

Multiple Agency Fiscal Note Summary

Bill Number: 1773 S HB AMS BH S4717.1	Title: Assisted outpatient treat.
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Estimated Cash Receipts

Agency Name	2021-23			2023-25			2025-27		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	0	0	1,664,000	0	0	5,510,000	0	0	5,510,000
Total \$	0	0	1,664,000	0	0	5,510,000	0	0	5,510,000

Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.1	32,428	32,428	32,428	.0	0	0	0	.0	0	0	0
Washington State Health Care Authority	.7	8,195,000	8,195,000	9,859,000	1.3	30,762,000	30,762,000	36,272,000	1.3	30,762,000	30,762,000	36,272,000
Washington State Health Care Authority	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.8	8,227,428	8,227,428	9,891,428	1.3	30,762,000	30,762,000	36,272,000	1.3	30,762,000	30,762,000	36,272,000

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other			3,000,000			3,000,000			3,000,000
Local Gov. Other	In addition to the estimate above, there are additional indeterminate costs and/or savings . Please see individual fiscal note.								
Local Gov. Total			3,000,000			3,000,000			3,000,000

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Bryan Way, OFM	Phone: (360) 522-3976	Date Published: Final 3/10/2022
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Judicial Impact Fiscal Note

Bill Number: 1773 S HB AMS BH S4717.1	Title: Assisted outpatient treat.	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

STATE	FY 2022	FY 2023	2021-23	2023-25	2025-27
State FTE Staff Years		.1	.1		
Account					
General Fund-State 001-1		32,428	32,428		
State Subtotal \$		32,428	32,428		
COUNTY	FY 2022	FY 2023	2021-23	2023-25	2025-27
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal \$					
CITY	FY 2022	FY 2023	2021-23	2023-25	2025-27
City FTE Staff Years					
Account					
Local - Cities					
Cities Subtotal \$					

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Corban Nemeth	Phone: 360-786-7736	Date: 02/25/2022
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 03/02/2022
Agency Approval: Stanley Chris	Phone: 360-704-4020	Date: 03/02/2022
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 03/02/2022

176,564.00

Request # 1773 AMS-1

Form FN (Rev 1/00)

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Bill # 1773 S HB AMS BH S4717.1

Part II: Narrative Explanation

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

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

<i>State</i>	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		.1	.1		
Salaries and Wages		22,000	22,000		
Employee Benefits		7,480	7,480		
Professional Service Contracts					
Goods and Other Services					
Travel					
Capital Outlays					
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services					
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements		2,948	2,948		
Total \$		32,428	32,428		

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

Job Classification	Salary	FY 2022	FY 2023	2021-23	2023-25	2025-27
Legal Services Analyst	88,644		0.1	0.1		
Total FTEs			0.1	0.1		0.0

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and dexcribe potential financing methods

NONE

Part II: Narrative Explanation

This bill would consolidate all assisted outpatient treatment procedures under RCW 71.05.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

This bill would require substantial revision to existing related forms and the behavioral health bench book.

II.B - Cash Receipt Impact

None.

II.C – Expenditures

This bill would require revision and publication of existing forms and the behavioral health bench book, totaling 500 hours. A Legal Services Analyst position (range 64, step L) would be required to perform these updates and prepare for publication. Indirect costs at 10 percent are included.

Judicial education would be required. This would be managed within existing resources.

Part III: Expenditure Detail

III.A – Expenditures by Object or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE – Staff Years		0.1			
A – Salaries & Wages		22,000			
B – Employee Benefits		7,480			
C – Prof. Service Contracts					
E – Goods and Services					
G – Travel					
J – Capital Outlays					
T – Intra-Agency Costs		2,948			
Total:		32,428			

III.B – Detail:

Job Classification	Salary	FY 2022	FY 2023	2021-23	2023-25	2025-27
Legal Services Analyst	88,644		0.1			
Total FTE's			0.1			

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.

