

# Multiple Agency Fiscal Note Summary

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

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<b>Prepared by:</b> Monica Jenkins, OFM	<b>Phone:</b> 360-902-0561	<b>Date Published:</b> Final 3/ 7/2005
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\* 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 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 014-Joint Leg. Audit & Review Committee
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND					
<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: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Curt Rogers	Phone: 360 786-5188	Date: 02/28/2005
Agency Approval: Cindi Yates	Phone: 360-786-5171	Date: 02/28/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 03/01/2005

## 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 SSB 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.

Section 613 directs DSHS to review the use of regional jail facilities to accomplish competency evaluation and restoration. JLARC would coordinate its analysis with DSHS's review.

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.*

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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.

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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.

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## 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 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 055-Office of Administrator for Courts
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## 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:

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- ☐ 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: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Yvonne Pettus	Phone: (360) 705-5314	Date: 02/28/2005
Agency Approval: Jeff Hall	Phone: 360-357-2131	Date: 03/01/2005
OFM Review: Garry Austin	Phone: 360-902-0564	Date: 03/01/2005

## 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. Nothing in this section permits any person to knowingly violate a no-contact order or a condition of an active judgment and sentence or an active condition of supervision by the Department of Corrections.

Section 108. Adds "chemical dependency" and "co-occurring mental and chemical dependency disorders" to the statute dealing with antipsychotic medication. When medications are administered without the consent of the involuntarily committed person, the petitioner shall notify the court of the administration of involuntary medications. 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 State 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.

Section 221. Requires the Washington State Institute for Public Policy to develop a pilot program to evaluate the effectiveness of clubhouse psychiatric rehabilitation programs. The evaluation report shall be presented to the Legislature by December 1, 2007.

Sections 302 through 374 comprise a new omnibus involuntary treatment act. These sections take effect July 1, 2009.

Sections 315 through 323 deal with the initial detention.

Section 315. 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 a certified 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 316. Requires that if a person is involuntarily placed in a certified facility, the designated responder shall file with the court the initial petition or supplemental petition for initial detention.

Section 318. Defines the 72 hour period as excluding Saturdays, Sundays, and holidays.

Section 321. 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 323. Requires a designated responder to examine a person referred under RCW 10.77.090(1)(d)(iii)(A) within 48 hours. If after that examination the designated responder 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 a certified 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 day 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.

Sections 324 through 326 deal with the 14 day detention and commitment.

Section 324. 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 325. 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.

Sections 327 through 332 deal with the 90/180 day detention and commitment.

Section 328. Provides that any time during the person's 14 day treatment period, the professional person in charge may petition the superior court for an order requiring the person to undergo an additional period of treatment. If the person has been determined incompetent pursuant to RCW 10.77.090(4), the professional person in charge may directly file a petition for 180 day treatment and no petition for initial detention or 14 day detention is required to be filed.

Section 329. 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 designated responder 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 330. Provides the court shall conduct the full hearing on the 90 day treatment petition within five 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 331. 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.

Section 332. Provides that if a minor is committed for 180 day inpatient treatment and is to be placed in a state-supported program, DSHS shall immediately accept and place the minor in a state-funded long-term evaluation and treatment facility.

Sections 333 and 334 detail the CDMHP and CDCDS responsibilities.

Sections 335 through 336 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 designated responder shall file a petition. The person does not have a right to a jury trial for these hearings.

Sections 337 through 346 deal with treatment provider responsibilities.

Sections 347 through 358 deal with attorneys and courts.

Section 348 requires the prosecuting attorney to represent the persons or agencies petitioning for commitment or detention.

Sections 350 and 351 authorize mental health commissioners.

Section 352 requires the county clerk to maintain a record of the applications, petitions, and proceedings.

Section 353 requires the court to enter findings whenever the court does not follow the recommendation of the professional person.

Section 354 describes the criteria for determining whether there is a likelihood of serious harm.

Section 355 describes the criteria for determining whether an inpatient or LRA commitment is appropriate.

Section 356 requires the Supreme Court to adopt rules, as necessary, to address court procedures and proceedings.

Section 357 describes the criteria for determining whether a LRA is appropriate.

Section 358 sets the venue for proceedings as the county in which the person to be committed resides or is present.

Sections 359 through 361 deal with individual rights and medications.

Section 361 authorizes the court to order the administration of antipsychotic medications or electroconvulsant therapy or surgery.

Sections 363 through 368 deal with confidentiality of the fact of admission and all information and records.

Section 365 provides that court files and records of court proceedings are closed.

Sections 369 through 374 deal with liability.

Section 370 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 525 deal with resources and licensing of facilities by DSHS.

Section 514 provides for judicial review of orders by the department denying, suspending, or revoking the license and for orders of the department imposing stop placement, temporary management, emergency closure, emergency transfer, or summary license suspension.

Section 516 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 court that hears dependency or termination proceedings 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 amends the drug court authorization statute (RCW 2.28.170) for counties to include felony and nonfelony offenders.

Sections 605 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 through 706 deal with DSHS practices and procedures.

Sections 801 through 804 repeal parts of RCW 71.05.

Section 904 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 374 - 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 374 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 that hears dependency or termination proceedings. 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 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 140-Department of Revenue
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## 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:

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Diana Tibbetts	Phone: 360-570-6085	Date: 03/02/2005
Agency Approval: Don Gutmann	Phone: 360-570-6073	Date: 03/02/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 03/02/2005

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.

Note: This fiscal note reflects SSB 5763.

Section 904 allows 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 907. The act will be null and void if specific funding is not provided by June 30, 2005.

