

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment
-----------------------------	---

## Estimated Cash Receipts

Agency Name	2005-07		2007-09		2009-11	
	GF- State	Total	GF- State	Total	GF- State	Total
<b>Total \$</b>						

Local Gov. Courts *						
Local Gov. Other **		173,397,608		167,027,608		167,027,608
Local Gov. Total		173,397,608		167,027,608		167,027,608

## Estimated Expenditures

Agency Name	2005-07			2007-09			2009-11		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Joint Legislative Audit and Review Committee	.9	297,500	297,500	.0	0	0	.0	0	0
Office of Administrator for the Courts	Non-zero but indeterminate cost. Please see discussion.								
Department of Revenue	.4	45,400	45,400	.3	31,000	31,000	.3	31,000	31,000
Department of Social and Health Services	Non-zero but indeterminate cost. Please see discussion.								
Department of Corrections	Non-zero but indeterminate cost. Please see discussion.								
The Evergreen State College	2.5	580,474	580,474	1.0	255,421	255,421	.0	0	0
<b>Total</b>	3.8	\$923,374	\$923,374	1.3	\$286,421	\$286,421	0.3	\$31,000	\$31,000

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Total									

This is approved preliminarily because OFM is still reviewing some assumptions in the DSHS fiscal note.

<b>Prepared by:</b> Tom Lineham, OFM	<b>Phone:</b> 360-902-0543	<b>Date Published:</b> Preliminary 2/18/2005
--------------------------------------	-------------------------------	---

\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 014-Joint Leg. Audit & Review Committee
-----------------------------	---	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>FUND</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	1.8	0.0	0.9	0.0	0.0
<b>Fund</b>					
General Fund-State 001-1	297,500	0	297,500	0	0
<b>Total \$</b>	297,500	0	297,500	0	0

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Curt Rogers	Phone: 360 786-5188	Date: 02/07/2005
Agency Approval: Cindi Yates	Phone: 360-786-5171	Date: 02/09/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 02/09/2005

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

Section 612 of SB 5763 directs JLARC to investigate and assess whether there are existing facilities in the state that could be converted to use as a regional jail for offenders who have mental or chemical dependency disorders, or both, that need specialized housing and treatment arrangements. JLARC is to report its findings and recommendations to the Legislature no later than December 15, 2005.

JLARC is to consider the feasibility of using the following facilities or types of facilities:

- a) Green Hill School
- b) Existing or renovated facilities at the former Northern State Hospital
- c) Closed wards at Western State Hospital
- d) Fircrest School
- e) Closed or abandoned nursing homes.

Analysis includes an assessment of when such facilities could be available for use as a regional jail and the potential costs, costs avoided, and benefits of at least the following considerations:

- a) Impact on existing offenders or residents
- b) The Conversion of the facilities
- c) Infrastructure tied to the facilities
- d) Whether the facility is, or can be, sized proportionately to the available pool of offenders
- e) Changes in criminal justice costs, including transport, access to legal assistance, and access to courts
- f) Reductions in jail populations;
- g) Changes in treatment costs for these offenders.

Given both the technical components and the tight timeframe for this assessment, JLARC would manage the project so that as many tasks as possible can run concurrently. JLARC would rely heavily on consultants to assist, as they will be a key in analyzing existing capacity, determining the costs associated with adapting the capacity to a different population, and the costs of any new programming requirements.

We assume that a great deal of information is available related to housing costs of jail populations and the costs associated with providing specialized services to this population. JLARC would utilize work undertaken by the Department of Corrections, the Washington State Institute for Public Policy, and consultant knowledge related to jail costs and capacity planning.

We assume we can conduct a capacity analysis and an estimate of the “pool” of offenders—numbers, costs, and program requirements—concurrently. Defining the size and the “needs” of this “pool” will be a key to understanding how existing facilities can be used. This would take place during May through July. On completion of that analysis, we would bring these two pieces of information together to model both financial costs and other possible impacts to the facilities included in the bill.

This analysis would be conducted through the submission of a preliminary report in December of 2005.

### II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

## II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

---

FOR THIS FISCAL NOTE, JLARC ASSUMES THAT THE LEVEL OF ITS CURRENT WORKLOAD, COVERING PERFORMANCE AUDITS AND STUDIES OF THE REST OF STATE GOVERNMENT, WOULD REMAIN ROUGHLY THE SAME FOR FUTURE BIENNIA AS IN THE 2003-05 BIENNIUM.

AS NOTED ABOVE, GIVEN THE TECHNICAL COMPONENTS AND THE TIGHT TIMEFRAME OF THIS ASSESSMENT, JLARC WOULD MANAGE THE PROJECT SO THAT AS MANY TASKS AS POSSIBLE CAN RUN CONCURRENTLY—A PORTION OF WHICH WOULD BE INITIATED THIS CURRENT 2003-05 BIENNIUM DURING MAY AND JUNE. THUS SOME COSTS WOULD BE INCURRED IN THE CURRENT BIENNIUM.

DEPENDING UPON ITS WORKLOAD AND OTHER MANDATED STUDIES, JLARC COULD ABSORB THE STAFF COSTS IN ITS CORE BUDGET. HOWEVER, OTHER STUDIES, INITIATED BY JLARC ITSELF, WOULD HAVE TO BE DEFERRED. ANTICIPATED CONSULTANT COSTS OF \$110,000 WOULD HAVE TO BE SEPARATELY PROVIDED.

---

JLARC estimates its costs to be divided between 1) JLARC staff costs, and 2) the costs associated with engaging external experts to assist JLARC staff in completing its study assignment as directed in Section 612 of this bill.

1) JLARC Audit Months: JLARC calculates its staff resources in “Audit Months” to estimate the time and effort to undertake and complete its studies. An audit month reflects a JLARC analyst’s time for one month, with related administrative, support, goods/services and supervisory costs. JLARC’s anticipated 2005-07 costs are calculated at \$12,500 per audit month.

JLARC estimates that it will take a total of 15 audit months to complete the study called for in Section 612 of this bill. At a rate of \$12,500 per audit month, total JLARC staff costs for this review would be \$187,500.

2) In addition to JLARC’s direct staffing costs, JLARC would rely heavily on consultants to assist, as they will be a key in analyzing existing capacity, determining the costs associated with adapting the capacity to a different population, and the costs of any new programming requirements.

Given the intended scope of this study, JLARC assumes comparable consultant efforts and costs made available for similar-sized studies, and estimated costs reflect JLARC’s recent experience in contracting with private consulting firms for such studies. Thus, JLARC estimates annual consultant costs of \$110,000.

A total cost (both JLARC staff costs and consultant costs) of \$297,500 are estimated to complete the study called for in this bill and would be incurred in FY 06.

---

AGAIN, DEPENDING UPON ITS WORKLOAD AND OTHER MANDATED STUDIES, JLARC COULD ABSORB THE STAFF COSTS IN ITS CORE BUDGET. HOWEVER, OTHER STUDIES, INITIATED BY JLARC ITSELF, WOULD HAVE TO BE DEFERRED. ANTICIPATED CONSULTANT COSTS OF \$110,000 WOULD HAVE TO BE SEPARATELY PROVIDED.

---

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	1.8		0.9		
A-Salaries and Wages	123,810		123,810		
B-Employee Benefits	24,240		24,240		
C-Personal Service Contracts	110,000		110,000		
E-Goods and Services	30,360		30,360		
G-Travel	4,770		4,770		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Equipment	4,320		4,320		
<b>Total:</b>	\$297,500	\$0	\$297,500	\$0	\$0

**III. B - Detail:** List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Analyst (Includes Senior Level)	70,600	1.3		0.7		
Supervisory	99,100	0.1		0.1		
Support	47,250	0.4		0.2		
<b>Total FTE's</b>		1.8		0.9		0.0

## Part IV: Capital Budget Impact

## Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

# Judicial Impact Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 055-Office of Administrator for Courts
-----------------------------	---	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND	FY 2006	FY 2007	2005-07	2007-09	2009-11
Counties					
Cities					
<b>Total \$</b>					

### Estimated Expenditures from:

**Non-zero but indeterminate cost. Please see discussion.**

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Yvonne Pettus	Phone: (360) 705-5314	Date: 02/08/2005
Agency Approval: Jeff Hall	Phone: 360-357-2131	Date: 02/09/2005
OFM Review: Garry Austin	Phone: 360-902-0564	Date: 02/09/2005

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

Section 101. The Legislature intends to deal with persons with co-occurring mental and substance abuse disorders in a more comprehensive manner.

Section 107. Provides that a person shall not be presumed incompetent as a result of receiving an evaluation or treatment for a mental disorder under chapter 71.05. Competency shall not be determined or withdrawn except as provided under chapters 10.97 or 11.88. Provides a delineation of the rights that a person must be advised of as soon as possible after detention for evaluation and treatment. A judicial hearing in superior court is required not more than 72 hours after the initial detention to determine probable cause to detain the person after the 72 hours for up to 14 days.

Section 108. Adds "chemical dependency" and "co-occurring mental and chemical dependency disorders" to the statute dealing with antipsychotic medication. Provides for judicial review of a medical director's decision regarding antipsychotic medication either at the next commitment proceeding or by means of an extraordinary writ.

Section 109. Provides the court may order the administration of antipsychotic medication or the performance of electroconvulsant therapy or surgery. Specifies the standard for determining the appropriateness of the treatment and requires specific findings of fact.

Section 111. Requires information and records to be treated as confidential. Requires next of kin to be notified in the event of death of a patient.

Section 113. Requires the court files and records of proceedings to be closed for all cases under chapter 71.05, 70.96A and sections 202 through 216 of this act.

Section 115. Requires that individuals, at the time of discharge, be informed of their rights.

Section 116. Clarifies that nothing in chapters 71.05, 70.96A, or sections 202 through 216 of this act shall be construed to interfere with communications between physicians or psychologists and patients and attorneys and clients.

Section 117. Allows a petition for commitment under chapter 71.05 to be joined with a petition for commitment under 70.96A.

Sections 201 through 219 provide for pilot programs in two counties or regional support networks to provide integrated crisis response and involuntary treatment. The pilot projects would run from March 1, 2006 through March 1, 2008. The Washington Institute for Public Policy shall evaluate the pilot projects. Section 218 provides that the state shall provide financial assistance to meet all increased costs.

Section 220. Adds a new section to chapter 70.96A providing for pilot programs in two counties or regional support networks to provide intensive case management for chemically dependent persons with histories of high utilization of crisis services. The court-related goals of the programs are to reduce the number of criminal justice interventions including court appearances. Another goal is to work with therapeutic courts.

Sections 302 through 387 comprise a new omnibus involuntary treatment act. These sections take effect July 1, 2009.

Section 310. Requires the filing of a petition for initial detention. It appears that the superior court judge reviews the petition ex parte and may issue an order requiring the person to appear with 24 hours at the evaluation and treatment facility or a secure detoxification facility. The facility shall notify the court in writing of the date and time of the initial detention so a probable cause hearing can be held no later than 72 hours after detention.

Section 311. Defines the 72 hour period as excluding Saturdays, Sundays, and holidays.

Section 312. Provides that a person may be detained for not more than 14 additional days if the person in charge of the facility has filed a petition for a 14 day detention with the superior, district, or other court permitted by court rule. This section in (5) describes the court's responsibilities at the probable cause hearing.

Section 313. Provides that the staff at the facility may petition for additional treatment under 70.96A.140 beyond the 14 days.

Section 314. Provides that the prosecutor must represent the petitioner in the judicial proceedings.

Sections 316 through 322 outline the department's responsibilities.

Sections 323 through 333 deal with the initial detention.

Section 323. Requires the filing of a petition for initial detention. It appears that the superior court judge reviews the petition ex parte and may issue an order requiring the person to appear with 24 hours at the evaluation and treatment facility or a secure detoxification facility. The facility shall notify the court in writing of the date and time of the initial detention so a probable cause hearing can be held no later than 72 hours after detention.

Section 324. Requires the mental health professional, chemical dependency specialist, or crisis responder to file with the court and serve the detained person's attorney the petition or supplemental petition on the next judicial day following the initial detention.