Individual State Agency Fiscal Note

Bill Number: 1773 S HB AMS BH S4717.1	Title: Assisted outpatient treat.	Agency: 107-Washington State Health Care Authority
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2022	FY 2023	2021-23	2023-25	2025-27
General Fund-Federal 001-2		1,664,000	1,664,000	5,510,000	5,510,000
Total \$		1,664,000	1,664,000	5,510,000	5,510,000

Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	0.0	1.3	0.7	1.3	1.3
Account					
General Fund-State 001-1	0	8,195,000	8,195,000	30,762,000	30,762,000
General Fund-Federal 001-2	0	1,664,000	1,664,000	5,510,000	5,510,000
Total \$	0	9,859,000	9,859,000	36,272,000	36,272,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

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: Corban Nemeth	Phone: 360-786-7736	Date: 02/25/2022
Agency Preparation: Hanh OBrien	Phone: 360-725-1447	Date: 03/08/2022
Agency Approval: Christy Vaughn	Phone: 360-725-0468	Date: 03/08/2022
OFM Review: Bryan Way	Phone: (360) 522-3976	Date: 03/10/2022

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 .

See attached narrative.

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 .

See attached narrative.

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.

See attached narrative.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	0	8,195,000	8,195,000	30,762,000	30,762,000
001-2	General Fund	Federal	0	1,664,000	1,664,000	5,510,000	5,510,000
Total \$			0	9,859,000	9,859,000	36,272,000	36,272,000

In addition to the estimates above , there are additional indeterminate costs and/or savings . Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		1.3	0.7	1.3	1.3
A-Salaries and Wages		81,000	81,000	162,000	162,000
B-Employee Benefits		31,000	31,000	62,000	62,000
C-Professional Service Contracts					
E-Goods and Other Services		9,000	9,000	18,000	18,000
G-Travel		1,000	1,000	2,000	2,000
J-Capital Outlays		10,000	10,000	2,000	2,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		9,688,000	9,688,000	35,948,000	35,948,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		39,000	39,000	78,000	78,000
9-					
Total \$	0	9,859,000	9,859,000	36,272,000	36,272,000

In addition to the estimates above , there are additional indeterminate costs and/or savings . Please see discussion.

III. C - Operating FTE 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 2022	FY 2023	2021-23	2023-25	2025-27
FISCAL ANALYST 3	63,000		0.3	0.2	0.3	0.3
MEDICAL ASSISTANCE PROGRAM SPECIALIST 3	81,000		1.0	0.5	1.0	1.0
Total FTEs			1.3	0.7	1.3	1.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required

HCA Fiscal Note

Bill Number: 1773 SHB AMS BH S4717.1

HCA Request #: 22-158

Part II: Narrative Explanation

This bill relates to assisted outpatient treatment (AOT) for persons with behavioral health disorders.

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

This bill includes format changes and updates to effective dates. Changes that will have an impact include adding a section that addresses adolescents, clarification of the definition for outpatient treatment and adds criteria for determining the need for AOT. Clarification for who can petition and what the petition for services should include.

1773 SHB AMS BH S4717.1 differs from 1773 SHB by:

- Sections 3(6) and 4(6) allow the court to order a mental examination of the respondent if the respondent previously refused to be examined by a qualified professional. If necessary, a peace officer's obligation to provide assistance is included as part of process.
- Sections 20(f) and 22(f) add intensive outpatient treatment (IOT) to the list of less restrictive alternative (LRA) treatment services.
- Section 21(f) adds Partial hospitalization or IOT to the list of LRA treatment services.

Sections 1 & 2 - Amend RCW 71.05.020 to change term "assisted outpatient behavioral health treatment" to "AOT".

Section 3 - Amends RCW 71.05.148 to:

- (1) Add criteria for AOT and expands criteria list for "in need of AOT" to include history of emergency medical care (within 36 months) or history of one or more violent acts (within 48 months).
- (2) Add list of professional persons who may file for AOT (formerly was only a designated crisis responder (DCR)) and that an accompanying declaration from a medical professional examining person within 10 days be attached to petition or from a mental health provider (co-signed by a medical professional).
- (3) Changes an AOT order from 90 days to up to 18 months.
- (6) Allows the court to order a mental examination of the respondent if the respondent previously refused to be examined by a qualified professional. If necessary, a peace officer's obligation to provide assistance is included as part of process.

Section 4 - New section to RCW 71.34 to add AOT process for adolescents.

- (6) Allows the court to order a mental examination of the respondent if the respondent previously refused to be examined by a qualified professional. If necessary, a peace officer's obligation to provide assistance is included as part of process.

Section 19 - Amends RCW 71.05.365 to add consideration of filing an AOT petition for a person hospitalized on a 90 or 180 order who is no longer requires an inpatient level of care.