Section 911. The act has an emergency effective date of July 1, 2005, except for sections 302 through 374 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 2005-07 Biennium 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 level 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>	\$29,900	\$15,500	\$45,400	\$31,000	\$31,000

**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>		0.4	0.3	0.4	0.3	0.3

## 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 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 300-Dept of Social and Health Services
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

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

### 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: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Carma Matti	Phone: (360) 902-8182	Date: 02/25/2005
Agency Approval: Sue Breen	Phone: 360-902-8183	Date: 03/07/2005
OFM Review: Tom Lineham	Phone: 360-902-0543	Date: 03/07/2005

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 and 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 the Department of Social and Health Services (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). The pilot programs must be established by March 1, 2006.

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 2Regional Support Networks (RSN) or counties to provide intensive case management for chemically dependent persons that highly utilize crisis services.

Section 221 requires DSHS to develop a pilot program to evaluate the effectiveness of clubhouse psychiatric rehabilitation programs.

\*\*\*\*\*

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 310 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 314 requires DSHS to ensure that the new chapter is applied by the counties in a consistent and uniform manner.

Section 333 requires DSHS to develop statewide protocols that will be updated every 3 years.

\*\*\*\*\*

Part 4: CD Treatment Gap

Section 401 requires the Divisions of Alcohol and Substance Abuse (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 behavioral and security issues.

Sections 508-524 outline the facility licensing application and fee collecting process and require the enforcement of compliance to licensing rules. Although the enhanced services facility may co-exist in the same location of another type of licensed facility, section 508 requires the enhanced services facility to maintain a separate staffing, unless an exception is permitted by department in rule.

\*\*\*\*\*

#### Part 6: Forensic & Correctional

Section 603 adds a requirement that juvenile courts and family courts will establish and operate a family therapeutic court component. It also requires DSHS to furnish services to the family therapeutic court.

Section 608 requires economic services administration (ESA) to have inter-local agreements with correctional facilities, the department of corrections, Institutions of Mental Disease (IMD), and whenever possible the Regional Service Networks (RSN) to expedite Medicaid eligibility and to establish procedures for speedy restoration and enrollment of Medicaid eligibility upon release of confinement.

Section 609 requires the RSNs to develop inter-local agreements with correctional institutions, the department of corrections (DOC), and IMDs to expedite RSN enrollment of persons released from confinement. The RSNs will accept and process applications on behalf of confined persons, prior to the person's release.

Section 610 requires DSHS to provide 90 days of general assistance (GA) and medical services or Medicaid when a person is released from confinement and is admitted to a community-based setting for continuing treatment for a mental or chemical dependency disorder.

Section 611 requires DSHS to deliver a report on September 30, 2005 that shows the number of persons with mental and co-occurring disorders released from confinement with restored Medicaid or RSN enrollment and the number who were denied eligibility or enrollment.

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 and Collaborations

Section 701 requires DSHS to have a comprehensive integrated DASA/ Mental Health Division (MHD) screening process by January 1, 2006. Statewide implementation is required by January 1, 2007. It also requires the provision of adequate training to effect statewide implementation and the establishment of contractual penalties.

Section 703 requires DSHS to collaborate with the University of Washington and family advocates to develop and implement a matrix of services by June 30, 2006.

Section 704 requires DSHS to develop and expand comprehensive services for the drug-affected and alcohol-affected infants model project.

Section 705 requires DSHS to identify and utilize federal, state, and local services and providers 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. It also requires DSHS to collaborate with the office of the superintendent of public instruction, local providers, school districts, and RSNs to review existing programs and services for children and children's unmet mental health needs.

\*\*\*\*\*

## 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 the attachments, 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. One FTE will be required and costs will be \$94,000 in FY06.

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. Costs are estimated to be \$198,000 FY06 and \$188,000 FY07.

- The development and implementation of a training program plus ongoing technical support for integrated procedures is estimated to be \$600,000 FY06 and \$200,000 FY07.
- IT costs will be incurred to integrate two screening systems and to expand storage space for statistical documentation. IT costs are indeterminate.
- 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. Identified costs to JRA are \$44,000 FY06 and \$23,000 FY07.
- 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.

Assumptions for Section 103:

- Costs for dual screening and dual assessment were rolled into one cost (\$200 per person)
- Every person that is screened will also be assessed.
- It is estimated that dual assessments will be twice as costly as current singular assessments (DASA’s are \$92.58 per person).
- MHD’s estimate assumes that the dual screening and assessment process equals the number of persons currently treated annually less the crisis only persons.

Section 108 – The “right to refuse medication” costs were not provided for this section 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.
- The hearing requirements will be composed of a panel and will require at least 3 FTEs per hearing: 1 physician and two additional persons employed by the facility (a physician, advanced registered nurse practitioner, psychologist, psychiatric nurse, physician’s assistant, or the medical director). FTE costs depend on what type of employee participates in these hearings. It is unclear if the “lay assistant” is also expected to be provided by the facility.

\*\*\*\*\*

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

Identified costs for Part 2 total \$7,655,800.

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 \$2,159,800 in FY06 and \$4,522,000 in FY07.

Assumptions for section 220:

- 4 chemical dependency case managers will serve approximately 120 clients per year (2 in the suburban location and 2 in the urban location). Each Chemical Dependency Professional (CDP) will cost \$55,000. Travel will cost approximately \$500 per CDP.

Section 221 requires DSHS to develop a pilot program to evaluate clubhouse psychiatric rehabilitation programs. This is indeterminate because we do not know how many programs will need to be evaluated.

