

February 20, 2020

The Honorable Gene Suellentrop, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 441B-E
Topeka, Kansas 66612

Dear Senator Suellentrop:

SUBJECT: Fiscal Note for SB 409 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 409 is respectfully submitted to your committee.

Currently, there is an annual assessment “bed tax” per licensed bed for quality care on skilled nursing care facilities that will sunset July 1, 2020. SB 409 would remove the sunset provision.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	--	\$97,000,000
Expenditure	--	--	--	\$97,000,000
FTE Pos.	--	--	--	--

The Kansas Department for Aging and Disability Services indicates that removing the sunset date for the “bed tax” annual assessment would result in \$97.0 million of additional revenue from all funding sources. The assessment would result in the collection of \$40.0 million that would be matched by \$57.0 million of federal funds to be used for KanCare caseload expenditures. Any fiscal effect associated with SB 409 is not reflected in *The FY 2021 Governor’s Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Connie Hubbell, Aging & Disability Services