Section 325. Requires the probable cause hearing to be held no later than 72 hours after the initial detention.

Section 329. Provides that at any time during a person's 14 day treatment period, the professional person may petition the superior court for an order requiring an additional period of treatment. If a person has been determined to be incompetent pursuant to RCW 10.77.090(4), the professional person may directly file a petition for 180 day treatment. No petition for initial detention or 14 day detention is required.

Section 330. Provides that when a professional person is evaluating a person who is identified as a dangerous mentally ill offender, the professional person file a petition for a 90 day less restrictive alternative in lieu of a petition for a 14 day commitment.

Section 332. Requires a mental health professional, chemical dependency specialist, or crisis responder to examine a person referred under RCW 10.77.090(1)(d)(iii)(A) within 48 hours. If after that examination the professional person determines it is not appropriate to detain the individual or petition for a 90 LRA, the decision must be immediately presented to the superior court for hearing. The court shall hold a hearing not later than the next judicial day. At the hearing the court may order the person to be evaluated at an evaluation and treatment facility. If the person is placed in an evaluation and treatment facility, the professional person shall evaluate the person for purposes of determining whether to file a 90 day inpatient petition or outpatient petition under chapter 71.05. The professional person's recommendation shall be presented to the superior court in which the criminal charge was dismissed. The superior court shall review the recommendation not later than 48 hours after the recommendation is presented. If the court rejects the recommendation, the court may order the person detained and direct the person to appear at a surety hearing within 72 hours or the court may order the person released and direct the person to appear at a surety hearing set within 11 days. If a petition is filed for 90 treatment, the court shall conduct the hearing within five judicial days. If the person requests a jury trial, the trial shall commence within 10 judicial days of the date of the filing of the petition.

Section 334. Provides a person detained for 72 hour evaluation and treatment may not be detained for more than 14 days of involuntary intensive treatment or 90 days of a less restrictive alternative (LRA) unless the court has ordered the additional time after a probable cause hearing.

Section 335. Provides that if a petition is filed for 14 day involuntary treatment or 90 LRA, the court shall hold a probable cause hearing within 72 hours of the initial detention. At the conclusion of the probable cause hearing, the court shall order the person detained for 14 days or 90 days in a LRA. The court shall provide written notice that the person is barred from possessing a firearm.

Section 337. Provides that the petition for 90 day treatment shall be filed with the clerk of the superior court at least three days before expiration of the 14 day period. The clerk shall set a hearing on the next judicial day, unless waived by the person's attorney. The clerk shall notify the mental health professional of the hearing date and time. At the hearing the court shall: 1) appoint an attorney, if needed, 2) advise the person of the right to a jury trial, 3) if requested, appoint a professional person to examine the person, 4) if requested, appoint a professional person to seek a LRA, and 5) set a date for a full hearing.

Section 338. Provides the court shall conduct the full hearing on the 90 day treatment petition within 5 judicial days after the probable cause hearing. If the person requests a jury trial, the trial shall commence within 10 judicial days after the probable cause hearing.

Section 339. Provides that the court shall remand a person for 90 day treatment if the court or the jury finds that the grounds in RCW 71.05.280 have been proven and that the best interest of the person and others would not be served by a less restrictive alternative. If the person is detained under RCW 71.05.280(3), the period of treatment may be up to 180 days. If the committed person is developmentally disabled, the court shall remand for 180 day treatment. The person shall be released at the expiration of the commitment period unless the professional person files a new petition. The new petition shall be filed and heard in the superior court of the facility unless good cause is shown for a change of venue. If the court or jury finds that the grounds for additional confinement are



present, the court may order the committed person to 180 days of treatment. Successive 180 day treatment orders are possible under this same procedure.

Sections 340 through 342 detail the CDMHP and CDCDS responsibilities.

Sections 343 through 345 detail the modifications and reviews. If a person committed under RCW 71.05.280(3) or 71.05.320(2)(c) is conditionally released the prosecutor of the county in which the criminal charges were dismissed must be served. The prosecutor may petition the court in the county that issued the commitment order to hold a hearing to determine whether the person may be conditionally released. If the person fails to adhere to the terms and conditions of the conditional release, the person may be apprehended and detained. The court that originally ordered the commitment shall be notified within two judicial days of the person's detention and the CDMHP or CDCDS shall file a petition. The person does not have a right to a jury trial for these hearings.

Sections 346 through 359 deal with treatment provider responsibilities.

Sections 360 through 371 deal with attorneys and courts.

Sections 363 and 364 authorize mental health commissioners.

Section 365 requires the county clerk to maintain a record of the applications, petitions, and proceedings.

Section 366 requires the court to enter findings whenever the court does not follow the recommendation of the professional person.

Section 367 describes the criteria for determining whether there is a likelihood of serious harm.

Section 368 describes the criteria for determining whether an inpatient or LRA commitment is appropriate.

Section 369 requires the Supreme Court to adopt rules, as necessary, to address court procedures and proceedings.

Section 370 describes the criteria for determining whether a LRA is appropriate.

Section 371 sets the venue for proceedings as the county in which the person to be committed resides or is present.

Sections 372 through 374 deal with individual rights and medications.

Section 374 authorizes the court to order the administration of antipsychotic medications or electroconvulsant therapy or surgery.

Sections 376 through 381 deal with confidentiality of the fact of admission and all information and records.

Section 378 provides that court files and records of court proceedings are closed.

Sections 382 through 387 deal with liability.

Section 383 provides that a person may bring an action against an individual who has willfully released confidential information or records.

Sections 401 through 405 deal with DSHS providing more capacity to serve persons in need of chemical dependency treatment.

Sections 501 through 533 deal with resources and licensing of facilities by DSHS.

Section 511 creates a misdemeanor of operating or maintaining a facility without a license.

Section 601 authorizes counties to establish and operate mental health courts. The section establishes the criteria for the mental health courts and requirements for applying for a state appropriation.

Section 602 allows counties that have a drug court and a mental health court to combine the functions into a single therapeutic court.

Section 603 requires every county with a juvenile or family court to establish and operate a family therapeutic court. The section establishes the criteria for the family therapeutic court. DSHS shall furnish services to the family therapeutic court unless the court contracts with providers outside the department.

Section 604 provides criteria for defendants who are eligible for referral to a drug or mental health court.

Section 605 amends RCW 9.94A.505 to authorize a court to refer a defendant to a drug court or mental health court.

Sections 606 through 611 deal with the suspension of Medicaid benefits.

Section 613 requires DSHS to reduce the waiting times for competency evaluation and restoration.

Sections 614 and 615 address ESB 6358 implementation issues (improving collaboration regarding offenders with treatment orders).

Sections 701 and 702, and 801 through 803 deal with DSHS practices and procedures.

Sections 904 through 907 repeal parts of RCW 71.05.

Section 908 authorizes counties to impose a sales and use tax for the purpose of providing new or expanded chemical dependency or mental health treatment services.

## **II. B - Cash Receipts Impact**

## **II. C - Expenditures**

### **EXPENDITURE SUMMARY**

Sections 201 through 219 - pilot program court costs would be funded by the state.

Sections 302 through 387 - indeterminate

Section 603 - \$14,828,176, not including funding for treatment

### **ANALYSIS**

It is assumed that any increased court costs that are incurred because of participation in the pilot programs authorized in sections 201 through 219 would be funded by the state.

Sections 302 through 387 comprise the new omnibus involuntary treatment act. These sections take effect July 1, 2009. These sections would not make many substantive changes in court procedures. The fiscal impact from these sections would occur if additional treatment resources were available and additional petitions were filed. In 2003, there were 9,020 petitions filed for involuntary treatment either for mental health issues or substance abuse issues. If the number of petitions filed were increased by 20 or 30 percent, the impact on the superior courts would be substantial. DSHS reports that the likelihood of increased petitions is indeterminate for the alcohol and chemical dependency commitments. DSHS does not anticipate an increase in mental health commitment petition filings as a result of this bill.

Section 603 would require every county (superior court judicial district) to establish a family therapeutic court component since every county (superior court judicial district) has a juvenile court. Thurston County Superior Court has established a family dependency treatment court and a family treatment court. These two courts serve the population described in the bill as the target population for the family therapeutic court. The Thurston County treatment courts serve a small group of participants, about 40 total in the two programs. The cost for the 40 participants is about \$2,500 per participant not including treatment. These programs do not include all potential participants in Thurston County. Space in the programs is limited due to funding constraints.

In 2003, there were 5,396 dependency and termination filings statewide. There were 16,093 dissolutions with children and child custody cases filed in 2003. These 21,489 cases would be the potential population base for the family therapeutic courts. It is estimated that 80 percent of the dependency filings and 10 percent of the dissolutions with children and child custody filings would be in need of the services provided by the family therapeutic court. At \$2,500 per participant, the cost for these courts would be \$14,815,000. These costs include judicial officer time and court staff time only. Treatment costs are not included in this estimate as they are usually not included in the court's costs.

Section 603 would require any jurisdiction that receives a state appropriation to fund a family therapeutic court to first exhaust all federal funding available for the development and operation of the family therapeutic court. It is estimated that this provision would require about 20 hours of staff time per superior court judicial district to draft grant applications for federal funding. For the 31 superior court judicial districts, this would require 620 hours at a cost of approximately \$13,176. It is assumed that only two superior court judicial districts would receive federal grants. It is assumed that submittal of a federal grant application and a subsequent denial meets the requirement of exhausting all federal funding opportunities prior to receiving state funding. Therefore, the costs for the family therapeutic courts in the 29 remaining superior court judicial district would immediately accrue to the state.

## **Part III: Expenditure Detail**

## **Part IV: Capital Budget Impact**

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 140-Department of Revenue
-----------------------------	---	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>FUND</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	<b>FY 2006</b>	<b>FY 2007</b>	<b>2005-07</b>	<b>2007-09</b>	<b>2009-11</b>
FTE Staff Years	0.4	0.3	0.4	0.3	0.3
<b>Fund</b>					
GF-STATE-State 001-1	29,900	15,500	45,400	31,000	31,000
<b>Total \$</b>	29,900	15,500	45,400	31,000	31,000

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Diana Tibbetts	Phone: 360-570-6085	Date: 02/10/2005
Agency Approval: Kim Davis	Phone: 360-570-6087	Date: 02/10/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 02/11/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 908. A new section is added to chapter 82.14 RCW that would allow a new local sales and use tax to be imposed by counties to provide new or expanded chemical dependency or mental health treatment services. The rate of tax is one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used in the case of a use tax. This tax would be collected from those persons taxable by the state under chapters 82.08 (State Sales Tax) and 82.12 (Use Tax) RCW upon the occurrence of any taxable event within the county.

Section 911. The act will be null and void if specific funding is not provided by June 30, 2005.

Section 913. The act has an emergency effective date of July 1, 2005, except for sections 302 through 387 of this act, which would take effect July 1, 2009.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

ASSUMPTIONS/DATA SOURCES

Department of Revenue data were used for the estimates.

It is assumed that the state would receive 1 percent of collections for administrative costs. Counties will receive seven months of distributions in FY 2006 due to an anticipated October 1, 2005, implementation date.

For illustration purposes, the revenue estimates below are based on every county in the state levying the new tax and the table shows county level detail of potential tax revenues.

CURRENTLY REPORTING TAXPAYERS (Impact for taxpayers who are known or estimated to be currently paying the tax in question)

This bill has no direct impact on state revenues, but the state would retain 1 percent of collections for administrative costs.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000): Estimated administrative costs for a statewide 1 percent local tax.

FY 2006 -	\$ 823
FY 2007 -	\$ 1,033

Local Government, if applicable (cash basis, \$000): Total local revenues for statewide tax.

FY 2006 -	\$ 81,481
FY 2007 -	\$ 103,288

The following table shows the potential tax by county.