\*\*\*\*\*

Part 3: Unified Involuntary Treatment Act (No attachment)

Sections 301-374 are indeterminate for the following reasons:

- Part 3 will not take effect until July 1, 2009 as per section 907 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- Estimated costs for DASA's requirement for increased capacity to serve both adults and children are as follows:

- Services provided to children cost \$3,200 per client. Costs for FY06 are \$9,494,000 and for FY07 are \$20,228,000.
- Services provided to adults cost \$160 per client. Costs for FY06 are \$16,329,600 and FY07 are \$35,976,000.
- Evaluations for youth and adults are estimated to cost \$300,000 FY06 and \$300,000 FY07

Assumption for section 401:

- 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.

Section 403 – DASA will conduct a feasibility study to convert existing facilities to chemical dependency treatment facilities. This is estimated to cost \$50,000 in FY06 and \$50,000 in FY07.

- DASA's administrative costs for the entire bill are rolled up in this section and are \$383,724 FY06 and \$353,724 FY07.

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 as follows:

- There are 44 children and family service offices that will contract with a chemical dependency specialist at \$55,000/year. Estimated costs are \$2,420,000 FY06 and \$2,420,000 FY07.

\*\*\*\*\*

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

Identified costs for Part 5 total \$11,098,000.

Section 508-524- Estimated costs are provided for the licensing process, management , and services of the enhanced services facilities.

- License and Management costs are estimated to be \$418,000 FY06 and \$519,000 FY07.
- Costs per bed are estimated to be \$402.08 per client. 15 beds will be available in FY06 and will cost \$610,000. 75 beds will be available in FY07 and will be phased in. Estimated FY07 costs will be \$8,551,000.
- 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. Utilization increase costs for MAA are projected at \$385/year/client for 1300 clients. Estimated costs are 500,000 FY06 and \$500,000 FY07.

Assumption for sections 508-524:

- The enhanced services facility will maintain separate staffing from any co-existing licensed facility.

\*\*\*\*\*

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

Identified costs for Part 6 total \$19,841,000.

Sections 601-604 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. Adult treatment costs are \$160/person. The total costs are indeterminate at this time. The Children's Administration (CA) may have additional case management responsibilities. The services that "shall be furnished to the family therapeutic court" by DSHS are not

defined and therefore the expenditures are indeterminate.

Section 608 requires economic services administration (ESA) and the Institutions of Mental Disease (IMD) to develop and enter into inter-local agreements with department of corrections (DOC) and correctional facilities. Estimated costs for the development and negotiation of these agreements are indeterminate.

- ESA will need regionally located Social and Health Program Managers to sufficiently facilitate the collaborations between correctional institutions and IMDs. Costs are estimated to be \$826,000 FY06 and \$754,000 in FY07.

- It is estimated that the Medicaid workload will increase by 1,378 persons per month: 866 persons from jails (see Attachment 2 for information on how jail estimates were derived), 248 persons from DOC, and 264 persons from state hospitals. It will take approximately 90 minutes to process each additional application. Given that one FTE works an average of 160 hours per month, 1 additional FTE would be required for every 106 additional applications processed. It is estimated that additional staffing will cost \$514,000 FY06 and \$836,000 in FY07.

- A percentage of the Medicaid workload increase will also be qualified for General Assistance (GA) and Temporary Assistance to Needy Families (TANF), however, the percentage is currently unknown. Costs for FTEs to process GA and TANF are indeterminate and will be based on the number of additional applications that need to be processed.

- Costs to ESA and the Medical Assistance Administration (MAA) are identified for additional GA and TANF grants and benefits. ESA's cash grants average \$295/month for GA and \$100/month for adding one additional member to an existing TANF case. MAA's non-cash benefits average \$508/month for GA and \$201/month for TANF. The average time period for granting assistance and benefits is 12 months. Costs for cash grants and benefits are indeterminate and will be based on the number of additional application that are processed.

- 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.

Section 609 requires RSNs to develop inter-local agreements with correctional institutions, DOC, and IMDs. It is estimated that it will take one administrative staff person per RSN for this process and costs \$1,050,000 FY06.

Section 610 requires DSHS to provide 90 days of general assistance (GA) to persons released from confinement and admitted to a community-based setting for treatment. It is expected that this will increase the GA workload in addition to the increases identified for section 608. Costs are indeterminate because the number of persons that will be served by this are unknown.

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.

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

- 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. Estimated costs are \$8,035,000 FY06 and \$7,826,000 FY07.

\*\*\*\*\*

Part 7: Best Practices and Collaborations (See attachment 1, page 7 )

Identified costs for Part 7 total \$1,202,532.

Section 701 is covered by the costing and narrative in other sections of this bill.

Section 703 – It is presumed that MHD will have the lead on the development and implementation of the matrix of services. Estimated costs for MHD's participation are \$532,000 FY06 and \$532,000 FY07. IT costs are included. Costs

associated with the participation of other programs in the development and implementation of the matrix are not included.

Section 704- CA will have costs associated with the alcohol-affected infants model project which have not yet been identified.

Section 705- 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.

- CA and Division of Developmental Disabilities will be involved in the collaborative study to review existing programs and services for children and children’s mental health needs. Estimated costs are \$138,532 FY06.

