

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2337 - SB 2199

January 31, 2012

**SUMMARY OF BILL:** Authorizes the Department of Children's Services (DCS) to continue the "Tennessee's Transitioning Youth Empowerment Act of 2010." Removes the program's termination date of June 30, 2012.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$889,400**

**Increase Federal Expenditures - \$774,000**

**Funding in the amount of \$1,656,700 is included in the Governor's proposed FY12-13 budget. This amount includes \$887,500 in state funds and \$769,200 in federal funds.**

Assumptions:

- According to DCS, there will be an average of 150 participants served each year in the program.
- The average length of stay in this program is 179 days; therefore, there will be a total of 26,850 (150 participants x 179 days) days of custody.
- On average, the cost per day for the program is \$46.50. The total cost to extend this program is \$1,248,525 (\$46.50 x 26,850).
- According to DCS, the state will receive Title IV-E funds that will cover 40 percent, or \$499,410 (\$1,248,525 x 40%) of the total costs.
- There are \$381,000 in recurring funds budgeted for this program. The total increase in state expenditures for DCS to continue this program will be \$749,115 (\$1,248,525 – \$499,410 federal).
- These individuals will be eligible for TennCare services. The per-member-per-month (pmpm) rates in FY11-12 for ages 14-20 are \$265.90 for females and \$177.40 for males.
- Of the 150 participants, it is estimated that 60 percent, or 90, are females and 40 percent, or 60, are males.
- The increase in TennCare expenditures are estimated to be \$414,900 [(90 participants x \$265.90 pmpm x 12 months) + (60 participants x \$177.40 x 12 months)].

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- Of the \$414,900 increase, \$140,286 will be state funds at a rate of 33.812 percent and \$274,614 will be federal funds at a match rate of 66.188 percent.
- The total increase in state funds is estimated to be \$889,401 (\$749,115 + \$140,286).
- The total increase in federal funds is estimated to be \$774,024 (\$499,410 + \$274,614).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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