Section 20 - Amends RCW 71.05.585, Section 21 - Amends RCW 71.34.755 and Section 22 – Amends RCW 10.77.175 to add partial hospitalization or IOT to the list of LRA treatment services that additionally be included as required for an adult person to participate in under an order for LRA treatment.

HCA Fiscal Note

Bill Number: 1773 SHB AMS BH S4717.1

HCA Request #: 22-158

Section 23 (2) – Amends RCW 71.05.590 to remove language that previously excluded a person on an AOT order from the revocation process to inpatient treatment (the allowance prior was only for a DCR to consider initial detention process).

Section 23 (5)(d) clarifies that at the revocation hearing if the court orders detention for inpatient treatment based on a petition for AOT (RCW 71.05.148) the inpatient detention period ordered must be for 14 days from the revocation hearing.

Sections 26 and 27 - Amends RCW 71.24.045 adding the behavioral health administrative services organization (BH-ASO) shall employ an AOT program coordinator to oversee system coordination and legal compliance for AOT under RCW 71.05.148 and section 4 of this bill.

Section 31 - New section to add an effective date of July 1, 2022 for Sections 1, 2 and 32 of this act.

Section 32 - Amended to include Sections 2 and 10 and require the Health Care Authority (HCA) to provide written notice of the effective date of:

- Sections 4 and 28, chapter 302, Laws of 2020
- Sections 13 and 14, chapter 263, Laws of 2021
- Sections 2 and 10 of this act, Laws of 2022

Section 35 - New section stating Section 26 expire October 1, 2022.

Section 36 - New section stating Section 27 effective October 1, 2022.

Section 37 – New section stating if specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void.

II. B - Cash Receipts Impact

HCA assumes the Medicaid utilization is 69% for the added AOT treatment costs and BH-ASO AOT program coordinator. HCA assumes that the fiscal impact associated with the BH-ASO AOT program coordinator and the added AOT treatment costs would be eligible for Federal Medical Assistance Percentage (FMAP) and HCA administrative costs would be eligible for Federal Financial Participation (FFP). HCA estimates an average FMAP/FFP of 50%.

II. B - Estimated Cash Receipts to:

ACCOUNT	FY-2022	FY-2023	2021-23	2023-25	2025-27
General Fund-Medicaid 001-C	-	1,664,000	1,664,000	5,510,000	5,510,000
Totals	\$ -	\$ 1,664,000	\$ 1,664,000	\$ 5,510,000	\$ 5,510,000

II. C – Expenditures

Fiscal impact, but indeterminate.

Court Costs: HCA assumes the implementation of the proposed bill will be statewide and not just in King County.

Section 3(2) and (3) will result increased court ordered AOT LRAs and resulting hearings costs. HCA estimates an increase in the number of AOT LRAs to between 578, 722 or 867. This represents 20%,

HCA Fiscal Note

Bill Number: 1773 SHB AMS BH S4717.1

HCA Request #: 22-158

25% and 30% respectively, of current annual 90-day Mental Health LRAs. AOT LRA program will require 1-2 hearings per month during an 18-month period. With an average number of hearings at 27 per case, and average cost of 27 hearings at \$15,000/case, the total annual hearing cost is estimated at between \$8,667,000, \$10,834,000, or \$13,001,000. HCA assumes the middle cost estimate of \$5,417,000 GF-S in fiscal year (FY) 2023 and \$10,834,000 GF-S FY 2024 and on-going.

Regional Program Coordinators: Sections 26 and 27 requires BH-ASO to employ an AOT program coordinator to oversee system coordination and legal compliance for AOT under RCW 71.05.148 and section 4 of this bill. HCA estimates the cost of 1.0 FTE per BH-ASO @ \$140,000 salary and benefits for 10 regions totaling \$1,400,000 (\$917,000 GF-S) annually beginning FY 2023.

Treatment Costs:

HCA anticipates increase in AOT related treatment cost. Estimates include two options:

- A) Using average cost per client from King County pilot information at \$5,333/per client annually and estimating statewide cost of \$3,852,000 with 25% increase of AOT LRA clients.
- B) HCA analysis of LRA services package cost services at \$8,787/per client annually and estimating statewide cost of \$6,347,000 with 25% increase of AOT LRA clients.