\*\*\*\*\*

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.*

Summary- Identified Expenditures for

FN: SSB-

5763

Expenditure by Object	FY06	FY07	2005-07
A- Salaries and Wages	\$ 6,914,196	\$ 7,058,724	\$ 13,972,920
B-Employee Benefits	\$ 1,930,060	\$ 1,982,000	\$ 3,912,060
C- Personal Service Contracts	\$ 50,000	\$ 221,000	\$ 271,000
E- Goods and Services	\$ 2,319,000	\$ 1,324,000	\$ 3,643,000
G- Travel	\$ 243,000	\$ 265,000	\$ 508,000
J- Capital Outlays	\$ 769,000	\$ 344,000	\$ 1,113,000
N- Grants, Benefits & Client Services	\$ 32,445,400	\$ 107,667,377	\$ 140,112,777
T-Intra-Agency Reimbursements	\$ 383,000.00	\$ 387,000.00	\$ 770,000
TOTAL \$:	\$ 45,053,656	\$ 119,249,101	\$ 164,302,757

**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 Medicad 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		
A- Salaries and Wages			\$ -			\$ -	\$ -
B- Employee Benefits			\$ -			\$ -	\$ -
C- Personal Service Contracts			\$ 50,000			\$ 200,000	\$ 250,000
Crisis Response Validation Study	\$ 50,000			\$ 200,000			\$ -
E- Goods and Services (Detox Facilities)		\$ 775,000	\$ 775,000		\$ 150,000	\$ 150,000	\$ 925,000
G- Travel			\$ -			\$ -	\$ -
J- Capital Outlays (equipment)			\$ -			\$ -	\$ -
N- Grants, Benefits & Client Services			\$ 1,691,800			\$ 4,789,000	\$ 6,480,800
Crisis Response Staffing	\$ 307,000			\$ 417,000			
Secure Detox Facilities		\$ 1,384,800			\$ 4,372,000		
T- Intra-Agency Reimbursements			\$ -			\$ -	
Subtotal (costs by program):	\$ 357,000	\$ 2,159,800		\$ 617,000	\$ 4,522,000		
Subtotal by FY:			\$ 2,516,800			\$ 5,139,000	\$ 7,655,800

Part 4: Treatment Gap: Sections 401-405

Expenditure by Object	FY06		FY06 Total	FY07		FY07 Total	2005/07
	DASA	CA		DASA	CA		
A- Salaries and Wages			\$ 208,724			\$ 208,724	\$ 417,448
Administrative costs (5 FTEs FY06, 5 FTEs FY07)	\$ 208,724			\$ 208,724			
B- Employee Benefits	\$ 62,000		\$ 62,000	\$ 62,000		\$ 62,000	\$ 124,000
C- Personal Service Contracts			\$ -			\$ -	\$ -
E- Goods and Services	\$ 60,000		\$ 60,000	\$ 60,000		\$ 60,000	\$ 120,000
G- Travel	\$ 8,000		\$ 8,000	\$ 8,000		\$ 8,000	\$ 16,000
J- Capital Outlays (equipment)	\$ 40,000		\$ 40,000	\$ 10,000		\$ 10,000	\$ 50,000
N- Grants, Benefits & Client Services			\$ 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			
T- Intra-Agency Reimbursements	\$ 5,000		\$ 5,000	\$ 5,000		\$ 5,000	\$ 10,000
Subtotal (costs by program):	\$ 26,557,324	\$ 2,420,000		\$ 56,907,724	\$ 2,420,000		
Subtotal by FY:			\$ 28,977,324			\$ 59,327,724	\$ 88,305,048

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>			\$ 1,110,000			\$ 9,051,000	\$ 10,161,000
Enhanced Service Facilities	\$ 610,000			\$ 8,551,000			
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>\$ 1,028,000</b>	<b>\$ 500,000</b>		<b>\$ 9,070,000</b>	<b>\$ 500,000</b>		
<b>Subtotal by FY:</b>			<b>\$ 1,528,000</b>			<b>\$ 9,570,000</b>	<b>\$ 11,098,000</b>

Table: Enhanced Service Facilities phased implementation (estimated costs are in Object N)

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	\$ 402.08	\$ 45	91	<b>\$ 610,000</b>
Fiscal Year 2007 phase in					
Phase 1- beds available July 1,2006	30	\$ 402.08	\$ 45	365	\$ 4,896,000
Phase 2- additional beds available October 1, 2006	15	\$ 402.08	\$ 45	273	\$ 1,831,000
Phase 3- additional beds available January 1, 2007	15	\$ 402.08	\$ 45	181	\$ 1,214,000
Phase 4 - additional beds available April 1, 2007	15	\$ 402.08	\$ 45	91	\$ 610,000
<b>FY07 Total</b>	<b>75</b>				<b>\$ 8,551,000</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>						\$ 5,957,000						\$ 6,190,000	\$ 12,147,000
ESA: Financial Services Specialist 3: Increased Medicaid workload by 1,378/month (7 FTEs Fy06, 14 FTEs FY07).					\$ 233,000						\$ 466,000		
ESA:Coordination with Correctional and IMDs. (10.5 FTEs, See table below)					\$ 447,000						\$ 447,000		
ESA: FTEs for increased GA/TANF workload as an estimated percentage of Medicaid eligible.					indeterminate						indeterminate		
ESA: Increased workload for 90 day GA requirement for released inmates entering community based treatment					indeterminate						indeterminate		
MHD- reducing wait times for off-site evaluations (12 FTEs at WSH and 13 FTEs at ESH)		\$ 2,018,000						\$ 2,018,000					
MHD- Addintional 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			\$ 189,000	\$ 1,705,000		\$ 1,516,000			\$ 258,000	\$ 1,774,000	\$ 3,479,000
<b>C- Personal Service Contracts</b>						\$ -						\$ -	\$ -
<b>E- Goods and Services</b>		\$ 548,000			\$ 197,000	\$ 745,000		\$ 548,000			\$ 273,000	\$ 821,000	\$ 1,566,000
<b>G- Travel</b>		\$ 160,000			\$ 61,000	\$ 221,000		\$ 160,000			\$ 85,000	\$ 245,000	\$ 466,000
<b>J- Capital Outlays</b>		\$ 438,000			\$ 197,000	\$ 635,000		\$ 229,000			\$ 39,000	\$ 268,000	\$ 903,000
<b>N- Grants, Benefits &amp; Client Services</b>						\$ 1,050,000						\$ -	\$ 1,050,000
DASA & CA costs for workload increase and furnished services to family therapeutic courts.	Indeterminate		Indeterminate				Indeterminate		Indeterminate				
ESA & MAA: GA and TANF benefits as a percentage of increased Medicaid workload.				indeterminate	indeterminate					Indeterminate	indeterminate		
ESA & MAA: Increased grants and benefits for 90 day GA requirement for released inmates entering community based treatment				indeterminate	indeterminate					Indeterminate	indeterminate		
MHD- RSN interlocal agreements with IMD and correctional facilities		\$ 1,050,000											
<b>T- Intra-Agency Reimbursements</b>		\$ 96,000			\$ 16,000	\$ 112,000		\$ 96,000.00			\$ 22,000	\$ 118,000	\$ 230,000
<b>Subtotal (costs by program):</b>	\$ -	\$ 9,085,000	\$ -	\$ -	\$ 1,340,000		\$ -	\$ 7,826,000	\$ -	\$ -	\$ 1,590,000		
<b>Subtotal by FY:</b>						\$ 10,425,000						\$ 9,416,000	\$ 19,841,000