Potential Yield of 0.1 Percent Additional Local Sales Tax\* for Senate Bill 5763

Fiscal Year 2006**	Fiscal Year 2007
--------------------	------------------

Adams	\$137,700	174,600
Asotin	409,700	519,400
Benton	1,881,300	2,384,800
Chelan	967,700	1,226,700
Clallam	710,400	900,600
Clark	3,467,400	4,395,300
Columbia	24,400	30,900
Cowlitz	1,006,800	1,276,300
Douglas	300,000	380,300
Ferry	27,000	34,300
Franklin	683,500	866,400
Garfield	15,000	19,000
Grant	693,200	878,700
Grays Harbor	623,100	789,800
Island	573,400	726,900
Jefferson	273,500	346,700
King	32,936,100	41,750,500
Kitsap	2,586,200	3,278,300
Kittitas	429,200	544,000
Klickitat	122,700	155,500
Lewis	803,300	1,018,300
Lincoln	61,300	77,700
Mason	367,300	465,600
Okanogan	303,000	384,000
Pacific	139,200	176,400
Pend Oreille	56,300	71,300
Pierce	8,797,800	11,152,200
San Juan	281,800	357,200
Skagit	1,766,300	2,239,100
Skamania	64,000	81,200
Snohomish	7,229,400	9,164,100
Spokane	5,419,800	6,870,200
Stevens	238,900	302,900
Thurston	2,839,400	3,599,200
Wahkiakum	15,800	20,100
Walla Walla	510,300	646,800
Whatcom	2,255,800	2,859,600
Whitman	327,100	414,700
Yakima	2,136,300	2,708,000

\*Net receipts after deduction of 1 percent state administration fee.

\*\*Seven months of cash receipts with tax implemented on October 1, 2005.

## II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

The Department will incur implementation costs of \$29,900 in FY 2006 and \$15,500 in FY 2007, for a biennial total of \$45,400.

The FY 2006 costs include:

1. 0.3 (rounded) FTE (which represents 468 hours) at an Excise Tax Examiner 3 level to monitor, review, and maintain a collection and distribution report.

2. 0.01 FTE (which represents 16 hours) at the Financial Analyst 5 level to develop new databases, update existing systems, create written procedures for the new tax type, and generate yearly reports.
3. 0.02 FTE (which represents 20 hours) at the Fiscal Technician level to review and input tax information into Department tracking systems.
4. 0.2 (rounded) FTE (which represents 300 hours) at an Information Technology Applications Specialist 4 to make programming changes and updates to existing databases and files.

For ongoing costs, the Department anticipates it will incur \$31,000 in the 2007-09 Biennium and \$31,000 in the 2009-11 Biennium. These ongoing costs relate to the costs described in items 1 - 3.

Without an appropriation to cover the expenditure impact, the Department may not be fully able to implement the legislation.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.4	0.3	0.4	0.3	0.3
A-	19,400	11,000	30,400	22,000	22,000
B-	4,900	2,700	7,600	5,400	5,400
E-	2,800	1,800	4,600	3,600	3,600
J-	2,800		2,800		
<b>Total \$</b>	<b>\$29,900</b>	<b>\$15,500</b>	<b>\$45,400</b>	<b>\$31,000</b>	<b>\$31,000</b>

**III. B - Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
EXCISE TAX EXAMINER 3	41,520	0.3	0.3	0.3	0.3	0.3
FINANCIAL ANALYST 5	49,380	0.0	0.0	0.0	0.0	0.0
FISCAL TECHNICIAN	27,636	0.0	0.0	0.0	0.0	0.0
INFO TECH APP SPEC 4	51,864	0.2		0.1		
<b>Total FTE's</b>		<b>0.4</b>	<b>0.3</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>

## Part IV: Capital Budget Impact

NONE.

## Part V: New Rule Making Required

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

None.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 300-Dept of Social and Health Services
-----------------------------	---	---

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND					
Total \$					

### Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Carma Matti	Phone: (360) 902-8182	Date: 02/11/2005
Agency Approval: Sue Breen	Phone: 360-902-8183	Date: 02/16/2005
OFM Review: Tom Lineham	Phone: 360-902-0543	Date: 02/18/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Part 1: Mental Health Treatment

Section 102 requires a feasibility study and implementation plan to access federal Medicaid funds for mental health and substance abuse treatment.

Section 103 requires implementation of a statewide integrated comprehensive mental health/chemical dependency screening process by July 1, 2006 and a statewide integrated assessment processes by January 1, 2007. It also establishes penalties for providers and RSNs who fail to implement the integrated screening and assessment processes by July 1, 2007.

Section 108 amends RCW 71.05 regarding involuntary medication procedures to include a hearing process that requires a panel.

\*\*\*\*\*

Part 2: Pilot Programs and Special Projects

Section 203 requires DSHS to select and contract with RSNs or counties for 2 integrated crisis response and involuntary treatment pilot programs for adults (one in an urban setting and one in a rural setting). The pilots will combine crisis responder functions for mental health and chemical dependency by establishing a new crisis responder to conduct investigations and detain individuals (provided on a 24/7 basis).

Section 204 sets qualifications for the county designated crisis responder to include cross training in both chemical dependency and mental health.

Section 220 makes an addition to RCW 70.96 and states that DSHS will contract with 2 RSNs or counties to provide intensive case management for chemically dependent persons that highly utilize crisis services. The location for these services is to be the same as the two pilot sites in section 203.

\*\*\*\*\*

Part 3: Unified Involuntary Treatment Act

Section 302 establishes a single involuntary treatment act with a uniform set of standards and procedures for persons with mental and substance abuse disorders. It requires an adequate assessment process be provided for persons needing mental health and/or substance abuse services.

Section 316 requires DSHS to assign staff with the authority to examine records, inspect facilities, attend proceedings, and do whatever is necessary to monitor, evaluate and assure patient rights.

Section 322 requires DSHS to ensure that the new chapter is applied by the counties in a consistent and uniform manner.

Section 341 requires DSHS to develop statewide protocols that will be updated every 3 years.

\*\*\*\*\*

Part 4: CD Treatment Gap

Section 401 requires DASA to increase its capacity to serve adults and minors by 40% of the calculated need in FY06 and by 60% of the calculated need in FY07.

Section 403 requires DASA to perform a feasibility assessment on converting disused skilled nursing facilities to inpatient or residential chemical dependency treatment facilities.



Section 405 requires DSHS to contract for a chemical dependency specialist on site at each division of children and family services office throughout the state.

\*\*\*\*\*

#### Part 5: Resources- Expanded Services Facilities

Section 502 establishes a new licensed facility type known as an enhanced services facility to treat persons with mental disorders who are currently medically eligible for sub-acute treatment but who do not meet admission criteria because of disease characteristics or past violent behavior.

Sections 506-518 outline the facility licensing application and fee collecting process and require the enforcement of compliance to licensing rules.

Sections 519-533 provide requirements for the facility and staffing.

\*\*\*\*\*

#### Part 6: Forensic & Correctional

Sections 601-603 add new sections to support the development of special mental health, chemical dependency, and family therapeutic courts. Also, section 603 requires courts that include the family therapeutic component to adhere to tracking requirements.

Section 607 requires the economic services administration to adopt standardized statewide screening and application practices and forms.

Section 608 requires DSHS to adopt rules for the suspension rather than the termination of Medicaid eligibility.

Section 609 requires community services offices to have agreements with correctional facilities and IMDs to expedite Medicaid eligibility and to establish procedures for speedy restoration and enrollment of Medicaid eligibility upon release of confinement.

Section 610 requires DSHS to establish procedures for receiving Medicaid applications on behalf of confined persons in anticipation of their release.

Section 612 requires JLARC to conduct a study to investigate and assess whether there are existing facilities in the state that could be converted to use as regional jails.

Section 613 requires DSHS to reduce waiting times for competency evaluation and restoration by January 1, 2006. It also requires DSHS to develop and report on alternative strategies for addressing increases in forensic population and minimizing waiting period for competency evaluation and restoration.

\*\*\*\*\*

#### Part 7: Best Practices

Section 701 requires DSHS to have a comprehensive integrated DASA/MHD screening process by January 1, 2006. It also requires the provision of adequate training to effect statewide implementation and the establishment of contractual penalties.

\*\*\*\*\*

#### Part 8: Collaboration

Section 801 requires DSHS to develop and implement a matrix of services to include adults and children, and co-occurring mental and substance abuse disorders.

Section 802 requires DSHS to develop and expand comprehensive services for the drug-affected and alcohol-affected infants model project.

Section 803 requires DSHS to identify and utilize federally qualified health centers for children in out-of-home care and other populations of vulnerable children who need mental health services but do not qualify for Medicaid through the RSNs.

\*\*\*\*\*

## Part 9: Miscellaneous Provisions

Section 902 is an appropriation section for vendor rate increases.

### II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

### II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

This bill is indeterminate. Some expenditure information is provided below and in attachments A-G, however the full fiscal impact of this bill is inconclusive. A deferred savings is expected but has not thoroughly been assessed. A summary of identified expenditures can be found in page 1 of Attachment 1.

\*\*\*\*\*

#### Part 1: Mental Health Treatment (See Attachment 1, page 2)

Identified costs for part 1 total \$36,200,377.

Section 102- Mental Health Division (MHD) will conduct a feasibility study and develop and implementation plan to access federal funds for mental health and substance abuse treatment.

Section 103- The Department of Alcohol and Substance Abuse (DASA) and MHD will be required to develop integrated screening and assessment processes and the penalties for non-compliance. Training costs are required for integrated procedures. IT costs will be incurred to integrate two screening systems and to expand storage space for statistical documentation. The Juvenile Rehabilitation Administration (JRA) anticipates costs for ensuring that their practices meet the criteria of the term “integrated and comprehensive.” JRA expenses are also identified for staff development and training. Other programs may have similar expenses not yet identified.

Costs were not provided for section 108 for the following reasons:

- DSHS does not have current documentation on the number of involuntary medications currently administered.
- DSHS doesn't know how often first hearings will be required and there is no timeline provided for second hearings.

Assumptions for part 1 include:

-Implementation of dual screening and assessment was estimated at \$200 per person with a total of 190,328 clients served in FY07. DASA anticipates 64,368 total persons served. DASA currently has \$92.32 for 35,453 people allocated in their budget. Therefore DASA's anticipated total cost is \$9,639,577 [(35,453 x \$108.78) + (28,915 x \$200)]. MHD anticipates 126,069 persons served at \$200 each for a total of \$25,213,800.

-IT costs were not available at the time of this fiscal note and therefore are not included in the expenditure estimates.

- Section 108, Right to refuse medication” will require a minimum of 4 FTEs per hearing: 1 psychologist, 1 psychiatrist, 1 medical director, 1 person to document the hearing. It is unclear if the “lay assistant” is also expected to be provided by

the program.

\*\*\*\*\*

## Part 2: Pilot Programs (See Attachment 1, page 3)

Identified costs for Part 2 total \$7,411,800.

Section 203 & 204- A pilot program will be established in 2 places that offers integrated crisis response and involuntary treatment for adult. Costs for crisis response staffing, training and a validation study are identified at \$357,000 in FY06 and \$617,000 in FY07.

Section 220 – Start up costs for detoxification facilities and associated client services are \$2,037,800 in FY06 and \$4,400,000 in FY07.

\*\*\*\*\*

## Part 3: Unified Involuntary Treatment Act (No attachment)

Sections 302-387 are indeterminate for the following reasons:

- This part will not take effect until July 1, 2009 as per section 913 of this bill.
- DSHS assumes that statewide implementation costs will be based on actual pilot costs.
- Washington State Institute for Public Policy (WSIPP) shall evaluate the pilot programs and make a preliminary report to the legislature by December 1, 2007 and a final report by September 30, 2008. The study will include an analysis on the cost effectiveness of the pilots. DSHS assumes that this study will contribute to the costing of Part 3: Unified Involuntary Treatment Act.

\*\*\*\*\*

## Part 4: CD Treatment Gap (See Attachment 1, page 4)

Identified costs for Part 4 total \$88,305,048.

Section 401- Costs for DASA's requirement for increased capacity to serve both adults and children are included.

Section 403 - Administrative costs to DASA are captured in this part.

Section 405 requires DSHS to ensure that each social worker is trained in uniform assessment for mental health and chemical dependency to include social workers for child protective services or child welfare services. Although there may be some fiscal impact to CA, it is indeterminate because the bill is unclear as to who will develop and provide these training services.

