

STORAGE NAME: h4423.ltc

DATE: April 9, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
Elder Affairs & Long Term Care
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 4423

RELATING TO: Memory Disorder Clinics

SPONSOR(S): Representative Livingston

COMPANION BILL(S): SB 1616

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) Elder Affairs & Long Term Care W/D
- (2) Community Affairs
- (3)
- (4)
- (5)

I. SUMMARY:

HB 4423 amends section 430.502, F.S., to designate an additional memory disorder clinic at Lee Memorial Hospital in Lee County.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

There are currently nine memory disorder clinics (MDCs) defined in s. 430.502, F.S. Eight of those MDCs receive Legislative appropriations of approximately \$200,000 each. Current law provides that appropriations for MDCs funded after June 30, 1995 cannot reduce the allocation for the other MDCs that receive funding of at least \$189,000 per year. These clinics provide diagnostic and supportive services, training for professionals and caregivers, and conduct research related to Alzheimer's disease and memory disorders. Currently, the statute provides that DOEA contract for three model day care programs in conjunction with each memory disorder clinic.

Alzheimer's Disease (AD) is a degenerative neurological disorder. Over time, the person experiences progressive dementia, brain atrophy, and cognitive impairment. More than 4 million people in the U.S. suffer with AD.¹ In Florida in 1995 there were an estimated 202,000 cases.² AD is the most common form of dementia and is the fourth leading cause of death in the United States among adults. The incidence of Alzheimer's disease does not vary according to sex, race, or nationality. It is incurable and irreversible. Estimates are that AD costs the nation between \$80 and \$90 billion dollars a year. This includes direct financial outlays and indirect costs such as lost productivity.³

Aging experts advise that AD is *not* a normal, inevitable part of aging. Onset is usually between ages 65-85, but isolated cases have been reported as early as age 40. As the disease progresses, the affected person suffers memory loss, personality changes, and ultimately the loss of ability to perform activities of daily living (ADL's). AD progresses steadily, but unpredictably. Broadly, the brain deteriorates in three stages and the decline progresses over a period from three to twenty years. Ultimately, the person forgets how to swallow, eat, dress, walk, or recognize danger and react appropriately. At the end of the disease course, the person with AD is completely dependent upon caregivers. The caregivers become totally responsible for meeting all of the person's needs and assuring his or her safety.

DOEA estimates that there are 12,147 cases of Alzheimer's disease in Lee County. Lee County is part of Planning and Service Area 8 (PSA 8).

1. This is "clinically significant" cases using parameters reported by Evans, et. al. quoted in Alzheimer's Disease Initiative Plan 1995-99, Department of Elder Affairs.
2. Alzheimer's Disease Initiative Plan: 1995-99. Department of Elder Affairs.
3. Alzheimer's Disease: Unraveling the Mystery. McNeil, Caroline, Public Information Office, National Institute on Aging.

B. EFFECT OF PROPOSED CHANGES:

The bill would establish an additional memory disorder clinic at Lee Memorial Hospital in Lee County.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Chapter 430, F.S.

E. SECTION-BY-SECTION RESEARCH:

This section need be completed only in the discretion of the Committee.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

Designation as a memory disorder clinic does not require the Legislature to fund the program. Eight of the nine currently designated clinics receive slightly less than \$200,000 each per year. Orlando Regional Medical Center was designated as a memory disorder clinic during the 1997 Legislative session. It did not receive an appropriation.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

None.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

None.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

None.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

COMMITTEE ON Elder Affairs & Long Term Care:

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