Table: Coordination with Correctional & IMDs

Estimated approximately 1.5 FTEs for each region with adjustments for large geographical areas and heavy population.These FTEs will coordinate with DOC, MHD, RSNs, and county / city jails to implement the program (including but not limited to: picking up applications/requests for assistance, assisting completing apps/requests, doing some interviews as necessary, working with/at mental health and drug courts, etc).

Region	Total jail population in the region	Number of City/Co. Jail MH inmates <sup>3</sup>	DOC	Total	FTEs
Region 1 <sup>1</sup>	1,429	233	34	267	2.0
Region 2	1923	313	15	328	1.5
Region 3	1552	253	24	277	1.5
Region 4	2808	458	24	482	1.5
Region 5	1552	253	90	343	1.5
Region 6 <sup>2</sup>	2286	373	48	421	2.5
					10.5

<sup>1</sup> Region 1 has less population but the largest geographic size. This assumes 1 FTE in Spokane and 1 FTE in Wenatchee

<sup>2</sup> Region 6 has dense population and large geographic size. This assumes 1 FTE in Vancouver, 1 FTE in Olympia, and .5 in Port Townsend.

<sup>3</sup>"On average, 16.3% of the nations jail population are reported as having either a mental or emotional condition or an overnight stay in a mental hospital or porgram."

[1999, July: U.S. Department of Justice, "Bureau of Justice Statistics Special Report: Mental Health and Treatment of Inmates and Probationers."

(http://www.ojp.usdoj.gov/bjs/pubalp2.htm)]

Part 7: Collaboration: Sections 701-706

Expenditure by Object	FY06				FY06 Total	FY07				FY07 Total	2005/07
	DASA	MHD	CA	DDD		DASA	MHD	CA	DDD		
<b>A- Salaries and Wages</b> MHD, CA, DASA, DDD study collaboration with OSPI- children's needs and programs assessment (CA two .5 FTEs, DDD two .5 FTEs FY06 only)  DASA & CA- Expand services for substance abuse infants  Matrix development, Feasibility Study (3 FTEs)	Covered in Part 4	Indeterminate   \$ 195,000	\$ 44,472  Indeterminate	\$ 44,000	\$ 283,472	Covered in Part 4	\$ 195,000			\$ 195,000	\$ 478,472
<b>B- Employee Benefits</b>		\$ 39,000	\$ 10,560	\$ 10,500	\$ 60,060		\$ 39,000			\$ 39,000	\$ 99,060
<b>C- Personal Service Contracts</b>					\$ -		\$ 21,000			\$ 21,000	\$ 21,000
<b>E- Goods and Services</b>		\$ 21,000	\$ 9,500	\$ 9,500	\$ 40,000					\$ -	\$ 40,000
<b>G- Travel</b>			\$ 3,000	\$ 3,000	\$ 6,000					\$ -	\$ 6,000
<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			\$ 257,000		\$ 3,000			\$ 253,000	\$ 510,000
IT Costs		\$ 250,000	\$ 2,000	\$ 2,000			\$ 250,000				
<b>Subtotal (costs by program):</b>	\$ -	\$ 532,000	\$ 69,532	\$ 69,000		\$ -	\$ 532,000	\$ -	\$ -		
<b>Subtotal by FY:</b>					\$ 670,532					\$ 532,000	\$ 1,202,532

Calculation of Seriously Mentally Ill Persons (f) in Confinement (c) in City or County Jail in Washington State

	Sentences	Average Length in days
Felony Sentences served in Jail (a)	18290	87
Seriously Mentally Ill inmates 16.3% (b)	2981	
Monthly Ave felons leaving confinement	248	
Jail Average Daily Population for Confined Misdemeanors (d)		
Post-Trial Misdemeanants	1206	
Post-Trial DUI	257	
Post-Trial Traffic	162	
Total	1625	13 (see note e)
# of turnovers per year (divide ALOS into 365):	28	
Total Misdemeanants leaving confinement	45500	
Seriously Mentally Ill inmates 16.3% (b)	7417	
Monthly Ave misdemeanants leaving confinement	618	
Seriously Mentally Ill Felons and Misdemeanants per month leaving confinement (Line 11 plus line 24)	866	

a) Washington State Sentencing Guidelines Commission Annual Report for 2004, Table 2, Page 12

[www.sgc.wa.gov](http://www.sgc.wa.gov)

b) 1999, July: U.S. Department of Justice, "Bureau of Justice Statistics Special Report: Mental Health and Treatment of Inmates and Probationers."

