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BILL ANALYSIS

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Senate Bill 684 (Substitute S-1 as passed by the Senate)

Sponsor: Senator Frederick Dillingham

Committee: Human Resources and Senior Citizens

Date Completed: 1-24-90

**RATIONALE**

By definition, the residents of adult foster care facilities are the aged, mentally ill, and physically and developmentally disabled, i.e., persons in need of medical attention, special supervision, and rehabilitative and developmental services. The State currently has the authority to suspend, revoke, or refuse to renew the license of an adult foster care facility if it fails to meet the criteria for providing care and services as specified in rule and statute. There is, however, no specific recourse against an adult foster care provider who, after losing his or her license, continues to house adults in need of foster care services but provides them only room and board. In such cases, the provider cannot be cited for failing to provide foster care services since he or she no longer is licensed, and therefore not required, to provide them. Some feel that in order to protect adequately the residents of adult foster care facilities, adult foster care providers who lose their license should be prohibited from housing adults in need of foster care. Further, they feel that the State should be responsible for immediately relocating the residents of such facilities.

**CONTENT**

The bill would amend the Adult Foster Care Facility Licensing Act to prohibit a licensee from receiving or maintaining adults in need of foster care if the Department of Social Services had revoked, suspended or refused to renew the licensee's license. A person who violated this provision would be guilty of a misdemeanor, punishable by a maximum fine of \$1,000. In addition, the bill would require the Department to provide relocation services to adults who were being served by a facility whose license

was revoked or suspended or was not renewed by the Department.

MCL 400.703 and 400.722

**FISCAL IMPACT**

The bill would probably result in a one-time increase in State GF/GP spending. Currently, when an adult foster care facility has been delicensed, the recipients have often stayed at the facility though the facility received a lower payment from the State. Based on FY 1988-89, when 25 homes were delicensed, if it is assumed that all recipients stayed at those facilities for a full year but at a reduced rate, but had to be placed in a licensed facility as a result of this bill, then the difference in cost would be about \$215,000 GF/GP plus some nominal transportation costs. Once the bill took effect, individuals would be moved between facilities receiving similar rates.

**ARGUMENTS****Supporting Argument**

Prohibiting adult foster care facilities from housing individuals in need of foster care services after the facilities have lost their license and requiring the Department of Social Services to relocate residents of such facilities immediately would help ensure that vulnerable, dependent adults received the care and services they so desperately need.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

S.B. 684 (1-24-90)