CA's requirement to contract with a chemical dependency specialist at each division of children and family services offices throughout the state are calculated in this part.

Assumptions for Part 4 include:

- There are 44 children and family service offices that will contract with a chemical dependency specialist at \$55,000/year.
- DASA services provided to children cost \$3,200 per client. Costs for FY06 are \$9,494,000 and for FY07 are 20,228,000.
- DASA services provided to adults cost \$160 per client. Costs for FY06 are \$16,329,600 and FY07 are \$35,976,000.
- DASA's administrative costs for the entire bill are rolled up in this attachment and total \$1,312,448 (\$683,724 for FY06 and \$628,724 for FY07).
- The department is developing a savings plan that will be used to offset the costs of expanding services. This plan is not finalized and is not included in these cost estimates.

\*\*\*\*\*

## Part 5: Expanded Services Facilities- Resources (See Attachment 1, page 5)

Identified costs for Part 5 total \$10,619,000.

Costs are provided for the licensing process and management of the enhanced services facilities and increased utilization costs to MAA.

Assumptions for Part 5 include:

- 15 beds will be made available in FY2006 and 60 beds will be made available in FY2007.
- Costs per bed are estimated to be \$378.77 per client.
- Individuals who reside in an expanded services facility (ESF) as opposed to an Institution for Mental Disease (IMD) would be eligible for Medicaid. MAA anticipates an increase in the utilization resulting from the availability of Medicaid services to persons residing in the new ESF facilities. It is estimated that in 2003, 1300 Medicaid eligible persons were admitted to IMDS and therefore Medicaid was unavailable to them.

\*\*\*\*\*

Part 6: Forensic & Correctional- Courts and Change of Medicaid Rules (See Attachment 1, page 6)

Identified costs for Part 6 total \$49,281,272.

Costs are indeterminate and not included for Sections 601-603. It is believed that more offenders may be referred for treatment services however there is no way to assess how many. Adult treatment costs \$160/person.

Sections 601-605 may have a fiscal impact on DASA as a result of more referrals for treatment services. There is no conclusive evidence as to whether or not there will be more referrals and if so how many. The costs are indeterminate at this time.

In sections 607-610 IT Costs are indeterminate and not included. The provisions of this bill will require changes to at least one and perhaps multiple systems within the department to include ACES. The extent of those changes will depend in large part on program design. The date by which these provisions are expected to be in place and the complexities of the changes required, may affect the department's ability to timely implement other planned priorities. Costs are provided for an anticipated increased application and caseload processing due to the changes in Medicaid requirements and speedy restoration of Medicaid eligibility for confined persons upon their release.

Section 612- Costs are indeterminate and not included since it is not clear what role the individual programs will have in JLARC's feasibility study on converting existing facilities into regional jails for offenders with mental or chemical disorders.

Costs are provided for section 613 which require DSHS to reduce waiting times for competency evaluation and restoration to not longer than 7 days for outpatient competency and inpatient restoration and not longer than 10 days for inpatient competency.

Section 603- The Children's Administration (CA) may have additional case management responsibilities due to the use of family therapeutic courts. The extent of their role is unknown and therefore the expenditures are indeterminate.

Assumptions for Part 6 include:

- Expenditures are identified for an increased Medicaid application workload to Economic Services Administration (ESA) totaling 31.36 FTEs in FY06 (\$2,340,000) and 46 FTEs in FY07 (\$2,959,000). These estimates are based on an assumed increase in eligibility determinations for Medical Assistance Administration (MAA) of 1,784 persons per month.
- Estimates assume that an additional 424/month for General Assistance (GA) and 22/month for Temporary Assistance for Needy Families (TANF) will be found eligible as a result of the 1,784 cases/month being reviewed for Medicaid eligibility.
- The average number of days waiting for admission for 15-day felony evaluation cases is 32. In order to reduce waiting times down to 7 and 10 days, the state hospitals will need approximately 96.5 additional FTEs. Western State Hospital (WSH) was budgeted for a forensic ward at 70.4 FTEs. It is estimated that an additional 20.1 FTEs will be needed to expand a ward at Eastern State Hospital (ESH) and 6 additional evaluators will be required to meet these deadlines. Total

costs are \$15,861,000.

\*\*\*\*\*

Part 7: Best Practices (No Attachment)

Sections 701-702 are covered by the costing and narrative in other sections of this bill.

\*\*\*\*\*

Part 8: Collaboration (See Attachment 1, page 7)

Identified costs for Part 8 total \$1,064,000.

Section 801- Costs are provided for MHD’s participation in the development of a matrix of services. It does not include other program’s participation in the development of the matrix.

Section 802- Costs are captured for this section in Part 4: CD Treatment Gap.

Section 803- Costs are primarily unknown for the identification and utilization of federally qualified health centers for children in out-of-home care or children who are vulnerable and need mental health services. MHD included administrative costs for the effort required to identify qualified health centers. CA and MAA will likely have a role, but costs are indeterminate. Further definition of what this research effort would entail and of federal requirements for these types of facilities are needed to determine the level of effort and program participation required.

MAA will incur costs if current Federally Qualified Health Centers (FQHC) add mental health services capacity. Preliminary estimates show that if one FQHC adds mental health services capacity and saw an average of 4 Medicaid eligible children per day for mental health related care, additional costs are estimated to be \$267,000 annually. The total cost is indeterminate and will be based on the number of FQHCs that are identified in the study.

\*\*\*\*\*

Part 9: Miscellaneous Provisions

Section 902 is an appropriation section for vendor rate increase; however, no dollar amount is specified.

**Part III: Expenditure Detail**

**Part IV: Capital Budget Impact**

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

Section 319 requires DSHS to adopt rules that include, but are not limited to:

- Evaluation of the quality of the program/facilities.
- Evaluation of the effectiveness and cost effectiveness.
- Procedures and standards for certification.

Section 321 requires DSHS to adopt rules pursuant to chapter 34.05RCW for establishment, training, and conduct of emergency service patrols.

Section 505 requires DSHS to adopt facility rules to include:

- Promotion of safe treatment and adequate care for patients.
- Establishment of payment rates.

- Establishment of license fees.

Section 608 requires that the department shall adopt rules and policies providing that when a person with a mental disorder is confined:

-The person's eligibility for Medicaid is suspended rather than terminated as permitted by federal law.

-The person shall not be terminated from Medicaid unless the department determines that, excluding ineligibility based solely on confinement, the person no longer meets Medicaid eligibility criteria.

-The confined person's Medicaid is fully restored on the day of release.

## Summary- Identified Expenditures for 5763

**FN: SB-**

Expenditure by Object	FY06	FY07	20005-07
<b>A- Salaries and Wages</b>	\$ 7,266,724	\$ 7,266,724	\$ 14,533,448
<b>B-Employee Benefits</b>	\$ 2,055,000	\$ 2,217,000	\$ 4,272,000
<b>C- Personal Service Contracts</b>	\$ 50,000	\$ 221,000	\$ 271,000
<b>E- Goods and Services</b>	\$ 2,467,000	\$ 1,585,000	\$ 4,052,000
<b>G- Travel</b>	\$ 289,000	\$ 346,000	\$ 635,000
<b>J- Capital Outlays</b>	\$ 949,000	\$ 380,000	\$ 1,329,000
<b>N- Grants, Benefits &amp; Client Services</b>	\$ 43,782,893	\$ 128,221,156	\$ 172,004,049
<b>T-Intra-Agency Reimbursements</b>	\$ 140,000.00	\$ 60,000.00	\$ 200,000
<b>TOTAL \$:</b>	<b>\$ 56,999,617</b>	<b>\$ 140,296,880</b>	<b>\$ 197,296,497</b>

## Part1: Mental Health Treatment: Sections 102-117

Expenditure by Object	FY06			FY06 Total	FY07			FY07 Total	2005/07
	MHD	DASA	JRA		MHD	DASA	JRA		
<b>A- Salaries and Wages</b>				\$ 231,000				\$ 148,000	\$ 379,000
JRA- Program Administrator (.5 FY06, .2FY07) and Senior Secretary (.2 FY06 and FY07)			\$ 36,000				\$ 18,000		
MHD-Sec. 102 Feasibility study to access Medicaid funds (1 FTE )	\$ 65,000								
MHD- Sec. 103-Development of integrated screening and assessments (2 FTEs FY06, 2 FTEs FY07)	\$ 130,000				\$ 130,000				
<b>B- Employee Benefits</b>	\$ 39,000		\$ 8,000	\$ 47,000	\$ 26,000		\$ 5,000	\$ 31,000	\$ 78,000
<b>C- Personal Service Contracts</b>				\$ -				\$ -	\$ -
<b>E- Goods and Services</b>				\$ 631,000				\$ 214,000	\$ 845,000
Sec. 102 Feasibility study to access Medicaid funds	\$ 7,000								
Development of integrated screening and assessment procedures and tools	\$ 14,000	\$ 10,000			\$ 14,000				
Training- development, instruction, OJT oversight of screening and assessment procedures and tools.	\$ 400,000	\$ 135,000			\$ 200,000				
Training- publications/materials		\$ 65,000							
IT costs	unknown	unknown	unknown		unknown	unknown	unknown		
<b>G- Travel</b>				\$ -				\$ -	\$ -
<b>J- Capital Outlays</b>	\$ 24,000			\$ 24,000	\$ 16,000			\$ 16,000	\$ 40,000
<b>N- Grants, Benefits &amp; Client Services</b>				\$ -	\$ 25,213,800	\$ 9,639,577		\$ 34,853,377	\$ 34,853,377
<b>T- Intra-Agency Reimbursements</b>	\$ 3,000			\$ 3,000	\$ 2,000			\$ 2,000	\$ 5,000
<b>Subtotal (costs by program):</b>	<b>\$ 682,000</b>	<b>\$ 210,000</b>	<b>\$ 44,000</b>		<b>\$ 25,601,800</b>	<b>\$ 9,639,577</b>	<b>\$ 23,000</b>		
<b>Subtotal by FY:</b>				<b>\$ 936,000</b>				<b>\$ 35,264,377</b>	<b>\$ 36,200,377</b>



## Part 2: Pilot Programs: Sections 201-220

Expenditure by Object	FY06		FY06 Total	FY07		FY07 Total	2005/07
	MHD	DASA		MHD	DASA		
<b>A- Salaries and Wages</b>			\$ -			\$ -	\$ -
<b>B- Employee Benefits</b>			\$ -			\$ -	\$ -
<b>C- Personal Service Contracts</b>			\$ 50,000			\$ 200,000	\$ 250,000
Crisis Response Validation Study	\$ 50,000			\$ 200,000			\$ -
<b>E- Goods and Services (Detox Facilities)</b>		\$ 775,000	\$ 775,000		\$ 150,000	\$ 150,000	\$ 925,000
<b>G- Travel</b>			\$ -			\$ -	\$ -
<b>J- Capital Outlays (equipment)</b>			\$ -			\$ -	\$ -
<b>N- Grants, Benefits &amp; Client Services</b>			\$ 1,569,800			\$ 4,667,000	\$ 6,236,800
Crisis Response Staffing	\$ 307,000			\$ 417,000			
Secure Detox Facilities		\$ 1,262,800			\$ 4,250,000		
<b>T- Intra-Agency Reimbursements</b>			\$ -			\$ -	
<b>Subtotal (costs by program):</b>	<b>\$ 357,000</b>	<b>\$ 2,037,800</b>		<b>\$ 617,000</b>	<b>\$ 4,400,000</b>		
<b>Subtotal by FY:</b>			<b>\$ 2,394,800</b>			<b>\$ 5,017,000</b>	<b>\$ 7,411,800</b>