(<http://www.ojp.usdoj.gov/bjs/pubalp2.htm>)

c) Confined persons as defined in RCW 9. 94A.030

d) Washington Association of Sheriffs and Police Chiefs Jail Survey Data 2003, <http://www.waspc.org/jails/JailStats/Index.shtml>

e) March 2004: King County Department of Adult and Juvenile Detention Jail Statistics

(<http://www.metrokc.gov/dad/jailstats.htm>)

f) Serious mental illness as defined in reference b above; schizophrenia, bi-polar disorder, and serious psychosis

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5763 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 310-Department of Corrections
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## 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: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Ronna Cole	Phone: 360-664-0688	Date: 02/25/2005
Agency Approval: Randi Warick	Phone: 360 -753-1158	Date: 03/05/2005
OFM Review: Nick Lutes	Phone: 360-902-0413	Date: 03/07/2005

## 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 (Section 201 – 220)

##### Section 203

Establish regional support networks or counties shall implement the pilot programs by providing integrated crisis response and involuntary treatment to persons with a chemical dependency, a mental disorder, or both, collaborating with the Department of Corrections.

Section 214 requires when an offender under court-ordered treatment is released by the Department into the community and under the supervision of Department, 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 the Department. If an offender under the supervision of Department is petitioned for involuntary treatment under the new section, the petitioner shall notify Department and the Department shall provide documentation of the risk assessment or other concerns to the petitioner and the court.

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

Section 344 requires the Department of Social and Health Services Superintendent or professional person in charge of the hospital or facility releases a person prior to expiration of commitment period, they must notify in writing the Department of Corrections if the person is under its supervision.

Section 345 requires the Department of Social and Health Services thirty days prior to a conditional release, following dismissal of a sex, violent, or felony harassment offense must notify the Department of Corrections if the person is under



its supervision. The Department of Corrections must also be notified if a person under this subsection escapes.

Section 366 requires the Department under certain conditions to release specified records to authorized staff. This can include treatment records and information necessary to establish or implement changes in treatment plans or the level or kind of supervision.

Treatment Gap (Section 401 – 405)

Resources (Section 501-534)

Forensic and Correctional (Section 601 – 615)

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:

- This is a sex offense;
- That is not a serious violent offense;
- A firearm was used in the commission of the offense; and
- Defendant caused substantial or great bodily harm or death to another person.

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 607 requires the Department of Social and Health Services to negotiate with the Social Security Administration to establish a prerelease agreements that will work collaboratively with correctional facilities to ensure that offenders eligible for social security income or disability income are accepted prior to release from confinement.

Section 608 requires the Secretary of the Department of Social and Health Services to enter into interlocal agreements with the Department of Corrections to expedite eligibility determinations for medical assistance payments and to make sure whenever possible that offenders leave confinement with medical assistance in place. The Department of Corrections would be required to notify the designated community service office ninety days prior to release unless the person is not likely to be eligible for benefits upon release.

When a person was not receiving supplemental security income or medical assistance at the time of imprisonment, but is likely to be eligible, the department would be required to notify the designated community service office ninety days prior to release unless the person is not likely to be eligible for benefits upon release.

When a person who has not been previously enrolled for social security income or medical assistance at the time of imprisonment is disabled, The Department of Social and Health Services will utilize the examination that was conducted by the Department of Corrections to determine if the person is eligible for medical assistance.

When the Department of Corrections does not know the anticipated date of release notification at the earliest release date

is required.

The proposed legislation requires interlocal agreements that define the responsibilities for the Department of Social and Health Services, the Department of Corrections and / or institution of mental disease in establishing procedures to facilitate eligibility determinations and enrolment.

Section 609 requires regional support networks to develop interlocal agreements with correctional institutions for coordination of efforts to expedite enrollment of eligible persons for medical assistance.

Section 610 requires a person with mental disorder or co-occurring mental and chemical dependency disorders are discharged from treatment in a correctional facility or the Department of Corrections and is admitted to a community-based setting for continuing treatment, the Department of Social and Health Services shall provide ninety days of general assistance and medical services or Medicaid.

Section 614 amends RCW 71.05.157 requiring when an offender is under court-ordered treatment in the community and under the supervision of the Department, if a treatment provider becomes aware that the person is in violation of the terms of the court order, the treatment provider must notify the county designated mental health professional and the Department of Corrections.

Section 615 requiring providers to inquire of each person seeking treatment if they are subject to supervision of any kind by the Department of Corrections and document the response. The treatment provider shall request an authorization to release records and notify the person that they shall provide and share information to the Department of Corrections. If the treatment provider believes the person is subject to supervision by the Department of Corrections but the person's records do not indicate he or she is, the provider may call the Department to confirm supervision. The Department of Corrections shall provide the name and contact information for the person's community corrections officer.

#### Best Practices (701-702)

Section 701 Requires the Department of Social and Health Services by January 1, 2006 to develop an integrated and comprehensive screening and assessment process for chemical dependency and mental disorders.

Section 702 Requires the Department of Corrections to the extent that resources are available, utilize the comprehensive screening and assessment process developed in Section 701.

#### Collaboration (Sections 801 – 804)

#### Miscellaneous Provisions (Sections 901 – 911)

### 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 substitute language of the proposed legislation includes the Department of Corrections into the proposed cross-system case management for persons with mental health and chemical dependency illness. The inclusion of the Department will increase workload to the Department by providing documentation and communication to the Department of Social and Health Services and community providers on mental health and chemical dependency information. Additionally, the

Department will work collaboratively with other agencies with offenders who have mental health or chemical dependency issues. The Department is unable to determine the workload impact to counselors, community corrections officers, chemical dependency staff, and medical/mental health staff. The Department will require additional resources when it is determined how many offenders will be part of the collaborative efforts, the number of requests for documentation, and finalization of the interlocal agreements.

