

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4657-01
Bill No.: HB 1077
Subject: Mental Health; Mental Health Department
Type: Original
Date: January 17, 2012

Bill Summary: This proposal requires the Department of Mental Health to develop a transition plan for services of a resident of a state developmental disabilities facility to the most appropriate living setting.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(Unknown greater than \$100,000) to Unknown greater than \$100,00	Unknown greater than \$100,000	Unknown greater than \$100,000
Total Estimated Net Effect on General Revenue Fund	(Unknown greater than \$100,000) to Unknown greater than \$100,000	Unknown greater than \$100,000	Unknown greater than \$100,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** state this legislation requires DMH to develop a transition plan for services of residents of state developmental disabilities facilities, including intermediate care facilities for the mentally retarded, to the most integrated settings appropriate for their needs. It requires DMH to contract with a reputable independent third party to conduct a study and develop a plan which identifies mechanisms to serve people currently living in state institutions in the least restrictive and most appropriate settings for their particular needs. This plan is to be submitted to the Governor, The Senate Appropriations Committee, the House Health, Mental Health and Social Services Appropriations Committee, the House Budget Committee and the Developmental Disabilities Advisory Council. The plan also is to include a proposed schedule for implementation with a goal of shifting the provision of services for every resident by January 1, 2019. The bill also stipulates that any plans started after August 28, 2012 to build or renovate state-owned facilities shall not be implemented, entered into contract to construct, or put out for bid until the completion of the plan.

The fiscal impact of this legislation is an unknown greater than \$100,000 cost for development of the plan and an unknown greater than \$100,000 savings for the eventual transitioning of clients from the habilitation center settings into the community-based settings. Each client transitioned from a habilitation center settings into the community-based setting will save, on average, \$75 General Revenue per day. DMH is submitting an unknown greater than \$100,000 savings, because until the implementation plan is completed, the department is unable to estimate exactly how many clients will transition each year.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<u>Savings - DMH</u>			
Clients transitioned from habilitation centers to community-based settings	Unknown greater than \$100,000	Unknown greater than \$100,000	Unknown greater than \$100,000
<u>Cost- DMH</u>			
Contract cost for study	(Unknown greater than \$100,000)	\$0	\$0

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(Unknown Greater than \$100,000) to		
	Unknown	Unknown	Unknown
	greater than	greater than	greater than
	\$100,000	\$100,000	\$100,000

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may impact small business community-based developmental disabilities facilities if the DMH transitions clients from state-owned habilitation facilities to these facilities.

FISCAL DESCRIPTION

This bill requires the Department of Mental Health to develop a plan for transitioning the services for a resident of a state developmental disabilities facility to the most integrated setting appropriate to his or her needs and a plan identifying mechanisms to serve persons currently living in state institutions in the least restrictive and most appropriate setting.

FISCAL DESCRIPTION (continued)

The plan must contain specific recommendations for each resident based on an assessment of individual needs and preferences identifying services in the most appropriate and least restrictive community setting, cost of providing the necessary services in a community setting, barriers to community transition, and a transition timetable. The plan must include best practices for serving persons with development disabilities; research, data, and trends regarding residential settings for these persons; and recommendations for state employees working at the state facilities. The transition plan to de-institutionalize persons with developmental disabilities must identify alternative uses for state facilities; costs, cost savings, and the time frame for the cost savings; potential funding sources; legal obstacles; any needed new or enhanced services; and a proposed implementation schedule transitioning the provision of services to the community for every resident by January 1, 2018.

All long-term admissions to state intermediate care facilities for the mentally retarded must cease upon the effective date of the bill.

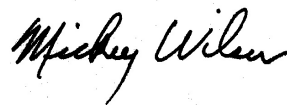
Any plan started after August 28, 2011, to build or renovate a state-owned facility cannot be implemented, entered into a contract to construct, or put out for bid until the completion of the plan.

The department must submit the plan by December 31, 2013, to the Governor; Senate Appropriations Committee; House of Representatives Health, Mental Health, and Social Services Appropriations Committee; House of Representatives Budget Committee; and the Missouri Advisory Council on Mental Retardation and Developmental Disabilities within the department

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Mental Health



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