



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0802	Title:	Revise funding for community mental health and crisis services
Primary Sponsor:	Arntzen, Elsie	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$6,609,000	\$5,859,000	\$6,005,475	\$6,155,612
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$6,609,000)</u>	<u>(\$5,859,000)</u>	<u>(\$6,005,475)</u>	<u>(\$6,155,612)</u>

Description of fiscal impact:

Provide funding for 24/7 community crisis and psychiatric teams and acute care in-patient bed days. Mental Health Centers will recruit and retain psychiatrists and licensed on-call mental health professionals.

FISCAL ANALYSIS

Assumptions:

- Section 2 of the bill appropriates \$11,820,090 in funding to community crisis centers for community crisis care for the 2009 biennium.
- This bill establishes a program for providing community psychiatric crisis services. It is assumed the program will continue into FY 2010 and FY 2011.
- Mental Health Centers will recruit nine psychiatrists at \$220,000 salary each, for a total of \$1,980,000. Benefits are 30% of salary for \$66,000 each, for a total of \$594,000.
- The bill provides for \$750,000 as a one-time-only FY 2008 amount for recruitment and loan forgiveness. This amount has been segmented as follows.
 - Provide loan forgiveness to attract and retain qualified psychiatrists at \$70,000 each for a total of \$630,000 in FY 2008.
 - Costs for recruiting will be \$40,000 for each Service Area Authority (SAA) for a total of \$120,000 in FY 2008.

5. On-call assistance to hospitals by licensed mental health professionals costing \$500 per episode and serving 1,095 patients would cost \$547,500 each year.
6. Acute care in-patient beds costing \$2,500 for a five-day stay serving 1,095 individuals will cost \$2,737,500 each year.
7. Expenditures include a 2.5% increase in FY 2010 and FY 2011.

	<u>FY 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Benefits	\$6,609,000	\$5,859,000	\$6,005,475	\$6,155,612
<u>Funding of Expenditures:</u>				
General Fund (01)	\$6,609,000	\$5,859,000	\$6,005,475	\$6,155,612
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$6,609,000)	(\$5,859,000)	(\$6,005,475)	(\$6,155,612)

Technical Notes:

1. The Department of Public Health and Human Services estimates the appropriated amount provided in the bill will not be sufficient to cover expenditures.
2. Elements of the requirements identified in Section 1 of this bill were included in the Governor’s Proposed Budget as DP33407. This DP is not included within the current appropriations bill, HB808, for DPHHS.
3. This bill does not specifically indicate that these services are for the adult population; however, it does direct the “department to work in conjunction with the service area authorities.” Consequently, in the assessment of fiscal impact, only the adult population was used. Service area authorities do not have responsibility for children’s mental health.

Sponsor’s Initials

Date

Budget Director’s Initials

Date