

FISCAL IMPACT STATEMENT ON BILL NO. **S. 662**

(Doc. No. jud0067.js.docx)

TO:	The Honorable Harvey S. Peeler, Jr., Chairperson, Senate Medical Affairs Committee		
FROM:	State Budget Division, Budget and Control Board		
ANALYSTS:	R.J. Stein, Torina Wood		
DATE:	December 4, 2013	SBD:	2014002

AUTHOR:	Senator Thurmond	PRIMARY CODE CITE:	44-83-10
SUBJECT:	Tampering with electronic room monitors in a long-term care facility		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost to Federal and/or Other Funds (See Below)

BILL SUMMARY:

Senate Bill 662 amends Title 44 of the Code of Laws of South Carolina, 1976, by adding Chapter 83 so as to authorize electronic monitoring of a resident's room in a long-term care facility and to provide penalties for anyone tampering with the devices.

EXPLANATION OF IMPACT:

Department of Mental Health (DMH)

DMH indicates this Bill would create potential risks to the agency to include significant, undeterminable monetary fines and lost federal reimbursements. The agency reports that it operates 4 nursing care facilities which include 3 veteran's nursing homes and that all nursing facilities are certified and regulated by the South Carolina Department of Health and Environmental Control (DHEC), the U. S. Department of Health and Human Services, and the Centers for Medicaid Services (CMS) as providers of Medicaid and Medicare nursing care services. In accordance with these certifications and regulations, the agency notes there are requirements for nursing homes to respect the privacy and dignity of its residents during treatment and when receiving personal care; a requirement that the agency expects it would violate by installing electronic monitoring devices that do not require the consent of other residents in the room.

Department of Disabilities and Special Needs (DDSN)

DDSN estimates this Bill would create a one-time cost to the General Fund ranging between \$1,060,000 and \$1,480,000 to install approximately 2,000 cameras/electronic monitoring devices in 145 sites. The agency estimates annual, recurring maintenance costs on a video surveillance system between \$87,000 and \$225,000 with estimated annual equipment replacement costs between \$67,000 and \$110,000. DDSN reports it funds residential services to approximately 1,620 individuals and operates 5 regional centers and 64 community facilities licensed as Intermediate Care Facility/Intellectual Disability (ICF/ID) and 42 facilities licensed as community residential care facilities (CRCF). The agency notes that any costs or FTEs related to reviewing, retaining, and storing surveillance recordings cannot be determined at this time as the Bill's provisions do not address these processes. The agency further notes it does have both legal and safety concerns regarding the privacy of its consumers/families and about how such privacy would be managed in "common areas" as well as at day programs where direct care is being provided.

Department of Health & Environmental Control

The Department reports that this Bill would have no impact on the State General Fund or on Federal and/or Other Funds appropriated to the agency.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:

A handwritten signature in black ink, appearing to read "Brenda Hart". The signature is written in a cursive style with a large initial "B".

Brenda Hart

Assistant Director, State Budget Division