### Part 4: Treatment Gap: Sections 401-405

Expenditure by Object	FY06		FY06 Total	FY07		FY07 Total	2005/07
	DASA	CA		DASA	CA		
<b>A- Salaries and Wages</b>			\$ 208,724			\$ 208,724	\$ 417,448
Administrative costs (5 FTEs FY06, 5 FTEs FY07)	\$ 208,724			\$ 208,724			
<b>B- Employee Benefits</b>	\$ 62,000		\$ 62,000	\$ 62,000		\$ 62,000	\$ 124,000
<b>C- Personal Service Contracts</b>			\$ -			\$ -	\$ -
<b>E- Goods and Services</b>	\$ 60,000		\$ 60,000	\$ 60,000		\$ 60,000	\$ 120,000
<b>G- Travel</b>	\$ 8,000		\$ 8,000	\$ 8,000		\$ 8,000	\$ 16,000
<b>J- Capital Outlays (equipment)</b>	\$ 40,000		\$ 40,000	\$ 10,000		\$ 10,000	\$ 50,000
<b>N- Grants, Benefits &amp; Client Services</b>			\$ 28,593,600			\$ 58,974,000	\$ 87,567,600
44 contracted chemical dependency specialist		\$ 2,420,000			\$ 2,420,000		
Adult treatment gap	\$ 16,329,600			\$ 35,976,000			
Youth treatment gap	\$ 9,494,000			\$ 20,228,000			
Evaluation-Youth & Adults	\$ 300,000			\$ 300,000			
Sec. 403-Feasibility Study to convert existing facilities to chemical depend. treatment facilities.	\$ 50,000			\$ 50,000			
<b>T- Intra-Agency Reimbursements</b>	\$ 5,000		\$ 5,000	\$ 5,000		\$ 5,000	\$ 10,000
<b>Subtotal (costs by program):</b>	<b>\$ 26,557,324</b>	<b>\$ 2,420,000</b>		<b>\$ 56,907,724</b>	<b>\$ 2,420,000</b>		
<b>Subtotal by FY:</b>			<b>\$ 28,977,324</b>			<b>\$ 59,327,724</b>	<b>\$ 88,305,048</b>

## Part 5: Resources (Enhanced Service Facilities): Sections 501-533

Expenditure by Object	FY06		FY06 Total	FY07		FY07 Total	2005/07
	ADSA	MAA		ADSA	MAA		
<b>A- Salaries and Wages</b>			\$ 234,000			\$ 317,000	\$ 551,000
ESF-Licensure (1 FTE FY06, 1 FTE FY07)	\$ 66,000			\$ 66,000			
ESF- Facilities/Case Management (2.7 FTEs FY06, 4.6 FTEs FY07)	\$ 168,000			\$ 251,000			
<b>B- Employee Benefits</b>			\$ 56,000			\$ 76,000	\$ 132,000
ESF-Licensure	\$ 16,000			\$ 16,000			
ESF-Facilities/Case Management	\$ 40,000			\$ 60,000			
<b>C- Personal Service Contracts</b>			\$ -			\$ -	\$ -
<b>E- Goods and Services</b>	\$ 68,000		\$ 68,000	\$ 79,000		\$ 79,000	\$ 147,000
<b>G- Travel</b>	\$ 8,000		\$ 8,000	\$ 12,000		\$ 12,000	\$ 20,000
<b>J- Capital Outlays</b>	\$ 46,000		\$ 46,000	\$ 26,000		\$ 26,000	\$ 72,000
<b>N- Grants, Benefits &amp; Client Services</b>			\$ 1,078,000			\$ 8,604,000	\$ 9,682,000
Enhanced Service Facilities	\$ 578,000			\$ 8,104,000			
MAA-Utilization Increase (\$385/year/client, projected 1300 clients)		\$ 500,000			\$ 500,000		
<b>T-Intra-Agency Reimbursements</b>	\$ 6,000		\$ 6,000	\$ 9,000		\$ 9,000	\$ 15,000
<b>Subtotal (costs by program):</b>	<b>\$ 996,000</b>	<b>\$ 500,000</b>		<b>\$ 8,623,000</b>	<b>\$ 500,000</b>		
<b>Subtotal by FY:</b>			<b>\$ 1,496,000</b>			<b>\$ 9,123,000</b>	<b>\$ 10,619,000</b>

Object N: Information for Enhanced Service Facilities was based on a phased implementation outlined below:

Daily Rate for Providers	Clients/beds	Daily cost per bed	Services from Mental Health	Days/bed	Total Cost
<b>Fiscal Year 2006 beds available April 1, 2006</b>	15	\$ 378.77	\$ 45	91	<b>\$ 578,000</b>
Fiscal Year 2007 phase in					
Phase 1- beds available July 1, 2006	30	\$ 378.77	\$ 45	365	\$ 4,640,000
Phase 2- additional beds available October 1, 2006	15	\$ 378.77	\$ 45	273	\$ 1,735,000
Phase 3- additional beds available January 1, 2007	15	\$ 378.77	\$ 45	181	\$ 1,151,000
Phase 4 - additional beds available April 1, 2007	15	\$ 378.77	\$ 45	91	\$ 578,000
<b>FY07 Total</b>	<b>75</b>				<b>\$ 8,104,000</b>

**Part 6: Forensic & Correctional- Courts\_△ Medicaid Rules: Sections 601-615**

Expenditure by Object	FY06					FY06 Total	FY07					FY07 Total	2005/07
	DASA	MHD	CA	MAA	ESA		DASA	MHD	CA	MAA	ESA		
<b>A- Salaries and Wages</b>						\$ 6,398,000						\$ 6,924,000	\$ 8,045,000
ESA-Increased workload (31.36 FTEs FY06, 46.0 FTEs FY07).					\$ 1,121,000						\$ 1,647,000		
MHD- reducing wait times for off-site evaluations (12 FTEs at WSH and 13 FTEs at ESH)		\$ 2,018,000						\$ 2,018,000					
MHD- Additional inpatient capacity (46.5 FTEs at WSH and 25 FTEs at ESH)		\$ 3,259,000						\$ 3,259,000					
<b>B- Employee Benefits</b>		\$ 1,516,000			\$ 335,000	\$ 1,851,000		\$ 1,516,000			\$ 493,000	\$ 2,009,000	\$ 3,860,000
<b>C- Personal Service Contracts</b>						\$ -						\$ -	\$ -
<b>E- Goods and Services</b>		\$ 548,000			\$ 364,000	\$ 912,000		\$ 548,000			\$ 534,000	\$ 1,082,000	\$ 1,994,000
<b>G- Travel</b>		\$ 160,000			\$ 113,000	\$ 273,000		\$ 160,000			\$ 166,000	\$ 326,000	\$ 599,000
<b>J- Capital Outlays</b>		\$ 438,000			\$ 377,000	\$ 815,000		\$ 229,000			\$ 75,000	\$ 304,000	\$ 1,119,000
<b>N- Grants, Benefits &amp; Client Services</b>	Indeterminate		Indeterminate	\$ 2,637,134	\$ 9,904,359	\$ 12,541,493	Indeterminate	\$ 96,000.00	Indeterminate	\$ 2,741,809	\$ 18,284,970	\$ 21,122,779	\$ 33,664,272
<b>T- Intra-Agency Reimbursements</b>		\$ 96,000			\$ 30,000	\$ 126,000					\$ 44,000	\$ 44,000	
<b>Subtotal (costs by program):</b>	\$ -	\$ 8,035,000	\$ -	\$ 2,637,134	\$ 12,244,359		\$ -	\$ 7,826,000	\$ -	\$ 2,741,809	\$ 21,243,970		
<b>Subtotal by FY:</b>						\$ 22,916,493						\$ 31,811,779	\$ 49,281,272

## Part 8: Collaboration: Sections 801-804

Expenditure by Object	FY06				FY06 Total	FY07				FY07 Total	2005/07
	DASA	MHD	CA	MAA		DASA	MHD	CA	MAA		
<b>A- Salaries and Wages</b>					\$ 195,000					\$ 195,000	\$ 390,000
MHD, CA, MAA- Identify and utilize fed. qualified health centers for children		Indeterminate	Indeterminate	Indeterminate			Indeterminate	Indeterminate	Indeterminate		
DASA- Expand services for substance abuse infants	Covered in Part 4					Covered in Part 4					
Matrix development, Feasibility Study (3 FTEs)		\$ 195,000					\$ 195,000				
<b>B- Employee Benefits</b>		\$ 39,000			\$ 39,000		\$ 39,000			\$ 39,000	\$ 78,000
<b>C- Personal Service Contracts</b>					\$ -		\$ 21,000			\$ 21,000	\$ 21,000
<b>E- Goods and Services</b>		\$ 21,000			\$ 21,000					\$ -	\$ 21,000
<b>G- Travel</b>					\$ -					\$ -	\$ -
<b>J- Capital Outlays</b>		\$ 24,000			\$ 24,000		\$ 24,000			\$ 24,000	\$ 48,000
<b>N- Grants, Benefits &amp; Client Services</b>					\$ -					\$ -	\$ -
<b>T- Intra-Agency Reimbursements</b>		\$ 3,000			\$ 253,000		\$ 3,000			\$ 253,000	\$ 506,000
IT Costs		\$ 250,000					\$ 250,000				
<b>Subtotal (costs by program):</b>	\$ -	\$ 532,000	\$ -	\$ -		\$ -	\$ 532,000	\$ -	\$ -		
<b>Subtotal by FY:</b>					\$ 532,000					\$ 532,000	\$ 1,064,000

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 310-Department of Corrections
-----------------------------	---	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND					
Total \$					

### Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Ronna Cole	Phone: 360-664-0688	Date: 02/09/2005
Agency Approval: Randi Warick	Phone: 360 -753-1158	Date: 02/09/2005
OFM Review: Nick Lutes	Phone: 360-902-0413	Date: 02/10/2005

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

#### Section 101:

Describes the legislative intent to reduce the number of people with mental and chemical dependency disorders from being incarcerated, homeless, and impacting other social services. Outlines a process to include:

- Establish a process for determining which persons with mental disorders and substance abuse disorders have co-occurring disorders;
- Reduce the gap between available chemical dependency treatment and the documented need for treatment;
- Improve treatment outcomes by shifting treatment, wherever possible to evidence-based, research-based, and consensus-based treatment practices and by removing barriers to the use of those practices;
- Expand the authority for the use of drug courts, mental health courts, and family therapeutic courts;
- Improve access to treatment for persons who are not enrolled in Medicaid by improving and creating consistency in the application process and ending the practice of early termination of eligibility of confined persons;
- Improve access to inpatient treatment by creating expanded services facilities for persons needing intensive treatment in a secure setting and are currently not able to reach treatment under current licensing restrictions;
- Establish secure detoxification centers for persons involuntarily detained as gravely disabled or presenting a likelihood of serious harm due to chemical dependency and combined crisis responds for both mental and chemical disorders on a pilot basis and study the outcomes;
- Follow the outcomes of the pilot program to implement a single, comprehensive involuntary treatment act;
- Slow or stop the loss of inpatient and intensive residential beds and children's long-term inpatient placements;
- Improve cross-system collaboration between hospital emergency rooms, schools, primary care, developmental disabilities, law enforcement, corrections, and federally funded and licensed programs;
- Amend existing state law to address organizational and structural barriers to effective use of state funds.

#### Mental Health Treatment (Sections 103-117)

##### Pilot Programs (Sections 201 – 220)

Section 214 requires when an offender under court-ordered treatment is released by the DOC into the community and under the supervision of DOC, the treatment provider must notify the county designated crisis responder of any violations of the court order. The county designated crisis responder shall request an evaluation for the purposes of revocation of the less restrictive alternative. If a county designated crisis responder becomes aware of an offender that is in violation of a treatment order or condition of supervision that relates to public safety, they shall notify the person's treatment provider and DOC. If an offender under the supervision of DOC is petitioned for involuntary treatment under the new section, the petitioner shall notify DOC and DOC shall provide documentation of its risk assessment or other concerns to the petitioner and the court.

##### Omnibus Involuntary Treatment Act (Sections 301-388)

Section 342 requires a designated chemical dependency specialist when notified by a jail that an offender who was subject to a discharge review under RCW 71.05.232 is to be released into the community, the designated chemical dependency specialist shall evaluate the person within seventy-two hours of release. Additionally, when an offender is under court-ordered treatment and is on community supervision, if the treatment provider becomes aware that the person is in violation of the terms of the court order, the treatment provider shall notify the designated chemical dependency specialist of the violation and request a revocation of the conditional release. Additionally, the designated chemical dependency specialist shall notify the Department and the treatment provider of the violation.

