

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3195-01  
Bill No.: SB 621  
Subject: Elderly; Health Care; Mental Health; Mental Health Dept.  
Type: Original  
Date: January 10, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of Administration (COA) - Division of Facilities Management, Design and Construction (DFMDC)** assume the proposal will have no impact on their organization although the provisions of the proposal could apply to some leased Department of Mental Health facilities. The DFMDC defers to the Department of Mental Health for any fiscal impact the proposal may have on their organization.

Officials from the **COA - Division of Purchasing and Materials Management (DPMM)** state the proposal will require the DPMM to include contract language in the bid solicitations for the Department of Mental Health that informs bidders/offerors that a contract will be terminated for violations listed under Section 630.410.2. However, no fiscal impact is anticipated at the present time.

Officials from the **Department of Mental Health (DMH)** state including “privately funded” programs in Section 630.165.1 does not fiscally impact the DMH. If an employee of DMH’s privately funded programs has reasonable cause to suspect abuse or neglect, the employee should currently be contacting the Department of Health and Senior Services hotline.

In regards to the addition of Section 630.555 relating to the closure or downsizing of DMH state-operated facilities, DMH staff would prepare a written plan and complete cost benefit analysis utilizing existing staff and resources.

ASSUMPTION (continued)

Officials from the **Department of Health and Senior Services (DOH)** state the proposal would not be expected to fiscally impact the operations of the DOH. If a fiscal impact were to result, funds to support the program would be sought through the appropriations process.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

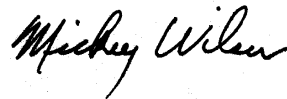
DESCRIPTION

This proposal requires that privately funded mental health facilities have the same reporting requirements for patient abuse as state mental health facilities. This proposal also requires the Department of Mental Health to terminate contracts with private vendors having a pattern or practice of abuse and neglect of patients. There is also a new requirement for the director of the department of mental health to conduct a cost benefit analysis before closing or downsizing of any state mental health facility.

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

Office of Administration -  
    Division of Facilities Management, Design and Construction  
    Division of Purchasing and Materials Management  
Department of Mental Health  
Department of Health and Senior Services



Mickey Wilson, CPA  
Director  
January 10, 2006