

Multiple Agency Fiscal Note Summary

Bill Number: 5130 E SB	Title: Assisted outpatient treat.
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	0	0	3,504,000	0	0	3,504,000	0	0	3,504,000
Total \$	0	0	3,504,000	0	0	3,504,000	0	0	3,504,000

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	No fiscal impact					
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Health Care Authority	.0	16,212,000	16,212,000	19,716,000	.0	16,212,000	16,212,000	19,716,000	.0	16,212,000	16,212,000	19,716,000
Total \$	0.0	16,212,000	16,212,000	19,716,000	0.0	16,212,000	16,212,000	19,716,000	0.0	16,212,000	16,212,000	19,716,000

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	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
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
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

NONE

Prepared by: Arnel Blancas, OFM	Phone: (360) 000-0000	Date Published: Final 3/14/2023
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Judicial Impact Fiscal Note

Bill Number: 5130 E SB	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:

NONE

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: 03/08/2023
Agency Preparation: Angie Wirkkala	Phone: 360-704-5528	Date: 03/10/2023
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 03/10/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 03/10/2023

186,216.00

Form FN (Rev 1/00)

Request # 238-1

Bill # 5130 E SB

Part II: Narrative Explanation

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

The engrossed bill would not have additional fiscal impacts to the Administrative Office of the Courts or the courts.

The proposed legislation amends RCW 71.05 and RCW 71.34 relating to assisted outpatient treatment. The Administrative Office of the Courts would have to update court forms to address changes made by the bill.

II. B - Cash Receipts Impact

II. C - Expenditures

Minimal Fiscal Impact. The form changes are estimated to take 15 hours and cost less than \$2,000.

Part III: Expenditure Detail

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

NONE

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

NONE

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

NONE

III. D - FTE Detail

NONE

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

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

186,216.00

Form FN (Rev 1/00)

Individual State Agency Fiscal Note

Bill Number: 5130 E SB	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 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000
Total \$	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000

Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-State 001-1	8,106,000	8,106,000	16,212,000	16,212,000	16,212,000
General Fund-Federal 001-2	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000
Total \$	9,858,000	9,858,000	19,716,000	19,716,000	19,716,000

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: 03/08/2023
Agency Preparation: Hanh OBrien	Phone: 360-725-1447	Date: 03/14/2023
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 03/14/2023
OFM Review: Arnel Blancas	Phone: (360) 000-0000	Date: 03/14/2023

Part II: Narrative Explanation

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

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

See attached narrative.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

See attached narrative.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached narrative.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	8,106,000	8,106,000	16,212,000	16,212,000	16,212,000
001-2	General Fund	Federal	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000
Total \$			9,858,000	9,858,000	19,716,000	19,716,000	19,716,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	9,858,000	9,858,000	19,716,000	19,716,000	19,716,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	9,858,000	9,858,000	19,716,000	19,716,000	19,716,000

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals 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

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

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

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

HCA Fiscal Note

Bill Number: 5130 ESB

HCA Request #: 23-198

Part II: Narrative Explanation

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

An act relating to assisted outpatient treatment (AOT) for persons with behavioral health disorders by resolving several conflicts created by SHB 1773 passed during the 2022 Legislative Session.

The engrossed bill makes the following changes from original bill:

- Section 1(3) Makes a change to all AOT orders being effective for up to 18 months, with the exception that in the case that the person is already detained for inpatient treatment under RWC 71.05.240 or RCW 71.05.320 the AOT order may only be effective up to 90 days (if currently detained for 14 days of inpatient treatment) or up to 180 days (if currently detained for 90 or 180 days of inpatient treatment).
- Removes section 1(10) that states this section does not apply to a person who is currently detained for involuntary treatment for 90 days or 180 days under RCW 71.05.204 or 71.05.320
- Section 11(3) Makes a change to all AOT orders being effective for up to 18 months, adding that in the case that the adolescent is already detained for inpatient treatment under RCW 71.34.740 or RCW 71.34.750 for 14 days or more, the AOT order may only be effective up to 180 days.
- Removes section 11(10) that states this section does not apply to a minor who is currently detained for involuntary treatment under RCW 71.34.740 or 71.34.750.

Sec 1 Amends RCW 71.05.148 (Assisted outpatient treatment – Petitions, court orders for less restrictive alternative treatment – Procedure) to:

- (1) Lowers the burden of proof to find a person in need of AOT from clear, cogent, and convincing to a preponderance of the evidence;
- (3) Change all AOT orders effective for up to 18 months, with the exception that in the case that the person is already detained for inpatient treatment under RCW 71.05.240 or RCW 71.05.320 the AOT order may only be effective up to 90 days (if currently detained for 14 days of inpatient treatment) or up to 180 days (if currently detained for 90 or 180 days of inpatient treatment).
- (5) Add a person’s behavioral health (BH) case manager, if the person is enrolled in treatment at a behavioral health agency (BHA), to the list of those that may write the accompanying declaration to an AOT petition and removes the requirement for a petition by a treating mental health professional (MHP) or substance use disorder professional (SUDP) to be co-signed by supervising medical professional.