The proposed legislation would allow offenders to be diverted under defined criteria from a standard range sentence into a mental health court. The Sentencing Guidelines Commission 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 the prison bed savings. The Department assumes that this bill would likely result in a decrease in the average daily population, although the impact cannot be estimated. Consequently the fiscal impact is indeterminate.

The Department estimates that approximately \$50,000 in resources will be necessary to effectively to train staff, including counselors, community corrections officers, chemical dependency staff and medical/mental health staff on the requirements outlined in the proposed legislation for social security and Medicare/Medicaid assistance as required in Section 608. The Department would also be required to train medical and mental health staff on the completion of disability evaluations that meet Medicaid standards. Additionally, staff will be required to complete assistance forms, provide medical and mental health evaluations for disability determinations, and participation in discharge planning for supervision of mentally ill and chemically dependent offenders. The Department assumes this increased workload will impact both prison and community corrections staff. The Department is not able to estimate the number of offenders that will need assistance with forms, planning or evaluations for assistance.

Throughout the proposed bill, there are multiple requirements for the Department of Social and Health Services and community providers to notify the Department in regards to incidents on offenders such as violations, escapes, movements or granting a less restrictive alternative. Some of these instances will trigger workload on the Department such as providing copies of risk assessments, psychological evaluations, and medical history promptly. In some cases, information will trigger the Departments information systems to issue warrants and begin the process of location as in the case of an escape from Western State Hospital. Due to the complexity of the Department and the need to provide timely and accurate information, the Department estimates one Corrections Record Specialist can manage the records workload as defined within the legislation. The Department may need to increase staffing depending on the determination of the workload associated with the interlocal agreements, the number of offenders, and the volume of movements, escapes, and violations that are yet to be defined . The Department estimates the following costs for the Corrections Record Specialist:

- Salaries & Benefits \$43,000 per year
- Goods and Services \$4,270 per year
- Travel \$240 per year
- One-time equipment \$4,500

The proposed legislation directs the Department of Social and Health Services to require interlocal agreements that define the responsibilities for DSHS, DOC, and or institution of mental disease in establishing procedures to facilitate eligibility determinations and enrolment. Additionally, interlocal agreements need to be created on information sharing between the Departments. The Department assumes this will be an increased workload for staff, however, until the agreements are defined, the Department is unable to estimate the impact.

**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 S SB	<b>Title:</b> Mental disorder treatment	<b>Agency:</b> 376-The Evergreen State College
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND					
<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: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Preparation: Steve Trotter	Phone: 360 867-6185	Date: 03/01/2005
Agency Approval: Steve Trotter	Phone: 360 867-6185	Date: 03/01/2005
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 03/01/2005

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. 706 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. 706.

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. 706) 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. 706 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	36,062	46,027	82,089	34,412	
C-Personal Service Contracts	19,000		19,000	19,000	
E-Goods and Services	51,602	66,230	117,832	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

**Bill Number:** 5763 S SB      **Title:** 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 in the optional Mental Health and mandatory Family Therapeutic court state reimbursement program 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:

**Indeterminate Impact**

## Part III: Preparation and Approval

Fiscal Note Analyst: Anne Pflug	Phone: 509-649-2608	Date: 03/02/2005
Leg. Committee Contact: Fara Daun	Phone: (360)786-7459	Date: 02/25/2005
Agency Approval: Louise Deng Davis	Phone: (360) 725-5034	Date: 03/04/2005
OFM Review: Tom Lineham	Phone: 360-902-0543	Date: 03/04/2005



## 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 to 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 and Pilot Projects

Establishes two county 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).  
Section 221. Authorizes DSHS to conduct a pilot project called "clubhouse psychiatric rehabilitation" and provides for its evaluation and analysis of costs and benefits. Decline in use of the criminal justice system, increased employment and housing stability and decline in use of mental health or crisis intervention services will be tested. The primary focus of the program is to assure that "consumers of mental health services are involved in the design, development, and operation of the program and where a primary goal of the program is the employment of the members of the program."

#### 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. Generally mirrors existing statutory procedures (Section 302 to 374, see Administrative Office of the Courts fiscal note for summary by section).

#### 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. Implementation on January 1, 2007.

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

#### Part V -- Enhanced Service Facilities

Creates a new classification of state licenced adult secure facility up to 16 beds in size that can detain persons under involuntary treatment orders or administer court ordered medications and provide treatment. Adults with MH, CD or co-occurring disorders may be admitted including those persons with histories of violence in certain circumstances. Persons who can be treated in other classes of facilities may not be admitted.

#### Part VI -- Forensic & Correctional

Section 601 authorizes counties to establish and operate mental health courts for certain felons and misdemeanants. 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 which may be combined with a drug or mental health 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. Sets criteria and requirements when courts apply for state appropriations.

Section 604 provides criteria for felony and misdemeanor 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 607-610 requires DSHS to enter into interlocal agreements with county corrections departments and RSN's to provide for enrollment

or continued enrollment of mentally ill inmates in medicaid, SSI-medical and RSN services upon leaving confinement. 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 and Collaboration

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

~DSHS must develop and implement through Regional Service Networks (RSN's) a matrix of MH and co-occurring CD disorder services for adults and children based on maximizing:

- 1) evidence-based, research-based, and consensus-based practices and where funds are available, promising practices (with definitions)
- 2) recovery, independence, and employment
- 3) individual participation in treatment decisions including providing clients with information and assistance on mental health advance directives
- 4) Collaboration with consumer-based support programs.