An offender that is subject to a petition for involuntary treatment under this chapter, the petitioner shall notify the Department and the Department shall provide documentation of its risk assessment or other concerns to the petitioner and the court if the Department classified the offender as a high risk or high needs offender.

### Treatment Gap (Sections 401 – 405)

Allows counties to establish mental health courts. The purpose is to reduce in recidivism and symptoms of mental illness among nonviolent, mentally ill offenders by increasing their likelihood for successful rehabilitation through early, continuous, and intense judicially supervised treatment including drug treatment for persons with co-occurring disorders. Allows counties to combine drug courts and mental health court can be combined into single therapeutic court.

The court may refer any defendant who will benefit from substance abuse or mental health treatment, or both to a drug court or mental health court if the defendant has not previously been convicted of a serious violent offense or sex offense and not currently charged with an offense:

- A sex offense;
- A serious violent offense;
- A firearm was used in the commission of the offense;
- Defendant caused substantial or great bodily harm or death to another person.

### Resources (Sections 501-534)

#### Forensic and Correctional (Sections 601 – 615)

Section 601 allows counties to establish and operate mental health courts. Minimum requirements for an offender are:

- Offender would benefit from psychiatric treatment;
- No prior conviction for a serious violent offense or sex offense;
- Not currently charged with a sex offense, serious violent offense, used a firearm in the offense, or caused substantial or great bodily harm or death to another person.

Section 602 allows counties to combine an established drug court with a mental health court into a single therapeutic court.

Section 604 states that a court may refer any defendant who would benefit from substance abuse or mental health treatment or both to drug court or mental health court excluding offenders as defined in section 601.

Section 605 amends RCW 9.94A.505 and includes that before a defendant is convicted, a court may refer the defendant to a drug court or mental health court as provided in section 604 of this act.

Section 609 requires the Department to establish a process with DSHS to provide speedy restoration and enrollment for people who are likely to be eligible for Medicaid while confined or upon release.

#### Regional Jails (Section 612)

Requires the Joint Legislative Audit and Review Committee to investigate and assess whether there are existing facilities in the state that could be converted to use as a regional jail for offenders who have mental or chemical dependency disorders, or both, that need specialized housing and treatment arrangements. The committee shall reports its findings and recommendations to the appropriate committees of the legislature no later than December 15, 2005.

### Best Practices (Sections 701-702)

### Collaboration (Sections 801 – 804)

### Miscellaneous Provisions (Sections 901 – 913)

## II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*



## II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

The Sentencing Guidelines Commission (SGC) has no information with which to predict how the changes proposed by the bill will affect the number of sentences per fiscal year for the creation of mental health courts and therefore, cannot reliably estimate prison bed impacts. The Department assumes that this bill would likely result in an ADP decrease, although the impact cannot be estimated. Consequently the fiscal impact is indeterminate.

The Department will experience increased workload in providing assistance to offenders for pre-enrollment applications to Medicaid. The Department is unable to determine how many offenders would require pre-enrollment applications for Medicaid. Therefore, the Department is unable to estimate the impact.

Section 609 requires the Department to establish a process with DSHS to provide speedy restoration and enrollments for people who are likely to be eligible for Medicaid. The Department estimates it will take 240 hours for a contractor to create an electronic process. The total cost for a contractor is estimated at \$34,000.

## Part III: Expenditure Detail

## Part IV: Capital Budget Impact

## Part V: New Rule Making Required

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 376-The Evergreen State College
-----------------------------	---	--

## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>FUND</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	2.3	2.8	2.5	1.0	0.0
<b>Fund</b>					
General Fund-State 001-1	264,884	315,590	580,474	255,421	0
<b>Total \$</b>	264,884	315,590	580,474	255,421	0

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/07/2005
Agency Preparation: Steve Trotter	Phone: 360 867-6185	Date: 02/09/2005
Agency Approval: Steve Trotter	Phone: 360 867-6185	Date: 02/09/2005
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/09/2005

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

Two sections of the bill assign studies to the Washington State Institute for Public Policy (Institute): Sec. 217 directs the Institute to evaluate the integrated crisis response and involuntary treatment pilot program proposed by the bill. The Institute will evaluate the pilot program's impact on the evaluation and treatment of persons who are involuntarily detained; measure the cost-effectiveness of the program; and determine if the program improves the effectiveness of the crisis response system. A preliminary report is due to the legislature by December 1, 2007, and a final report is due September 30, 2008. The reports shall consider the impact of the pilot programs on the state's mental health system and the individuals served. Sec. 804 directs the Institute to assess the long-term and intergenerational cost-effectiveness of treatment for chemical dependency, mental disorders, and co-occurring mental and substance abuse disorders. The Institute shall determine the costs avoided or minimized including the cost of primary care and emergency services, incarceration and court costs, competency evaluation and restoration costs, and child welfare costs.

The Institute will also examine the relative long-term cost effectiveness of prevention programs and treatment programs. No due date is provided the assignment in Sec. 804.

### II. B - Cash receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

### II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

The Institute will evaluate the effectiveness of the crisis response pilot program (Sec. 217) by measuring the differences in commitment and treatment rates, crime rates, emergency room visits, detox, and other services associated with pilot and non-pilot counties. Institute staff will merge data from multiple administrative information systems and conduct multivariate net impact analyses of program outcomes and costs. Additional information that is not available administratively will be collected in two telephone surveys of 400 clients to be conducted by Washington State University before and after program implementation. Institute staff will design the telephone survey, analyze the survey data, and incorporate those results into the preliminary and final reports to the legislature. Prior to program implementation, Institute staff will work closely with DSHS to ensure the evaluation is given due consideration during the RFP process and program implementation.

The Institute's assessment (Sec. 804) of the long-term cost-effectiveness of treatment of chemical dependency, mental disorders, and co-occurring disorders will include a meta-analysis of the existing research on long-term treatment effects and a statistical analysis of those receiving treatment in Washington State. Institute staff will combine data from multiple administrative information systems and analyze long-term outcomes related to primary and emergency care, criminal justice, child welfare, and other services and interventions. The Institute will prepare a preliminary report by December 1, 2005, that describes the results of the meta-analysis of acute and chronic treatment programs and compares their effectiveness with early intervention programs. By December 1, 2006, the Institute will report the results of a retrospective outcomes and cost analysis of those who have received treatment in Washington State and propose a methodology for tracking and estimating long-term treatment outcomes and costs.

In total, the two studies is estimated to cost \$835,895. Done separately, the study under Sec. 217 will cost \$502,804 over four fiscal years and the study under Sec. 804 will cost \$333,091 over two fiscal years.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	2.3	2.8	2.5	1.0	
A-Salaries and Wages	158,220	203,333	361,553	152,393	
B-Employee Benefits	36,063	46,027	82,090	34,412	
C-Personal Service Contracts	19,000		19,000	19,000	
E-Goods and Services	51,601	66,230	117,831	49,616	
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
<b>Total:</b>	\$264,884	\$315,590	\$580,474	\$255,421	\$0

**III. B - Detail:** List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Programmer/Analyst	55,728	0.8	0.8	0.8	0.3	
Project Manager	77,616	1.5	2.0	1.8	0.8	
<b>Total FTE's</b>		2.3	2.8	2.5	1.0	0.0

## Part IV: Capital Budget Impact

## Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

# LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

<b>Bill Number:</b> 5763 SB	<b>Title:</b> Mental disorder treatment
-----------------------------	---

## Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

### Legislation Impacts:

- ☒ Cities: Reduction in criminal justice costs if recidivism is reduced among mentally ill and chemical dependent criminal offenders.
- ☒ Counties: Significant impact on expenditures and revenue if optional sales tax authority is exercised. See Administrative Office of the Courts fiscal note for court impacts.
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

## Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☒ Legislation provides local option: Section 908 provides local 1/10 of 1% additional sales tax authority to County legislative body and optional application for funding for Mental Health and Family Therapeutic Courts created under the bill.
- ☒ Key variables cannot be estimated with certainty at this time: Revenue - the number of Counties participating the optional Mental Health and mandatory Family Therapeutic court grants is not known. Expenditures --This bill has significant impacts on local governments who manage community mental health and chemical dependency service delivery and their responsibilities for criminal justice system costs. Many of the impacts of the bill would be better defined after the completion of the pilot programs in 2008 and a determination is made about the funding of involuntary treatment beds (MH and/or CD); regional jails for offenders with MH and/or CD disorders and CD treatment follow up services.

### Estimated revenue impacts to:

Jurisdiction	FY 2006	FY 2007	2005-07	2007-09	2009-11
City					
County	85,213,804	88,183,804	173,397,608	167,027,608	167,027,608
Special District					
<b>TOTAL \$</b>	85,213,804	88,183,804	173,397,608	167,027,608	167,027,608
<b>GRAND TOTAL \$</b>					507,452,824

### Estimated expenditure impacts to:

<b>Indeterminate Impact</b>
-----------------------------

## Part III: Preparation and Approval

Fiscal Note Analyst: Anne Pflug	Phone: 509-649-2608	Date: 02/17/2005
Leg. Committee Contact:	Phone:	Date: 02/07/2005
Agency Approval: Louise Deng Davis	Phone: (360) 725-5034	Date: 02/17/2005
OFM Review: Tom Lineham	Phone: 360-902-0543	Date: 02/17/2005

## Part IV: Analysis

### A. SUMMARY OF BILL

*Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.*

SB 5763 has nine parts that in total revise the mental health and chemical dependency system in the State of Washington. Programs affected are operated at the state and local levels. Below is a summary of the provisions that most impact local government.

#### Part I - General Provisions

The intent of the bill is create an integrated approach to chemical dependency (CD) and mental health (MH) treatment particularly for those who have co-occurring mental health and chemical dependency disorders. Establishes an integrated, comprehensive MH/CD screening and assessment process to determine who needs co-occurring treatment, the size of the population, and when these needs are identified. Requires DSHS to assemble data and provide specific studies.

#### Part II - County Pilot Programs and State Special Projects

Establishes two pilot programs: Secure Detoxification/Combined Crisis Responder Pilot Project from the Cross-System Crisis Response Initiative (CSCRI) and CD Intensive Case Management Pilot (From the CSCRI).

Sections 201 through 219 provide for pilot programs in two counties or regional support networks to provide integrated crisis response and involuntary treatment. The pilot projects would run from March 1, 2006 through March 1, 2008. The Washington Institute for Public Policy shall evaluate the pilot projects.

Section 218 provides that the state shall provide financial assistance to meet all increased costs of the pilots.

Section 220. Adds a new section to chapter 70.96A providing for pilot programs in two counties or regional support networks to provide intensive case management for chemically dependent persons with histories of high utilization of crisis services. The local government related goals of the programs are to reduce the number of criminal justice interventions including court appearances.

Another

goal is to work with therapeutic courts (see Part VI).

#### Part III - Unified Involuntary Treatment Act (Administered primarily at the County level)

Establishes a single involuntary treatment act with a uniform set of standards and procedures for persons with mental and substance abuse disorders both adults and children to take effect in 2009 following receiving data on the pilot in Part II.

Section 310. Requires the filing of a petition for initial detention. It appears that the superior court judge reviews the petition ex parte and may issue an order requiring the person to appear within 24 hours at the evaluation and treatment facility or a secure detoxification facility. The facility shall notify the court in writing of the date and time of the initial detention so a probable cause hearing can be held no later than 72 hours after detention.

Section 312. Provides that a person may be detained for not more than 14 additional days if the person in charge of the facility has filed a petition for a 14 day detention with the superior, district, or other court permitted by court rule. This section in (5) describes the court's responsibilities at the probable cause hearing.

Section 313. Provides that the staff at the facility may petition for additional treatment under RCW 70.96A.140 beyond the 14 days.

Section 314. Provides that the prosecutor must represent the petitioner in the judicial proceedings.

Section 323. Requires the filing of a petition for initial detention. It appears that the superior court judge reviews the petition ex parte and may issue an order requiring the person to appear with 24 hours at the evaluation and treatment facility or a secure detoxification facility. The facility shall notify the court in writing of the date and time of the initial detention so a probable cause hearing can be held no later than 72 hours after detention.