Sec 2 Amends RCW 71.05.365 (Involuntary commitment – individualized discharge plan) to remove the requirement to consider filing a petition for AOT for a person on a 90-day or 180-day inpatient order, discharging from a hospital.

Secs 3(5)(d) and Sec 4(5)(d) Amend RCW 71.05.590 (Enforcement, modification, or revocation of less restrictive alternative or conditional release orders – Initiation of inpatient detention procedures) to:

- Add conditional release verbiage and remove order from conditional release order;
- Add a person on an AOT order that is revoked to inpatient treatment, at the end of the 14-day revocation must return to less restrictive treatment under the order at the end of the 14 days unless a petition is filed for further treatment under RCW 71.05.320 or the person accepts voluntary treatment.

Secs 7 and 8 Amend RCW 71.34.740

HCA Fiscal Note

Bill Number: 5130 ESB

HCA Request #: 23-198

Sec 9(1)(4) and Sec 10(1)(4) Amend RCW 71.34.780 (Minor's failure to adhere to outpatient conditions) to add language and process for revocation of an AOT petition.

Sec 11 Amends RCW 71.34.815 (Assisted outpatient treatment – Petitions, court orders for less restrictive alternative treatment – Procedure (Youth)) to:

- (1) Lowers the burden of proof to file a petition under youth AOT from clear, cogent, and convincing to a preponderance of the evidence;
- (3) Change all AOT orders effective for up to 18 months, adding that in the case that the adolescent is already detained for inpatient treatment under RCW 71.34.740 or RCW 71.34.750 for 14 days or more, the AOT order may only be effective up to 180 days;
- (5) Add a person's BH case manager, if the person is enrolled in treatment at a BHA, to the list of those that may write the accompanying declaration to an AOT petition and removes the requirement for a petition by a treating MHP or SUDP to be co-signed by supervising medical professional.

II. B - Cash Receipts Impact

HCA assumes the Medicaid utilization is 69% for the added AOT treatment costs. HCA assumes that the fiscal impact associated with the added AOT treatment costs would be eligible for Federal Medical Assistance Percentage (FMAP). HCA estimates an average FMAP of 50 percent.

II. B - Estimated Cash Receipts to:

ACCOUNT	FY-2024	FY-2025	2023-25	2025-27	2027-29
General Fund-Medicaid 001-C	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000
Totals	\$ 1,752,000	\$ 1,752,000	\$ 3,504,000	\$ 3,504,000	\$ 3,504,000

II. C – Expenditures

Fiscal impact.

Court Costs:

The proposed bill will increase the need for AOT less restrictive alternative (LRA) detentions based on front-end expansion of community referrals into the program and back-end clients coming out of hospital using current 90-day and 180-day AOT LRAs as basis. HCA estimates an increase in the number of AOT LRAs to 578. This represents 20 percent of current annual 90-day Mental Health LRAs. AOT LRA program will require an average of 14 hearings per case, and an average \$7,778 per case, the total annual hearing cost is estimated at \$4,494,00 GF-S. HCA requests \$8,988,000 GF-S in 2023-25 biennium.

Treatment Costs:

HCA anticipates an increase in AOT related treatment cost. HCA analysis of LRA services package cost services at \$8,787 per client annually and estimating statewide cost of \$5,078,000 with 20 percent increase of AOT LRA clients.

The expansion of AOT LRA to include partial hospitalization, Intensive Outpatient Plans (IOP) and AOT process of for youth are also expected to increase treatment costs. HCA assumes an additional three percent of targeted clients using these new treatments, costing approximately \$286,000 annually.

HCA requests \$10,728,000 (\$7,224,000 GF-S) in 2023-25 biennium.

By Fund:

HCA Fiscal Note

Bill Number: 5130 ESB

HCA Request #: 23-198

II. C - Operating Budget Expenditures

Account	Account Title	Type	FY-2024	FY-2025	2023-25	2025-27	2027-29
001-1	General Fund	State	8,106,000	8,106,000	16,212,000	16,212,000	16,212,000
001-C	General Fund	Medicaid	1,752,000	1,752,000	3,504,000	3,504,000	3,504,000
Totals			\$ 9,858,000	\$ 9,858,000	\$ 19,716,000	\$ 19,716,000	\$ 19,716,000

By Object:

II. C - Expenditures by Object Or Purpose

		FY-2024	FY-2025	2023-25	2025-27	2027-29
N	Grants, Benefits & Client Services	9,858,000	9,858,000	19,716,000	19,716,000	19,716,000
Totals		\$ 9,858,000	\$ 9,858,000	\$ 19,716,000	\$ 19,716,000	\$ 19,716,000

Part IV: Capital Budget Impact

None

Part V: New Rule Making Require

None

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5130 E SB

Title: Assisted outpatient treat.