~Regional support networks (RSN's) must provide a child, at a minimum, with a mental health evaluation and out-patient mental health treatment, where appropriate who does not currently qualify for medicaid or RSN services (Section 705).

~Collaboration with local providers of MH services and others working with children to develop recommendations to the legislature by December 2005 regarding the availability of mental health services for children, the effectiveness of early intervention strategies and gaps in service delivery.

~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 (Section 904).

~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 and/or expanded service facilities 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 after 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**

### **A -- INCREASES IN COSTS**

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 January 2007 (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)
- ~ Expansion of MH treatment through RSN's to serve children from birth to five (Section 705) and inmates leaving the state or county corrections systems (Section 609).
- ~ 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. It is unclear whether this is a requirement under the bill.

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. Intergration costs may be significant. Assessment and screening data would be gathered in a new way under this bill requiring modification to existing local systems.

### **B --DECREASES IN COSTS**

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.

## **OVERALL LOCAL GOVERNMENT CRIMINAL JUSTICE COST IMPACTS**

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 felony 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. Current statutes provide for dollar for dollar match of drug court costs by the state legislature through appropriations after federal funding options have been exhausted.

Impacts -- 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, Family Court or Mental Health 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). Expansion of mental health courts to cover both felonies and misdemeanors could increase court filings and costs.

## 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 374 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. If additional Part V Expanded Service Facilities were licensed in the state and funding was available for treatment costs then significantly more commitment petitions, especially CD petitions may result.

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 facility housing persons involuntarily committed (see Part V expanded service facilities) 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= \$7,687 per year .

Defense 2.5 additional hours per week X 50 weeks = 125 hours X \$65 per hour = \$8,125 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, Mental Health/Drug Courts and combined Mental Health/Family Therapeutic 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 after the County has exhausted sources of Federal 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 impact depending on study results and follow up actions. In addition, Part V creates a new classification of state licensed secure facilities for court ordered treatment and administration of medication to both MH and CD disorders. Depending on the number of available beds and the use of these beds by county courts jail population could be reduced.

##### ~ Interlocal agreements (Section 607-610)

DSHS is charged with the responsibility of entering into interlocal agreements with county corrections departments and RSN's for the provision of mental health services upon a sentenced offenders release from detention (including new or continued participation in SSI-medical and medicaid) see definition of "confinement" 9.94A.030. Counties would be required to work with the state to develop a notification system that would allow the state to identify mentally ill inmates that would need to be qualified for medical assistance and provided treatment upon release by RSNs.

The average felony sentence served in a county jail in 2004 was 2.9 months (Sentencing Guidelines Commission 2004 Statistical Report) and in King County the average jail sentence served by a seriously mentally ill misdemeanor is 28 days (King County Correctional Facility Department of Adult and Juvenile Detention statistics, 1999). Notification systems for longer stay inmates will be easier to develop and implement than for shorter stay inmates (misdemeanants with sentences of 7 or less days) and may have to be integrated into pre-sentencing detention programs or sentencing provisions. The cost of the notification system would vary by county based on the jail management software in place and the number of mentally ill offenders that would require RSN services. Identification of offenders who are mentally ill and would qualify for the notification process would have to be worked out with the County MH/CD, Detention programs and court. Additional or uniform points of integrated screening and assessment may be required in order to designate jail inmates that would meet notification requirements.

#### SOURCES:

Washington State Institute for Public Policy; Long Term Outcomes of Public Mental Health Clients Preliminary Report, February 2004  
US Dept of Justice 1999 report Mental Health and Treatment of Inmates and Probationers  
King County Director of MH/CD, Amnon Schoenfeld  
Washington State Prosecutors Association  
Updated Washington Sheriffs and Police Chiefs 2003 jail survey  
Washington State Institute for Public Policy, January 2004 Mentally Ill Misdemeanants study  
Evaluations of the King County and Seattle mental health courts (2003 and 2001)  
Administrative Office of the Courts; fiscal note and 2003 caseload statistical report  
Spokane County Department of Community Services  
Thurston County Family Therapeutic Court  
Sentencing Guidelines Commission 2004 Statistical Report, Table 2  
King County Correctional Facility Department of Adult and Juvenile Detention statistics, 1999

## 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 S SB 5763 provides significant funding to Counties to carry out the purposes of the bill. State funding is provided for two county 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 and 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 county 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. DSHS is also charged with the responsibility of piloting a "clubhouse psychiatric rehabilitation" program that may result in local funding for the pilot (Section 221).

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

Section 904 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 change in sales tax rates. 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; dual mental health/drug courts serving non-violent defendants or dual family therapeutic and mental health courts. 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 which primarily serves misdemeanants and has operated for five years is \$1,390. Local governments would be eligible for reimbursement of up to one half of the costs of the court after federal funding options have been exhausted. Assuming that 3,600 cases (King County and Seattle cases X 3) are diverted to Mental Health courts and one half of Counties participated in 2009 the total revenue to counties from state assistance would be \$2,502,000 and the total remaining cost to Counties would be \$2,502,000 in 2004 dollars.

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.

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.

### **SOURCES:**

Administrative Office of the Courts 2003 caseload data and fiscal note for SSB 5763

King County Mental Health Court Administrative Officer

Seattle Mental Health Court Evaluation 2001 and caseload statistics

Seattle Budget Office

DSHS fiscal note SB 5763

Department of Revenue 2003 Sales Tax Statistics, 2005 Revenue Projections and Revenue Manual