

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0580-05  
Bill No.: SCS for SB 3  
Subject: Mental Health; Mental Health Dept.; Disabilities; Crimes and Punishment  
Type: Original  
Date: February 26, 2007

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Bill Summary: Enacts provisions on mental health reform.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$102,215 to Unknown)	(\$104,162 to Unknown)	(\$107,285 to Unknown)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$102,215 to Unknown)</b>	<b>(\$104,162 to Unknown)</b>	<b>(\$107,285 to Unknown)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
State Schools Moneys	0*	0*	0*
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0*</b>	<b>\$0*</b>	<b>\$0*</b>

\* Unknown fines and penalties collected and distributed to schools nets to \$0.

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 11 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
General Revenue	2	2	2
<b>Total Estimated Net Effect on FTE</b>	<b>2</b>	<b>2</b>	<b>2</b>

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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Local Government</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Social Services, Department of Public Safety (DPS) - Director's Office, DPS - Missouri State Highway Patrol, and Springfield Police Department** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of Prosecution Services (OPS)** state the proposed legislation includes provisions for new criminal acts and also creates new obligations for prosecuting attorneys. Any increase in the number of cases referred for criminal prosecution and any new statutory obligations for prosecutors will have an additional fiscal impact on County Prosecutors. Officials from the OPS were not able to establish an estimate for the increase in workload this proposal might create. It is, therefore, not possible to determine the extent to which this proposal would have a direct fiscal impact on county prosecutors or the OPS.

Officials from the **Office of the State Public Defender (SPD)** assume that existing staff could provide representation for those few cases arising where indigent persons were charged with vulnerable person abuse. However, passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the SPD to request increased appropriations to cover the cumulative cost of representing the indigent accused in the now more serious cases or in the new additional cases.

Officials from the **Office of Secretary of State (SOS)** state the proposal requires the Department of Mental Health and the Department of Health and Senior Services to promulgate rules to implement this legislation regarding mental health reform. These rules would be published in both the Missouri Register and Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Mental Health and the Department of Health and Senior Services may require as many as 54 pages in the Code of State Regulations and 81 pages in the Missouri Register because of cost statements and fiscal notes, etc. that are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The SOS estimates a total cost of \$3,321 [(81 pgs. X \$23) + (54 pgs. X \$27)]. These costs are estimates and depend on the number of rules printed, rescinded, and amended.

### ASSUMPTION (continued)

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Mental Health (DMH)** state the impact is estimated at \$0 to greater than \$100,000 due to the potential impact on DMH's budget to address the increase cost on community providers to meet these requirements. The DMH has no facilities covered under chapter 198, but there are many contracted private providers covered under chapter 198.

Based on information included in the Federal Register, Vol. 71, No. 208/Friday, October 27, 2006/Proposed Rules: Renovation costs to install a fire sprinkler are two to three times higher than while the building is under construction. The cost of renovation is higher because installation must be performed in a piece-meal fashion while the building is occupied.

The average cost per square foot for installation as part of the building's construction is \$2.05, while the average cost of installation in an existing occupied building is \$4.10 to \$6.15 per square foot. An additional \$1,000 is required annually to test and maintain the fire sprinkler system.

No. of Beds	\$4.10/Square Foot	\$6.15/Square Foot
<50 beds	\$100,450	\$150,675
50-99 beds	\$151,700	\$227,550
100-199 beds	\$305,450	\$458,175

Also, when renovating existing construction built before the 1980's, additional costs may develop due to the required abatement of hazardous materials to complete the project.

The Department will provide CIMOR training to the hot line staff at the Department of Health and Senior Services. They will have basic training on how to access screens to determine if the caller is a current or past client of DMH. The DMH will absorb these training costs.

With the addition of "suspicious" in Section 630.925.3 in regards to death review, the Department now assumes this would be a smaller number of reviews and the cost would be absorbed by DMH.

Officials from the **Department of Corrections (DOC)** state the penalty provision component of the proposal resulting in fiscal impact for the DOC, is for up to a class A felony for defined ASSUMPTION (continued)

vulnerable person abuse. However, the offender could already be charged with existing crimes. Passage of this law may make it easier to prosecute and/or convict. False reporting of vulnerable person abuse is a class D felony and this is a new crime.

The DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 06 average of \$39.43 per inmate per day, or an annual cost of \$14,394 per inmate) or through supervision provided by the Board of Probation and Parole (FY 06 average of \$2.52 per offender per day, or an annual cost of \$920 per offender). Supervision by the DOC through probation or incarceration would result in additional unknown costs to the DOC. Seven (7) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

At this time, the DOC is unable to determine the number of people who would be convicted under the provisions of this bill and therefore, the number of additional inmate beds that may be required as a consequence of passage of this proposal. The estimated construction costs for one new medium to maximum security inmate bed is \$55,000. Utilizing this per-bed cost provides for a conservative estimate by the DOC as facility start-up costs are not included and entire facilities and/or housing units would have to be constructed to cover the cost of housing new commitments resulting from the cumulative effect of various new legislation, if adopted as statute.