Section 324. Requires the county mental health professional, chemical dependency specialist, or crisis responder to file with the court and serve the detained person's attorney the petition or supplemental petition on the next judicial day following the initial detention.

Section 325. Requires the probable cause hearing to be held no later than 72 hours after the initial detention.

Section 329. Provides that at any time during a person's 14 day treatment period, the professional person may petition the superior court for an order requiring an additional period of treatment. If a person has been determined to be incompetent pursuant to RCW 10.77.090(4), the professional person may directly file a petition for 180 day treatment. No petition for initial detention or 14 day detention is required.

Section 330. Provides that when a professional person is evaluating a person who is identified as a dangerous mentally ill offender, the professional person file a petition for a 90 day less restrictive alternative (LRA) in lieu of a petition for a 14 day commitment.

Section 332. Requires a county mental health professional, chemical dependency specialist, or crisis responder to examine a person referred under RCW 10.77.090(1)(d)(iii)(A) within 48 hours. If after that examination the professional person determines it is not appropriate to detain the individual or petition for a 90 day LRA, the decision must be immediately presented to the superior court for hearing. The court shall hold a hearing not later than the next judicial day. At the hearing the court may order the person to be evaluated at an evaluation and treatment facility. If the person is placed in an evaluation and treatment facility, the professional person shall evaluate the person for purposes of determining whether to file a 90 day inpatient petition or outpatient petition under chapter 71.05. The professional person's recommendation shall be presented to the superior court in which the criminal charge was dismissed. The superior court shall review the recommendation not later than 48 hours after the recommendation is presented. If the court rejects the recommendation, the

court may order the person detained and direct the person to appear at a surety hearing within 72 hours or the court may order the person released and direct the person to appear at a surety hearing set within 11 days. If a petition is filed for 90 treatment, the court shall conduct the hearing within five judicial days. If the person requests a jury trial, the trial shall commence within 10 judicial days of the date of the filing of the petition.

Section 334. Provides a person detained for 72 hour evaluation and treatment may not be detained for more than 14 days of involuntary intensive treatment or 90 days of a LRA unless the court has ordered the additional time after a probable cause hearing.

Section 335. Provides that if a petition is filed for 14 day involuntary treatment or 90 day LRA, the court shall hold a probable cause hearing within 72 hours of the initial detention. At the conclusion of the probable cause hearing, the court shall order the person detained for 14 days or 90 days in a LRA. The court shall provide written notice that the person is barred from possessing a firearm.

Section 337. Provides that the petition for 90 day treatment shall be filed with the clerk of the superior court at least three days before expiration of the 14 day period. The clerk shall set a hearing on the next judicial day, unless waived by the person's attorney. The clerk shall notify the mental health professional of the hearing date and time. At the hearing the court shall: 1) appoint an attorney, if needed, 2) advise the person of the right to a jury trial, 3) if requested, appoint a professional person to examine the person, 4) if requested, appoint a professional person to seek a LRA, and 5) set a date for a full hearing.

Section 338. Provides the court shall conduct the full hearing on the 90 day treatment petition within 5 judicial days after the probable cause hearing. If the person requests a jury trial, the trial shall commence within 10 judicial days after the probable cause hearing.

Section 339. Provides that the court shall remand a person for 90 day treatment if the court or the jury finds that the grounds in RCW 71.05.280 have been proven and that the best interest of the person and others would not be served by a less restrictive alternative. If the person is detained under RCW 71.05.280(3), the period of treatment may be up to 180 days. If the committed person is developmentally disabled, the court shall remand for 180 day treatment. The person shall be released at the expiration of the commitment period unless the professional person files a new petition. The new petition shall be filed and heard in the superior court of the facility unless good cause is shown for a change of venue. If the court or jury finds that the grounds for additional confinement are present, the court may order the committed person to 180 days of treatment. Successive 180 day treatment orders are possible under this same procedure.

Sections 340 through 342 detail the county CDMHP and CDCDS responsibilities to assess and notify DOC under certain circumstances for felons leaving the jail or prison system.

Sections 343 through 345 detail the modifications and reviews. If a person committed under RCW 71.05.280(3) or 71.05.320(2)(c) is conditionally released the prosecutor of the county in which the criminal charges were dismissed must be served. The prosecutor may petition the court in the county that issued the commitment order to hold a hearing to determine whether the person may be conditionally released. If the person fails to adhere to the terms and conditions of the conditional release, the person may be apprehended and detained. The court that originally ordered the commitment shall be notified within two judicial days of the person's detention and the county CDMHP or CDCDS shall file a petition. The person does not have a right to a jury trial for these hearings.

Sections 363 and 364 authorize mental health court commissioners.

Section 365 requires the county clerk to maintain a record of the applications, petitions, and proceedings.

Section 366 requires the court to enter findings whenever the court does not follow the recommendation of the professional person.

Section 369 requires the Supreme Court to adopt rules, as necessary, to address court procedures and proceedings.

Section 371 sets the venue for proceedings as the county in which the person to be committed resides or is present.

Section 374 authorizes the court to order the administration of antipsychotic medications or electroconvulsant therapy or surgery.

Sections 376 through 381 deal with confidentiality of the fact of admission and all information and records.

Section 378 provides that court files and records of court proceedings are closed.

Sections 382 through 387 deal with liability.

Section 383 provides that a person may bring an action against an individual who has willfully released confidential information.

#### Part IV -- Chemical Dependency Treatment Gap

~Increase CD Treatment to 40% of need by 2006 and 60% of need by 2007 (under 200% of poverty and Medicaid eligible) based on 2003 WSU survey. Applies to both adults and children.

~Establishes integrated, comprehensive MH/CD screening and assessment to determine who needs co-occurring treatment, the size of the population, and when these needs are identified

~Permits Joinder of CD commitment petition to MH Commitment petition in court.

#### Part VI -- Forensic & Correctional

Section 601 authorizes counties to establish and operate mental health courts. The section establishes the criteria for the mental health courts and requirements for applying for a state appropriation.

Section 602 allows counties that have a drug court and a mental health court to combine the functions into a single therapeutic court.

Section 603 requires every county with a juvenile or family court to establish and operate a family therapeutic court. The section establishes the criteria for the family therapeutic court. DSHS shall furnish services to the family therapeutic court unless the court contracts with providers outside the department.

Section 604 provides criteria for defendants who are eligible for referral to a drug or mental health court.

Section 605 amends RCW 9.94A.505 to authorize a court to refer a defendant to a drug court or mental health court.

Section 612 provides for a legislative study of existing facilities that could be converted to regional jails for CD and/ MH offender

confinement.

Section 613 requires DSHS to reduce the waiting times for competency evaluation and restoration.

Sections 614 and 615 address ESB 6358 implementation issues (improving collaboration regarding offenders with treatment orders).

#### Part VII -- Best Practices

~DSHS must develop the integrated screening & assessment process required Parts I and IV and establish contractual penalties for failure to use.

~Directs DSHS not to close WSH/ESH beds without community beds in place

#### Part VIII -- Collaboration

DSHS must develop a matrix of services for adults and children based on maximizing:

~evidence-based, research-based, and consensus-based practices and where funds are available, promising practices (with definitions)

~recovery, independence, and employment

~ individual participation in treatment decisions including providing clients with information and assistance on mental health advance directives

DSHS must require use of these practices, as appropriate, in its contracts and create a schedule of penalties for failure

Washington State Public Policy Institute shall assess the long term cost-effectiveness of investing in treatment of chemical dependency and mental health disorders.

#### Part IX -- Funding and Miscellaneous Provisions

~Appropriation for vendor rate increases prioritized by maximization of evidence based practices.

~County legislative body given optional authority to impose 1/10th of 1% sales & use tax to provide new or expanded CD or MH treatment.

Funds may not be used to supplant existing resources.

~New Involuntary Treatment Act (Part 3) is null and void if not funded by 2009 legislature.

## **B. SUMMARY OF EXPENDITURE IMPACTS**

*Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.*

The overall impact of SB 5763 on local government is indeterminate. This bill has significant impacts on local government in mental health and chemical dependency service delivery and criminal justice system costs. Many of the impacts of the bill would be better defined after the completion of the pilot programs in 2008 and a determination is made about the funding of involuntary treatment beds (MH and/or CD); regional jails for offenders with MH and/or CD disorders and CD treatment follow up services. The detail below estimates costs or impacts where examples are available.

### **BACKGROUND**

Counties oversee the provision of out-patient and community in-patient mental health and chemical dependency services. Mental Health (MH) and Chemical Dependency (CD) services are currently funded through a combination of Federal, State, local government, public and private hospital and private insurance funds. Local governments (primarily Counties and Regional Service Networks) manage a service system through pre-paid health plans for out-patient and in-patient mental health treatment paid for by the State (approx 90%, combination of state and federal sources) and local funds (approx 10% from earmarked county property tax). The state and hospitals primarily provide in-patient treatment in the mental health arena. The state contracts with Counties to provide a range of categorical CD treatment programs. Counties in turn contract with and oversee providers. Public CD treatment is primarily out-patient and voluntary in-patient treatment paid for by the State (approx 90%) and local funds (approx 10% from earmarked Liquor Tax).

The Washington State Institute for Public Policy, WSIPP (Long Term Outcomes of Public Mental Health Clients Preliminary Report, February 2004) found that of the 127,000 persons who received public mental health services in 2002 in Washington, at least 59% of adults were unemployed (52,451) and at least 15.3% had a dual diagnosis of MH/CD disorders (13,601). Data is not yet available from this study about how many mentally ill or dual diagnosis adults and children have interacted with the criminal justice system (expected late 2005). Nationally surveys show approximately 16.3% of local jail inmates have some form of serious mental illness. Of these individuals 2/3 are reported to have a CD disorder (US Dept of Justice 1999 report Mental Health and Treatment of Inmates and Probationers). It is estimated that 5 - 15% of the occupants of Washington County Adult Detention Facilities suffer from a major mental disorder and 60 - 80% from a CD disorder (King County Director of MH/CD, Amnon Schoenfeld). There are 10,154 County operated jail beds in 2005 and 786 City operated jail beds (updated Washington Sheriffs and Police Chiefs 2003 jail survey). In King County jail, an average of 250 mentally ill persons occupied the jail in a given day with an average stay of 28 days compared to other offenders who averaged 17 days of jail detention (King County Correctional Facility Department of Adult and Juvenile Detention statistics, 1999).

Information about the impact of mental health treatment on recidivism in the Washington criminal justice system was documented by the WSIPP in its January 2004 Mentally Ill Misdemeanants study and by evaluations of the King County and Seattle mental health courts (2003 and 2001). In the WSIPP study, of the 107 treated and comparison group misdemeanor offenders compared in the study the least recidivism came from the group that obtained treatment prior to and after conviction. Over 40% of each group had a substance disorder as well as a mental illness. There were 33% or 35 fewer misdemeanor filings and 44% or 41 fewer felony convictions among the treated group



of 107 than among those that did not receive treatment. The King County mental health court processes approximately 560 cases per year. An evaluation at five years of operation found that recidivism was reduced -- a decrease of 76% in the number of offenses committed by misdemeanor offenders. Violent offenses were reduced by 88%. Incarceration time dropped from an average of 15.5 days per person in the year prior to entering the mental health court system to 1.8 days in the year after "graduation" from the court program.

#### SB 5763 COUNTY MENTAL HEALTH AND CHEMICAL DEPENDENCY PROGRAM IMPACTS

Counties and/or Regional Service Networks made up of several counties would be responsible for implementing the screening, assessment and out-patient treatment programs to comply with the provisions of this bill. The major costs would include:

- ~Application for and operation of Part I pilot programs
- ~Selection, training and qualification of county-designated crisis responders after 2009
- ~Implementing Integrated Screening and co-occurring disorder documentation for individuals with MH and/or CD disorders beginning in July 2006 (Section 103 and 701)
- ~ Implementing a new Integrated Assessment process by January 2007 (Section 103)
- ~ Expansion of CD adult and juvenile treatment to 40% of need by 2006 and 60% of need by 2007 (Part IV)
- ~ Penalties for non-compliance (Section 701) -- DSHS service contracts with Counties or RSNs will contain penalties for non-compliance with screening and assessment requirements.
- ~Vendor contract administration modification, training and/or county program modification to incorporate best practices identified in Part IV of the bill to qualify for contract rate increases from DSHS.
- ~Modification of data systems for MH and CD clients to accommodate the confidentiality, data sharing, assessment and treatment information requirements under the bill.