The expansion of LRA to include partial hospitalization, Intensive Outpatient Plans (IOP) and creation of an AOT process for adults and youth are also expected to increase treatment costs. HCA assumes an additional 7.5% of targeted clients using these new treatments, costing approximately \$893,000 GF-S annually.

Cost offsets are estimated at \$1,500,000 GF-S annually based on the current state funded AOT outpatient services in BH-ASO and managed care organizations (MCO) contracts reporting as unutilized. HCA anticipates reviewing prior AOT Medicaid rate segments when building rates for the Medicaid portion of these new treatment services.

Because King County and Pierce County are utilizing pilot programs, HCA anticipates other regions will lag in the ability to incorporate the requirements of this bill. HCA anticipates 50% of annual budget funding going out in the first year and the full annual funding going out in the 2nd year. HCA anticipates needing \$2,871,000 (\$1,776,000 GF-S) in FY 2023 and \$5,740,000 (\$3,550,000 GF-S) in FY 2024 and after.

HCA Administrative Costs: HCA anticipates an increase in detentions under AOT and estimates a program manager is needed for the development of policies and procedures, management of the program and to ensure compliance with the requirements of this bill. HCA requests \$132,000 (\$66,000GF-S) and 1.0 full time equivalent (FTE) Medical Assistant Program Specialist (MAPS) 3 in FY 2023, \$123,000 (\$61,000 GF-S) and 1.0 FTE MAPS 3 in FY 2024 and on-going.

Administrative costs are calculated at \$39,000 per 1.0 FTE. This cost is included in Object T based on HCA's federally approved indirect rate and are included as Fiscal Analyst 3 classification. HCA requests \$39,000 (\$19,000 GF-S) and 0.3 FTE in FY 2023 and on-going.

By Fund:

HCA Fiscal Note

Bill Number: 1773 SHB AMS BH S4717.1

HCA Request #: 22-158

II. C - Operating Budget Expenditures

Account	Account Title	Type	FY-2022	FY-2023	2021-23	2023-25	2025-27
001-1	General Fund	State	-	8,195,000	8,195,000	30,762,000	30,762,000
001-C	General Fund	Medicaid	-	1,664,000	1,664,000	5,510,000	5,510,000
Totals			\$ -	\$ 9,859,000	\$ 9,859,000	\$ 36,272,000	\$ 36,272,000

By Object:

II. C - Expenditures by Object Or Purpose

		FY-2022	FY-2023	2021-23	2023-25	2025-27
FTE		0.0	1.3	0.7	1.3	1.3
A	Salaries and Wages	-	81,000	81,000	162,000	162,000
B	Employee Benefits	-	31,000	31,000	62,000	62,000
E	Goods and Other Services	-	9,000	9,000	18,000	18,000
G	Travel	-	1,000	1,000	2,000	2,000
J	Capital Outlays	-	10,000	10,000	2,000	2,000
N	Grants, Benefits & Client Services	-	9,688,000	9,688,000	35,948,000	35,948,000
T	Intra-Agency Reimbursements	-	39,000	39,000	78,000	78,000
Totals		\$ -	\$ 9,859,000	\$ 9,859,000	\$ 36,272,000	\$ 36,272,000

By FTE:

II. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation.

Job title	Salary	FY-2022	FY-2023	2021-23	2023-25	2025-27
FISCAL ANALYST 3	63,000	0.0	0.3	0.2	0.3	0.3
MEDICAL ASSISTANCE PROGRAM SPECIALIST	81,000	0.0	1.0	0.5	1.0	1.0
Totals		0.0	1.3	0.7	1.3	1.3

Other indeterminate fiscal impacts considerations:

HCA is not able to quantify the impact of broadening list of petitioners to include a “release planner” from a correction facility on AOT orders and hearing costs. The fiscal impact may be greater than what is identified in this fiscal note as the bill would add process and use of AOT for those not meeting criteria for hospitalization first. Correctional Facilities and Outpatient providers will be interested in filing AOT petitions but ramp up may be slower due to needed education on the law change and the process (this is true also for Emergency Rooms and Corrections also). HCA does not have data to make specific estimates on correctional impact but believe the model accounts for this and allows for shifts upward in utilization and cost due to these variables.

