

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

REVISED AS OF 5/27/99

BILL NUMBER: SB 622 (Second Edition) Nursing Home Admin. Bd./Fees

SHORT TITLE: Nursing Home Admin. Bd./Fees

SPONSOR(S): Senator Kerr

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
Special Revenue Fund					
Inactive Status	\$1,425	\$1,425	\$1,425	\$1,425	\$1,425
Temporary License	<u>\$4,600</u>	<u>\$4,600</u>	<u>\$4,600</u>	<u>\$4,600</u>	<u>\$4,600</u>
Total	<u>\$6,025</u>	<u>\$6,025</u>	<u>\$6,025</u>	<u>\$6,025</u>	<u>\$6,025</u>
EXPENDITURES					
	Not Yet Determined by Board				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: North Carolina State Board of Examiners for Nursing Home Administrators					
EFFECTIVE DATE: The bill is effective October 1, 1999.					

BILL SUMMARY: The bill makes the following changes: 1) changes the exam fee from up to \$200 to an amount up to \$100 plus cost of the exam; 2) increases the fee for going into inactive status from \$25 to \$50 per year and reduces the period of inactive status from 5 years to 4 years; 3) increases the cost of a temporary license from \$100 to \$200, but keeps free renewal of temporary license; and 4) sets a maximum annual fee of \$2000 for course providers of Continuing Education courses.

ASSUMPTIONS AND METHODOLOGY:

I. Exams

The Board of Examiners for Nursing Home Administrators (State Board) now collects \$200 for examination of administrators-in-training. From this fee, \$150 is sent to the National Association of Boards of Examiners for Nursing Home Administrators and \$50 is retained by the State Board

to cover processing costs. In January 2000, administrators-in-training will pay the National Board directly for the exam. The proposed language in section one of the bill allows the State Board to collect up to \$100 for processing the exam and states that exam applicants will pay the actual cost of the exam. Since the State Board has no plans to increase their processing fee beyond the \$50 now charged, revised 90-280(a) has no fiscal impact.

II. Inactive Status

In each of the last two years, there have been 57 applicants for inactive status. Revised 90-280(e) increases the fee from \$25 to \$50 per year and reduces the time permitted on inactive status from 5 to 4 years. This change could encourage former nursing home administrators to reapply for a permanent license or simply let their license lapse. The State Board makes no prediction on the future of this group, but simply projects that an average of 57 applicants each year will pay the new \$50 rate. At this new rate, the State Board will collect \$1,425 in new revenue each year.

III. Temporary License

The State Board issued 46 temporary licenses in 1997-98 and has issued 44 temporary licenses in the first 9 months of 1998-99. When the State Board meets every six weeks it approves temporary licenses until the next exam period, which are held four times a year. The State Board expects the number of temporary licenses to remain at 46 per year even with the increase to \$200 in 90-280(f). This will generate \$4,600 in additional revenue each year.

IV. Course Fees

The State Board may charge up to \$100 to certify a continuing education course offered by an agency or individual, but now charges \$50 per course. 90-280(g) offers a new option to groups who provide numerous continuing education courses. The State Board believes such groups as the NC Health Care Facilities Association, the NC Nonprofit Association, and the Northwest AHEC will take advantage of this \$2,000 annual fee. The new fee will reduce the paperwork on both the State Board and the course sponsors and is not expected to reduce course revenue.

Fund Balances

Year Ended June 30, 1998	\$88,325
Year Ended June 30, 1997	\$159,708
Year Ended June 30, 1996	\$145,813
Year Ended June 30, 1995	\$161,690

PREPARED BY: Richard Bostic

APPROVED BY: Tom Covington

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