Additional vendor or provider payments to increase out-patient services would come from the State under the bill and be administered by the Counties or RSNs. While the amount of treatment, especially CD treatment, would increase it is likely that costs to the counties would increase only marginally unless additional vendors were required. If additional vendors were required County contract administration, fiscal and information technology costs would increase.

It is difficult to find and train dually certified MH and CD professionals. If all 39 counties are required to have dually certified crisis responders in 2009 then there would be a significant training and/or recruitment and compensation cost to each County. A certified person is estimated to cost approximately \$55,000 to \$70,000 per year in salary.

Assuming that the state bears the cost of training for the integrated screening and assessment programs, the Counties would have the cost of replacement work hours and continuing education to keep pace with best practices. There is a difference in the training and background of most MH and CD professionals and estimates vary as to the amount and type of training that would be necessary to provide for integrated assessment. MH professionals have more years of required specialized schooling than CD professionals. Additional training and competencies may also result in upward adjustments to compensation born by the Counties.

Modification of data systems for MH and CD clients may have a significant cost. The privacy provisions for the two separate data and reporting systems are different and the reporting requirements under each existing program is significantly different. Integration costs may be significant. Assessment and screening data would be gathered in a new way under this bill requiring modification to existing local systems.

#### OVERALL LOCAL GOVERNMENT CRIMINAL JUSTICE COST IMPACTS

Integrated treatment of a larger proportion of the MH and/or CD population may result in reduced overall life time treatment costs per person. In addition, persons involved in successful treatment may reduce their participation and demand for other local government services including law enforcement, justice, detention, housing, health and services to the homeless during the person's life time. Part of the intent of the bill is to document the costs and benefits.

If recidivism for misdemeanants and felons with MH and/or CD disorders decreased, county/city correction's program and city/county criminal justice system costs would also decline. Potentially, repeat offenders that may have cycled through the criminal justice system four times in four years may now recycle two times. As an example, each time a property crime felon cycles through the criminal justice system the costs to the local criminal justice system are estimated as:

- ~Law Enforcement Cost: \$1,597 (Counties) \$1,934 (Cities) per property crime
  - ~County Superior Court Cost: \$5,700 (\$237 per hour X 3 day trial)
  - ~Prosecutor Cost: \$819 per property crime
  - ~Defense Cost: \$1,030 per property crime
  - ~Jail Cost (9 month sentence with one third good time reduction): \$11,160
- Total Cost: \$20,306 to \$20,643

Costs for misdemeanants are generally lower and costs for crimes against persons are generally higher.

#### COUNTY COURT IMPACTS

Background ~ Counties operate Superior Court, Juvenile Court and District Court. Currently, partial funding is provided by the state for Superior and Juvenile Court operations, the remainder of court costs are County costs. Drug, Mental Health and Family Therapeutic Court programs described under the bill would be operated at the County level as an extension of Superior, Juvenile and District Court programs. A few counties currently operate family therapeutic, drug and mental health courts.

See the Administrative Office of the Courts fiscal note for local government court impacts. It is assumed that any increased court and probation costs that are incurred because of participation in the involuntary treatment pilot program authorized in sections 201 through 219 would be funded by the state as provided in the bill (Section 218).

Family Therapeutic Courts (Section 603) -- The fiscal impact estimated by the Administrative Office of the Courts for this provision is \$14,815,000 statewide per year. All counties in Washington have a juvenile court and would have to establish and operate a family therapeutic court component of Juvenile or Family Court. Each county must conduct a special court docket or calendar to intensely supervise coordinate and provide oversight for treatment provided to families and parents who have CD and/or MH disorders and who are involved in dependency or family law cases. The court, to the extent possible, needs to be co-located with service providers. Each court must develop an evaluation component including tracking of success rates and completion of treatment, re-unification of families and the costs/benefits of the court.

Mental Health Courts (Section 601) -- Counties have the option of establishing Mental Health courts under the bill and having a portion of their costs shared with the state on a dollar for dollar basis (see revenue section). Three counties currently have mental health courts (King, Spokane and Clark) and one city (Seattle). MH courts require additional staffing (court monitor or mental health professional advisor, intensive probation supervision and longer court proceeding time per case). Estimated per case cost including probation, defense and prosecution is \$1,390 (King County District Court 2004). King County processes approximately 560 cases per year and Seattle Municipal Mental Health Court processes approximately 679 cases (2003).

#### PROSECUTOR AND DEFENSE COST IMPACTS

Part II Pilots -- It is assumed that any increased prosecutor and defense costs that are incurred because of participation in the involuntary treatment pilot program authorized in sections 201 through 219 would be funded by the state as provided in the bill (Section 218).

Part III Unified Involuntary Treatment Act implementation -- Sections 302 through 387 comprise the new omnibus involuntary treatment act. These sections take effect July 1, 2009. The act would not make many substantive changes in court procedures (see Administrative Office of the Courts fiscal note). The fiscal impact from these sections would occur if additional treatment resources were available and, additional involuntary commitment petitions were filed. In 2003, there were 9,020 petitions filed for involuntary commitment either for mental health issues (8,407) or substance abuse (613) issues. Fourteen petitions involved trials.

There are no estimates of the number of additional involuntary treatment beds that will ultimately be available. An example of costs would be as follows: for a 16 bed secure detox facility housing persons involuntarily committed for an average of 17 days each, 330 individuals could be accommodated per year. Approximately 350 petitions would be processed in the court for these individuals. If the number of petitions filed were increased by 350 per year for each 16 beds of additional in-patient involuntary treatment, the annual impact on prosecutor and defense costs would be:

Prosecutor costs (\$61.50 per hour X 2.5 hours per case X 350 petitions = \$53,812)

Defender costs (\$ 65 per hour X 3.5 hours per case X 350 petitions = \$79,625)

Total cost for 350 additional involuntary commitment petitions per year = \$133,437

#### Part VI -- Family Therapeutic Court (FT Court)

This provision of the bill is mandatory for all counties. The cost for prosecution and defense for 12 dependency cases per week (Example from Thurston County FT Court) is estimated at:

Prosecutor 2.5 additional hours per week X 50 weeks = 125 hours X \$61.50 per hour= \$7687 per year .

Defense 2.5 additional hours per week X 50 weeks = 125 hours X \$65 per hour = \$8125 per year

Total cost = \$15,812 per court per year

If you assume that like Thurston County 2% of dependency cases would be referred to FT Court then 409 cases would have been referred in 2003 (AOC caseload data). Total annual cost for prosecutor and defense based on these assumptions would be \$538,900 statewide.

#### Part VI -- Mental Health Court

This provision of the bill is optional. It authorizes the creation of Mental Health courts and Mental Health/Drug Courts and provides a system for state financing of the establishment of the court or court expansion. State match is dollar for dollar with local funding. King County currently has a Mental Health Court that handles approximately 560 cases per year. Prosecutor and defense costs per case are estimated at \$638 (total cost of .5 FTE prosecutor, defense social worker and 1.5 FTE Defense attorneys with clerical support and supervision divided by the number of cases).

#### COUNTY JAIL IMPACTS

#### ~County Jail Costs

Reduction in recidivism would have an impact on jail bed use and cost (see discussion under Overall Criminal Justice Cost impacts and Background). The amount of impact would be dependent on the number of in-patient involuntary commitment beds available statewide for MH and CD, the amount of CD treatment available to the jail population and follow-up CD treatment resources available to the treated population (Spokane County Department of Community Services).

#### ~Regional Jail Study (Section 612)

The Joint Legislative Audit and Review Committee (JLARC) would evaluate by December 2005 potential facilities for use as regional jails and the changes in criminal justice, jail and treatment costs for qualifying offenders. Offenders housed in regional jails would be offenders with MH and/or CD disorders that need specialized housing and treatment. This provision has no direct impact on local governments but may have future long term impacts depending on study results and follow up actions.

### C. SUMMARY OF REVENUE IMPACTS

*Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.*

Overall SB 5763 provides significant funding to Counties to carry out the purposes of the bill. State funding is provided for two pilot programs prior to full implementation in 2009. Authority is granted to county legislative bodies to enact an additional 1/10 of 1% sales tax to expand mental health chemical dependency treatment; potential revenues derived from this provision are discussed below. State matching funds for optional Mental Health Courts and mandatory Family Therapeutic Courts is generally discussed in the bill.

**FUNDING FOR COUNTY OR REGIONAL SUPPORT NETWORK (RSN) PILOT PROGRAMS -- Secure Detoxification/Combined Crisis Responder Pilot Project (CSCRI) and CD Intensive Case Management Pilot (From the CSCRI) for adults**

Section 203 to 220 establishes two pilot programs to be tested in Counties or RSNs and provides state financial assistance for the Crisis Responder pilot to meet all increased costs. Section 220 sets up the Intensive Case Management pilot through contract with DSHS in the same Counties as selected for the Crisis Responder pilot. Of the two pilots one would be in an urban county or RSN and one in a rural county or RSN beginning service delivery March 2006 through March 2008. See DSHS fiscal note for proposed funding details. FY06 \$1.7 M and FY07 \$4.67M.

#### **FUNDING FOR EXPANSION OF COUNTY MENTAL HEALTH AND CHEMICAL DEPENDENCY TREATMENT**

Section 908 provides the option for County legislative authorities to impose a 1/10 of 1% sales and use tax to be used for the purpose of providing expanded chemical dependency or mental health treatment services. One tenth of 1% on total 2003 sales in Washington would be \$87,209,000. It is likely that all Counties would not pursue this option. If all of the Counties (30 out of 39) that participate in the optional sales tax provisions for criminal justice participated in this option then the optional tax would raise \$85.5M (2003 dollars) for expanded services (See attached spreadsheet for impact on individual Counties). The Department of Revenue estimates that there would be a secondary impact of a \$2 M sales tax loss to the General Fund of Counties statewide as a result of a sales tax increase. This loss is due to choices being made by consumers as sales taxes increase to purchase goods through alternative means like internet sales or cross state purchases. Overall the estimated impact is \$83.5 M (2003 dollars) per year.

#### **FUNDING FOR MENTAL HEALTH, DRUG AND FAMILY THERAPUTIC COURTS**

Optional Mental Health Courts -- Section 601 sets up a dollar for dollar match program between Counties and the state for supplemental programs including the establishment of mental health courts or dual mental health/drug courts serving non-violent defendants. Minimum requirements for the county programs are set in the bill. There are at least three Counties (King, Clark and Spokane) and at least one City, Seattle, that have already established separate court calendars or courts for mentally ill defendants. The cost per case at King County District Mental Health Court is \$1,390. Local governments would be eligible for reimbursement of one half of the costs of the court. Assuming that 3,000 cases (King County and Seattle cases X 3) are diverted to Mental Health courts and all Counties participated in 2009 the total revenue to counties from state assistance would be \$2,085,000 and the total remaining cost to Counties would be \$2,085,000.

The Administrative Office of the Courts (AOC) reported 9,020 petitions for involuntary MH (8084 adult, 323 minors) and CD (613) commitment were filed in 2003 while 561 misdemeanor mental competency hearings occurred statewide in 2000. A subset of this population would be eligible for mental health court statewide. Since the creation of Mental Health courts is optional and the number of cases filed in the Mental Health court would be hard to determine there would not be a way to estimate the number of courts created and the amount of funding available.

Mandatory Family Therapeutic Courts -- Counties may apply for state appropriations to support Family Therapeutic courts (Section 603) that are required in each County. No specific funding mechanism or formula is set out in the bill. AOC estimates that Family Therapeutic Courts will cost \$14,815,000 per year of which a portion could be reimbursed by the state. There are 39 Counties that would be required to set up Family Therapeutic Courts. Since the funding mechanism and formula is not defined it is not possible to estimate the revenue impact for local government.