Additionally, Section 19 requires that every discharge plan for individuals in long term civil commitment beds address whether a petition should be filed for LRA treatment on the basis that the person is in need of AOT. This is not the current practice and could result in an increase. There are two important considerations here:

- 1) The population currently in need of LRAs. This bill may shift current LRA to AOT LRAs because it is a better fit for client need. The Fiscal Note uses annual MH LRAs as basis for estimating this.
- 2) A second bucket increased use of AOT LRA based on increased front-end access variables to AOT LRA program and outpatient services. The amount of increase on the front-end is unknown but the model accounts for some increase because of these variables and allows for shifts upward in utilization and cost scenarios.

HCA Fiscal Note

Bill Number: 1773 SHB AMS BH S4717.1

HCA Request #: 22-158

Section 23 Revocations – Current bill specifies the revocation hearing if the court orders detention for inpatient treatment based on a petition for AOT (RCW 71.05.148) the inpatient detention period ordered must be for 14 days from the revocation hearing. This provides HCA the ability to estimate cost associated to this process for AOT within the ranges of current model amounts. The specific impact of revocations is indeterminate.

Section 3 (Adult) & Section 4 (Adolescent) allow the court to conduct an AOT hearing in the respondent's absence if the respondent fails to appear and is represented by counsel. Subsequent new language allows the court to order a mental examination of the respondent if the respondent previously refused to be examined by a qualified professional. If necessary, a peace officer's obligation to provide assistance is included as part of process. HCA believes this may add to cost but cannot quantify the possible number of occurrences and associated cost and therefore is indeterminate. HCA believes the forecast of treatment cost range can absorb the evaluation cost.

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Bill Number: 1773 S HB AMS BH S4717.1	Title: Assisted outpatient treat.	Agency: 300-Department of Social and Health Services
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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: Corban Nemeth	Phone: 360-786-7736	Date: 02/25/2022
Agency Preparation: Sara Corbin	Phone: 360-902-8194	Date: 02/28/2022
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/28/2022
OFM Review: Bryan Way	Phone: (360) 522-3976	Date: 03/01/2022

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 .

Passage of this legislation will not impact the Department of Social and Health Services (DSHS) workload or client benefits. Therefore, there is no fiscal impact to DSHS from this bill.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB

NONE

Part V: New Rule Making Required

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1773 S HB AMS BH S4717.1	Title: Assisted outpatient treat.
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Potential increase in expenditures for local law enforcement due to additional peace officers.
- ☒ Counties: Increase in expenditures due to requirement to hire assisted outpatient treatment coordinators , and changing processes and criteria for assisted outpatient treatment (AOT), which would create ongoing costs for behavioral health administrative services organizations and designated crisis responders . Potential increase in expenditures for local law enforcement due to additional peace officers.
- ☒ Special Districts: Potential increase in expenditures for public hospital districts due to extra work on individualized treatment plans
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☒ Key variables cannot be estimated with certainty at this time: How many additional petitions for AOT would be made , how many additional people would be deemed eligible , the cost of an AOT coordinator in each region

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Jurisdiction	FY 2022	FY 2023	2021-23	2023-25	2025-27
County	1,500,000	1,500,000	3,000,000	3,000,000	3,000,000
TOTAL \$	1,500,000	1,500,000	3,000,000	3,000,000	3,000,000
GRAND TOTAL \$	9,000,000				

In addition to the estimates above, there are additional indeterminate costs and/or savings . Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Rebecca Duncan	Phone: 360-725-5040	Date: 03/07/2022
Leg. Committee Contact: Corban Nemeth	Phone: 360-786-7736	Date: 02/25/2022
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 03/07/2022
OFM Review: Bryan Way	Phone: (360) 522-3976	Date: 03/07/2022

Part IV: Analysis

A. SUMMARY OF BILL

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

CHANGES FROM PRIOR BILL VERSION:

Changes to Section 3 would do the following:

- Amends criteria used to find that a person is in need of assisted outpatient treatment (AOT).
- Allows an AOT petition to be filed by the designee of the director of a hospital or behavioral health service provider.
- Eliminates review of AOT petition by the prosecutor and the obligation of the prosecutor to effectuate service of an AOT petition or schedule an AOT hearing and instead requires the court to fix a hearing date 3 to 7 days after the date of service or as stipulated by the parties but no later than 30 days.
- Allows the court to conduct an AOT hearing in the respondent's absence if the respondent fails to appear and is represented by counsel.
- Allows the court to order a mental examination of the respondent if the respondent previously refused to be examined by a qualified professional.
- Allows a court to order partial hospitalization or intensive outpatient treatment as part of a less restrictive alternative order, including for an adolescent.