Officials from the **DPS - Division of Fire Safety (FS)** state the legislation requires the DPS-FS to oversee fire protection sprinkler systems in residential care facilities and assisted living facilities licensed by the Department of Health and Senior Services. This legislation impacts approximately 600 existing facilities and would require an annual inspection by DPS-FS staff. These are facilities which are not currently under division authority by any other inspection criteria.

Currently, the Division's inspection program has 11 field inspectors with two regional supervisors, who are also located in the field. Adding the technical expertise that this legislation would mandate, would require more oversight than manageable by existing regional supervisors. Current staff conducted 12,178 inspections and compliance-related activities in FY 06.

ASSUMPTION (continued)

HWC:LR:OD (12/02)

The DPS-FS estimates it would need one (1) Public Safety Manager (\$45,000) and one (1) Office Support Assistant (\$20,480) to handle the increase in workload. The DPS-FS estimates total FY 08 costs of \$102,215; FY 09 costs of \$104,162; and FY 10 costs of \$107,285.

Officials from the **Department of Health and Senior Services (DOH)** assume that the calls of reports of abuse of a "vulnerable person" as defined in the legislation would be received by the Division of Senior and Disability Services (DSDS) Central Registry Unit (CRU) hotline in DOH and referred to the Department of Mental Health (DMH) for investigation by DMH staff as required in Section 630.1100.

The DSDS cannot estimate at this time the increase in the volume of phone calls that will result from the expanded utilization of the CRU hotline. A significant increase would result in additional staff needs. In FY 2006, 16.99 staff were assigned to the CRU hotline. Those 16.99 FTE received a total of 63,296 calls. 16,815 of those calls were reports of abuse, neglect, or financial exploitation (A/N/E) of non-institutionalized elderly or disabled persons. The ratio of A/N/E calls averaged 990 per FTE per year. Presently, the CRU is receiving a significant portion of mental health related calls. The DSDS would defer to DMH to determine an estimate of increased call volume due to this proposal, and will at this time assume that call volume increases will be absorbed by current staff. However, if the increase is substantial (i.e. greater than 990 calls/year), the DSDS would need to request funds and FTE to ensure proper handling of A/N/E calls to the CRU hotline. Also, the CRU hotline is presently operating at near capacity. If the volume of calls grows significantly, upgrades to the hotline equipment and voice-recording devices (all calls are recorded) will be required.

The DSDS policy states that Division staff will investigate in all cases where a referral is not able to be made (i.e., the referral agency will not accept the referral). If the CRU receives a significant number of additional calls that cannot be referred to another agency for investigation, DOH may need additional staff to conduct investigations. It is unknown how many investigations will be able to be referred to the DMH and the Department of Social Services, and how many additional investigations DOH would be required to do due to the increased volume of calls received by the CRU. It takes DOH an average of 15.88 hours to investigate an allegation of A/N/E. One Home and Community Service (HCS) field staff can investigate approximately 131.49 investigations per year (2080 hours per year/15.88 hours per investigation).

### **Division of Regulation and Licensure**

Section 630.725.5 requires the DMH to notify the DOH of any license revoked under this section. The DOH is required to initiate its own review of any license issued under Chapter 198.  
ASSUMPTION (continued)

It is assumed that any reviews required to be done by DOH due to the revocation of a facility's license by DMH would be accomplished with existing resources.

Therefore, the DOH assumes this proposal could result in \$0 to unknown costs, depending on the number of hotline calls received and investigations performed by the DOH.

**Oversight** notes language in the proposal provides for an increase in civil penalties from \$100 to \$10,000 for each day a provider is in noncompliance with of the provisions of this proposal. Civil penalties are to be deposited in the State Schools Moneys Fund. **Oversight** assumes unknown penalties may be collected as a result of this proposal. **Oversight** also notes that if penalties are collected, a reduction in General Revenue transfers to schools will occur for the amount of penalties collected. However, since it is unknown whether any penalties will be collected, **Oversight** is not presenting this in the fiscal note.

Officials from the **Jackson County Medical Examiner, St. Louis County Medical Examiner, Buchanan County Sheriff, Columbia Police Department, Greene County Sheriff, Jefferson City Police Department, St. Louis County Police Department, St. Louis County Sheriff, St. Louis Metropolitan Police Department, and Kansas City Police Department** did not respond to our request for a statement of fiscal impact.

FISCAL IMPACT - State Government

FY 2008  
(10 Mo.)

