



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0238	Title:	Consider housing needs in discharge plans from mental health facilities
Primary Sponsor:	Hill, Ellie Boldman	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input 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 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$101,372	\$108,051	\$109,673	\$123,670
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$101,372)</u>	<u>(\$108,051)</u>	<u>(\$109,673)</u>	<u>(\$123,670)</u>

Description of fiscal impact: HB 238 would not allow a patient to be discharged from the Montana State Hospital (MSH) to a homeless situation or a homeless shelter. The inability to discharge a patient from the Montana State Hospital (MSH) to a homeless shelter will require that some patients remain hospitalized until such a time as a suitable housing situation can be found.

FISCAL ANALYSIS

Assumptions:

- In 2012, 11 patients out of the 714 discharged (1.5%) were discharged to homeless shelters.
- It is estimated that the number of patients discharged to homeless shelters each year will increase by five percent.
- It is estimated that in FY 2013, 12 patients would otherwise be discharged to homeless shelters; in FY 2014, 12 patients; in FY 2015, 13 patients; in FY 2016, 13 patients; and in FY 2017, 14 patients.
- It is estimated that the length of stay in the hospital will be increased by 60 days for these patients until suitable housing can be located. The department would be working to establish SSI or SSDI eligibility for these patients during this time.
- Incidental costs at MSH are \$47.21 per day in FY 2014 with a 1.5% inflation rate per year thereafter. Additional costs to the hospital would be \$33,991 in FY 2014, \$37,376 in FY 2015, \$37,937 in FY 2016; and \$41,468 in FY 2017. Incidental costs include items such as food, clothing, laundry, medical supplies and laboratory services.
- The average daily billing rate for the A and B admitting units at MSH is \$507.29 per day.

7. To the extent that these additional patients increase the MSH census above capacity, it is assumed that MSH may experience an uncalculated loss of general fund revenue due to the lack of ability to recover operating costs from billable third party insurers as homeless patients continue to occupy hospital beds for an additional 60 days, which could otherwise be used for patients that may have recoverable revenue associated with their treatment and stay.
8. Housing options after a patient leaves the MSH can include group homes, or private rental apartments or homes. Since eligibility determination for SSI or SSDI currently takes approximately 4-6 months, temporary assistance would be necessary from the state for temporary housing during this time frame to meet the homeless or homeless shelter restriction. It is estimated that a patient would need either a group home or private rental for up to 90 days until permanent housing can be identified and SSI or SSDI determination is completed.
9. A private rental would cost approximately \$25 per day in FY 2014 with a 1.5% inflation rate per year thereafter (based on costs of \$750 per month including a deposit). In FY 2014, 6 of the 12 people would be placed in a private rental at a cost of \$13,500. In FY 2015, 7 of the 13 people would be placed in a private rental at a cost of \$15,986. In FY 2016, 7 of the 13 people would be placed in a private rental at a cost of \$16,226. In FY 2017, 7 of the 14 people would be placed in a private rental at a cost of \$16,469.
10. A group home would cost \$99.78 per day in FY 2014 with a 1.5% inflation rate per year thereafter. In FY 2014, 6 of the 12 people would be placed in a group home for a total cost of \$53,881. In FY 2015, 6 of the 13 people would be placed in group home for a total cost of \$54,689. In FY 2016, 6 of the 13 people would be placed in a group home for a total cost of \$55,510. In FY 2017, 7 of the 14 people would be placed in a group home for a total cost of \$65,733.
11. These costs would be funded with 100% general fund.

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$101,372	\$108,051	\$109,673	\$123,670
TOTAL Expenditures	<u>\$101,372</u>	<u>\$108,051</u>	<u>\$109,673</u>	<u>\$123,670</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$101,372	\$108,051	\$109,673	\$123,670
TOTAL Funding of Exp.	<u>\$101,372</u>	<u>\$108,051</u>	<u>\$109,673</u>	<u>\$123,670</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$101,372)	(\$108,051)	(\$109,673)	(\$123,670)

Sponsor's Initials

Date

Budget Director's Initials

Date