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

Legislation Impacts:

- Cities:
- Counties:
- Special Districts: Indeterminate costs for Behavioral Health-Administrative Service Organizations due to higher number of patients referred for assisted outpatient treatment.
- 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: Number of patients referred for assisted outpatient treatment.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 03/14/2023
Leg. Committee Contact: Corban Nemeth	Phone: 360-786-7736	Date: 03/08/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 03/14/2023
OFM Review: Arnel Blancas	Phone: (360) 000-0000	Date: 03/14/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This fiscal note compares ESB 5130 to prior version SB 5130.

CHANGES BETWEEN THIS VERSION AND PRIOR BILL VERSION:

The engrossed bill changes section 1 to specify that a court order for less restrictive alternative treatment on the basis that the person is in need of assisted outpatient treatment may be effective for up to 18 months, unless the person is currently detained for inpatient treatment for 14 days or more under RCW 71.05.240 or 71.05.320, in which case the order may be effective for 90 days if the person is currently detained for 14 days of treatment, or 180 days if the person is currently detained for 90 or 180 days of treatment.

This change does not effect the indeterminate impacts discussed below.

SUMMARY OF CURRENT BILL VERSION:

Sec. 1 amends RCW 71.05.148. A person is in need of assisted outpatient treatment if the court finds by a preponderance of the evidence pursuant to a petition filed under this section. The petition must include: A declaration from a physician, physician assistant, advanced registered nurse practitioner, the person's treating mental health professional or substance use disorder professional, or in the case of a person enrolled in treatment in a behavioral health agency, the person's behavioral health case manager.

Sec. 2 and Sec. 4 amend RCW 71.05.365 and RCW 71.05.590, respectively. A person must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.05.320 or the person accepts voluntary treatment.

Sec. 5 and Sec. 6 amend RCW 71.34.020 and RCW 71.34.020, respectively. "Less restrictive alternative" or "less restrictive setting" is modified to include treatment pursuant to an assisted outpatient treatment order under RCW 71.34.815. "In need of assisted outpatient treatment" refers to a minor who meets the criteria for assisted outpatient treatment established under RCW 71.34.815.

Sec. 7 and Sec. 8 amend RCW 71.34.740. If the court finds by a preponderance of the evidence that the minor is in need of assisted outpatient treatment pursuant to a petition filed under RCW 71.34.815, the court shall order an appropriate less restrictive course of treatment for up to 18 months.

Sec. 9 and Sec. 10 amend RCW 71.34.780. An agency or facility designated to monitor or provide less restrictive alternative treatment services to a minor under a court order or conditional release may take a range of actions to enforce the terms of the order or conditional release in the event the minor is not adhering to the terms or is experiencing substantial deterioration, decompensation, or a likelihood of serious harm.

If the court orders detention for inpatient treatment, the treatment period must be for 14 days from the revocation hearing if the less restrictive alternative treatment order was based on a petition under RCW 71.34.740 or 71.34.815. The minor must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.34.750 or the minor accepts voluntary treatment. If the court orders detention for inpatient treatment and the less restrictive alternative treatment order or conditional release was based on a petition under RCW 71.34.750, the number of days remaining on the less restrictive alternative treatment order or conditional release must be converted to days of inpatient treatment.

Sec. 11 amends RCW 71.34.815. An adolescent is in need of assisted outpatient treatment if the court finds by a preponderance of the evidence in response to a petition filed under this section that: (c) The adolescent has a history of lack of compliance with treatment for his or her behavioral health disorder that has: (i) At least twice within the 36 months prior to the filing of the petition been a significant factor in necessitating hospitalization of the adolescent, or the

adolescent's receipt of services in a forensic or other mental health unit of a state juvenile rehabilitation facility or local juvenile detention facility, provided that the 36-26 month period shall be extended by the length of any hospitalization or incarceration of the adolescent that occurred within the 36-month period. This section shall not apply to a minor who is currently detained for involuntary treatment under RCW 71.34.740 or 71.34.750.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

The legislation would have indeterminate impacts to Behavioral Health-Administrative Service Organizations (BH-ASOs) which are funded in part by counties. The bill is likely to result in a higher number of adults and adolescents being referred for assisted outpatient assistance. Because the number of referrals is not known, and because many or most of these patients will be eligible for Medicaid or covered by private insurance, the total impacts cannot be estimated at this time.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

The legislation would have no revenue impact for local governments.

SOURCES:

Washington State Health Care Authority
Administrative Office of the Courts