Changes to section 8 would change terminology in involuntary commitment statutes from written order for apprehension to warrant.

A new section, Section 21, would make technical changes to RCW 71.34.755 consistent with the rest of the bill, changing the following section numbers accordingly.

A new section, Section 28, would require the Administrative Office of the Courts to develop court forms and a User's Guide for filing an AOT petition.

A new section, Section 29, would amend current code to specify that involuntary commitment hearing outcomes which must be shared by the clerk of the court are limited to commitment hearings.

A new section, Section 30, would specify that a peace officer's obligation to provide assistance to an involuntary commitment civil process includes taking a person into custody who a designated crisis responder has determined meets the criteria for detention, who the peace officer has reasonable cause to believe may have a behavioral health disorder and may present an imminent likelihood of serious harm or may be in imminent danger due to being gravely disabled, and to execute or enforce an order to detain, apprehend, or a warrant, and that officers must support the safety of a crisis intervention team, designated crisis responder, or other behavioral health professional responding to an incident or performing other duties relating to involuntary commitment as part of de-escalation tactics.

SUMMARY OF CURRENT BILL VERSION:

This bill would consolidate all assisted outpatient treatment procedures under RCW 71.05.

Note: Many of the sections in this bill include technical changes or updates to language, which are not discussed in detail in this summary. Assisted outpatient treatment is also abbreviated in this fiscal note as "AOT".

Sections 1 and 2 would amend definitions in RCW 71.05, defining "in need of assisted outpatient treatment" as a person who meets the criteria established under RCW 71.05.148.

Section 3 would amend RCW 71.05.148 (Petition for assisted outpatient behavioral health treatment—Ninety days of less restrictive alternative treatment). The section would clearly define criteria for a person who is "in need of assisted outpatient treatment", as well as who can file a petition for less restrictive alternative treatment on the basis that a person is in need of assisted outpatient treatment, requirements for the petition process, and requiring the court to fix a hearing date. The amendments would significantly expand who can petition for AOT.

Section 4 would add a new section that is very similar to section 3, but would outline petitioning for AOT for adolescents.

Sections 5, 6, 7, 8 and 11 would remove certain provisions about AOT that are inaccurate, or are duplicated in Section 3.

Sections 9 and 10 would amend code by removing expired provisions.

Sections 12 and 13 would add language to RCW 71.05.240 about probable cause hearings, clarifying that the detained person must have been detained specifically for behavioral health treatment. The section would also amend current code to include petitions filed for up to 18 month less restrictive alternative treatment.

Sections 17 and 18 would remove provisions RCW 71.05.320 that are already covered in Section 3 .

Section 19 would expand work required for individualized discharge plans to include whether a petition for less restrictive alternative treatment plan should be done on the basis of assisted outpatient treatment.

Sections 20, 21 and 22 would amend RCW 71.05.585 and RCW 10.77.175 by adding “partial hospitalization” to potential requirements for less restrictive alternative treatment pursuant to a conditional release order.

Sections 23 and 24 would amend RCW 71.05.590, requiring the option for a DCR or DSHS to detain a person to be specifically for the purpose of a hearing for revocation of a less restrictive alternative treatment order or conditional release order

Sections 26 and 27 would require all BHASOs to hire an assisted outpatient treatment coordinator.

Section 28 would require the Administrative Office of the Courts to develop court forms and a User's Guide for filing an AOT petition.

Section 29 would amend current code to specify that involuntary commitment hearing outcomes which must be shared by the clerk of the court are limited to commitment hearings.

Section 30 would specify that a peace officer's obligation to provide assistance to an involuntary commitment civil process includes taking a person into custody who a designated crisis responder has determined meets the criteria for detention, who the peace office has reasonable cause to believe may have a behavioral health disorder and may present an imminent likelihood of serious harm or may be in imminent danger due to being gravely disabled, and to execute or enforce an order to detain, apprehend, or a warrant, and that officers must support the safety of a crisis intervention team, designated crisis responder, or other behavioral health professional responding to an incident or performing other duties relating to involuntary commitment as part of de-escalation tactics.

