaid eligible, but overhead is not, the general revenue cost is \$58,306 and the federal funds cost is \$46,699. Similarly, for FY 2023, the full-year personnel cost and ongoing five percent overhead costs totals to an all-funds impact of \$117,880, where \$61,842 is general revenues and federal funds is \$56,038.

**Budget Office Signature:**

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**Fiscal Advisor Signature:**



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Friday, April 23, 2021

Page 3 of 3