FY 2009

FY 2010

**GENERAL REVENUE FUND**

HWC:LR:OD (12/02)

Costs - DMH

Community provider cost increases	(\$0 to greater than \$100,000)	(\$0 to greater than \$100,000)	(\$0 to greater than \$100,000)
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Costs - Department of Corrections

Increase in incarceration and parole costs	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
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Costs - Department of Public Safety

Personal service costs (2.0 FTE)	(\$55,692)	(\$68,835)	(\$70,900)
Fringe benefits	(\$25,206)	(\$31,155)	(\$32,089)
Equipment and supplies	(\$21,317)	(\$4,172)	(\$4,296)
Total <u>Cost</u> - Department of Public Safety	<u>(\$102,215)</u>	<u>(\$104,162)</u>	<u>(\$107,285)</u>

Costs - Department of Health and Senior Services

Increase in hotline calls and investigations	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>
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**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

<b><u>(\$102,215 to Unknown)</u></b>	<b><u>(\$104,162 to Unknown)</u></b>	<b><u>(\$107,285 to Unknown)</u></b>
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Estimated Net FTE Change for General Revenue Fund	2.0 FTE	2.0 FTE	2.0 FTE
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**STATE SCHOOLS MONEYS FUND**

<u>Fines and Penalties</u>	Unknown	Unknown	Unknown
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Transfer-Out - Schools

Transfer-out of fines and penalties	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT ON STATE SCHOOLS MONEYS FUND**

<b><u>\$0*</u></b>	<b><u>\$0*</u></b>	<b><u>\$0*</u></b>
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\* **Unknown fines and penalties collected and distributed to schools nets to \$0.**

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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**LOCAL GOVERNMENTS -  
 SCHOOLS**

Transfer-In - State Schools Moneys Fund

Fines and penalties	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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**ESTIMATED NET EFFECT ON  
 LOCAL GOVERNMENTS -  
 SCHOOLS**

	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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**LOCAL GOVERNMENTS -  
 PROSECUTING ATTORNEYS**

Costs - Prosecuting Attorneys

Increase in criminal prosecutions	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>
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**ESTIMATED NET EFFECT ON  
 LOCAL GOVERNMENTS -  
 PROSECUTING ATTORNEYS**

	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>
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FISCAL IMPACT - Small Business

Small business in-home providers would be required to ensure their staff are trained on reporting requirements. Also, small business care facilities will be required to install sprinkler systems, heat rise detectors, and smoke alarms.

FISCAL DESCRIPTION

This proposal modifies various provisions relating to mental health.

This proposal increases the penalty for a mandated reporter not reporting abuse and neglect from an infraction to a class A misdemeanor. This proposal also imposes sanctions and penalties on providers that prevent or discourage the reporting of abuse and neglect.

This proposal establishes a mental health fatality review panel to review all suspicious deaths of clients of the department of mental health.

FISCAL DESCRIPTION (continued)

The director of the department of mental health shall promulgate rules, guidelines and protocols for hospitals and physicians to use to help them identify suspicious deaths of clients in the care and custody of the department.

This proposal increases the penalty for community providers who do not correct problems cited by the department of mental health in licensing inspections. The current fine is 100 dollars per day. This proposal increases the penalty for up to 10,000 dollars per day.

This proposal defines "vulnerable person" as any person in the custody, care, or control of the department that is receiving services from an operated, funded, licensed, or certified program. This proposal also creates the crime of "vulnerable person abuse" and provides for mandatory reporting of suspected vulnerable person abuse.

The Department of Mental Health shall notify the Department of Health and Senior Services within ten days of revoking a license of an operator of a facility. If the Department of Health and Senior Services has not already done so, the department shall, within 30 days of such notice, initiate an investigation of the facility to determine whether licensure action is appropriate.

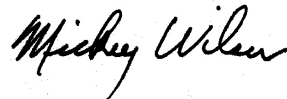
This proposal also provides that by December 1, 2010, all residential care facilities and assisted living facilities licensed by the Department of Health and Senior Services shall have in place sprinklers, heat rise detectors, and smoke alarms. As part of licensure, such facilities shall be annually inspected by the division of fire safety within the department of public safety for testing and maintenance of the fire safety equipment. Reports of the inspections shall be forwarded to the Department of Health and Senior Services.

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 Attorney General  
Office of State Courts Administrator  
Department of Mental Health  
Department of Corrections  
Department of Health and Senior Services  
Department of Social Services  
Department of Public Safety -  
    Director's Office  
    Division of Fire Safety  
    Missouri State Highway Patrol  
Office of Prosecution Services  
Office of Secretary of State  
Office of State Public Defender  
Springfield Police Department

**NOT RESPONDING: Jackson County Medical Examiner, St. Louis County Medical Examiner, Buchanan County Sheriff, Columbia Police Department, Greene County Sheriff, Jefferson City Police Department, St. Louis County Police Department, St. Louis County Sheriff, St. Louis Metropolitan Police Department, and Kansas City Police Department**



Mickey Wilson, CPA  
Director  
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