



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2019 Biennium

Bill # HB0257

Title: Consider housing needs in Montana State Hospital discharge plans

Primary Sponsor: Hill Smith, Ellie

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

| | <u>FY 2018 Difference</u> | <u>FY 2019 Difference</u> | <u>FY 2020 Difference</u> | <u>FY 2021 Difference</u> |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenditures: | | | | |
| General Fund | \$151,319 | \$151,319 | \$153,589 | \$155,893 |
| Federal Special Revenue | \$152,938 | \$152,938 | \$155,232 | \$157,561 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| Federal Special Revenue | \$152,938 | \$152,938 | \$155,232 | \$157,561 |
| Net Impact-General Fund Balance: | <u>(\$151,319)</u> | <u>(\$151,319)</u> | <u>(\$153,589)</u> | <u>(\$155,893)</u> |

Description of fiscal impact: HB 257 requires a discharge plan for a patient admitted to the Montana State Hospital to address the patient's housing needs upon discharge, and prohibits discharge to a homeless shelter.

FISCAL ANALYSIS

Assumptions:

- Based on an average of discharges to homeless shelters in the past two years, 48 patients per year have been discharged to homeless shelters from Montana State Hospital. In 2015, 48 patients were discharged to homeless shelters; and in 2016, 47 patients were discharged to homeless shelters. $((48+47)/2=47.5)$
- Housing options after a patient is discharged from the Montana State Hospital can include group homes or private rental apartments or homes. Since eligibility determination for SSI or SSDI currently takes 4-6 months, assistance would be necessary from the state for temporary housing during this timeframe to meet the homeless or homeless shelter restriction. A patient is estimated to 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. It is estimated that 50% of the patients would be placed in a private rental and 50% would be placed in a group home.
- Private rental costs were based on the average HUD 2016 Montana Fair Market rate per county of \$561 per month (\$18.70 per day) with a 1.5% inflation increase in FY 2020 and FY 2021. For FY 2018, assuming a

private rental is estimated at \$18.70/day and 24 of the 48 people discharged would be placed in a private rental, the cost is \$40,392 (24 x \$18.70 x 90). Assuming 24 of the 48 people discharged in each of the following years would be placed in private rentals, the costs in FY 2019 would be \$40,392; \$40,998 in FY 20; and \$41,613 in FY 21. An inflation factor of 1.5% is applied for FY 20 and FY 21.

4. Individuals housed in group homes are assumed to be eligible for Medicaid. The group home is estimated to cost \$122.16 per day for FY 2018 and FY 2019. In FY 2018 and FY 2019, 24 of the 48 people would be placed in a group home for a total cost of \$263,866 (\$122.16 x 24 x 90); in FY 2020, the cost would be \$267,824; and in FY 2021, the cost would be \$271,841. The daily group home rate (\$108) would be eligible for Medicaid reimbursement at the current FMAP rate in FY 2018 and 2019. The daily room and board rate (\$14.16 for FY 2018 and FY 2019) would be funded with general fund.
5. Federal Medicaid reimbursements would total \$152,938 for FY 2018 and FY 2019 (\$108 x 65.56% x 24 x 90); 155,232 in FY 2020 (\$109.62 x 65.56% x 24 x 90); and \$157,561 in FY 2021 (\$111.26 x 65.56% x 24 x 90).

| | <u>FY 2018</u> <u>Difference</u> | <u>FY 2019</u> <u>Difference</u> | <u>FY 2020</u> <u>Difference</u> | <u>FY 2021</u> <u>Difference</u> |
|---|---|---|---|---|
| <u>Fiscal Impact:</u> | | | | |
| <u>Expenditures:</u> | | | | |
| Benefits | \$304,258 | \$304,258 | \$308,821 | \$313,454 |
| TOTAL Expenditures | <u>\$304,258</u> | <u>\$304,258</u> | <u>\$308,821</u> | <u>\$313,454</u> |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$151,319 | \$151,319 | \$153,589 | \$155,893 |
| Federal Special Revenue (03) | \$152,938 | \$152,938 | \$155,232 | \$157,561 |
| TOTAL Funding of Exp. | <u>\$304,258</u> | <u>\$304,258</u> | <u>\$308,821</u> | <u>\$313,454</u> |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| Federal Special Revenue (03) | \$152,938 | \$152,938 | \$155,232 | \$157,561 |
| TOTAL Revenues | <u>\$152,938</u> | <u>\$152,938</u> | <u>\$155,232</u> | <u>\$157,561</u> |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | (\$151,319) | (\$151,319) | (\$153,589) | (\$155,893) |
| Federal Special Revenue (03) | \$0 | \$0 | \$0 | \$0 |

Sponsor's Initials

Date

Budget Director's Initials

Date