Sections 31 through 36 would provide effective dates for certain sections, or would provide the criteria required for a section to come into effect.

Section 37 would provide that if specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void.

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.

CHANGES OF EXPENDITURE IMPACTS FROM PRIOR BILL VERSION

The changes to Section 3 would eliminate the review of AOT petition by the prosecutor and the obligation of the prosecutor to effectuate service of an AOT petition or schedule an AOT hearing. This would remove the costs to prosecutors and reduce the overall fiscal impact on local governments.

Other new provisions would make changes to BHASO requirements, but the increase in expenditures would be difficult to estimate. The changes to criteria to find someone in need of AOT would increase the number of folks that would be eligible for AOT, but BHASOs cannot estimate what the additional volume would be at this time. In addition, some BHASOs have not previously paid for partial hospitalization, so if courts ordered partial hospitalizations, some counties would incur new costs. However, as this process would be new to counties, and the number of partial hospitalizations that would be ordered cannot be determined, these impacts would also be indeterminate.

In addition, Section 30 would potentially impact local law enforcement, if additional officers are called in as peace officers to help take someone into custody and the specifications outlined in Section 30 are new to them. However, as there is no way to estimate the number of times an officer would need to be called, or how many officers would need to change practices to align with the section, impacts to expenditures would be indeterminate, according to the Washington Association of Sheriffs and Police Chiefs.

Therefore, through this new version of the bill would result in both increases and decreases in expenditures for local governments, the overall impact to local governments would still be indeterminate.

SUMMARY OF EXPENDITURE IMPACTS DUE TO CURRENT BILL VERSION

This bill would result in an indeterminate increase in local government expenditures. In summary, this bill would change processes and criteria for assisted outpatient treatment (AOT), which would create some one-time costs and some ongoing costs for BHASOs, prosecutors, designated crisis responders, and potentially public hospitals.

There would be an indeterminate increase in expenditures for Behavioral Health Administrative Service Organizations (BHASOs), which are entities of the counties. This increase in spending results from several sections in the bill.

Section 3 would significantly expand who can petition for assisted outpatient treatment. Costs to BHASOs, however, are indeterminate, as the number of new individuals who would benefit from the additional petitions for AOT are unknown, and different BHASOs have different capacities and experience in AOT. For example, North Sound ASO does currently have an AOT program, but would need to expand its staff to accommodate additional work. On the other hand, the Salish and Thurston Mason ASOs do not currently have AOT programs established in their region, so the work in those organizations would require building a program from the ground up. King County estimates that the combined costs of treatment, outreach, monitoring, and judicial services for AOT would cost about \$6.6 million per year in their region. Due to the variability in the work required from region to region, and uncertainty as to how many additional petitions for AOT would occur, these costs to counties would be indeterminate.

Section 18 would expand work required for individualized discharge plans to include whether a petition for less restrictive alternative treatment plan should be done on the basis of assisted outpatient treatment. Since BHASOs are required to consult with hospitals on the creation of individualized discharge plans, this expanded work would create indeterminate costs for BHASOs and, potentially, public hospitals. For example, King County predicts this new expansion would result in costs due to changing forms, updating processes, and training stakeholders on both of those changes. However, these costs cannot be determined as the number of individuals that would require such discharge plans going forward cannot be predicted at this time.

Sections 24 and 25 would require all BHASOs to hire an assisted outpatient treatment coordinator. The cost of hiring an AOT coordinator would vary from region to region. For example, Thurston Mason ASO estimates hiring such a coordinator would cost \$150,000 for one FTE. However, this FTE amount would differ from region to region. Therefore, these hiring costs would be indeterminate.

Section 30 would potentially impact local law enforcement, if a) local law enforcement officers are called in as peace officers to help take someone into custody and b) the specifications outlined in Section 30 are new to them. However, as there is no way to estimate the number of times an officer would need to be called, or how many officers would need to change practices to align with the section, impacts to local law enforcement expenditures would be indeterminate.

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.

This bill would have no impact on local government revenues.

SOURCES

Department of Social and Human Services

Washington State Association of Counties

King County

North Sound Administrative Services Organization

Thurston Mason Administrative Services Organization

Salish Administrative Services Organization

Washington Association of Sheriffs and Police Chiefs