

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0580-13  
Bill No.: HCS No. 2 for SS for SCS for SB 3  
Subject: Mental Health; Mental Health Dept.; Disabilities; Crimes and Punishment  
Type: Original  
Date: May 15, 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	(Unknown, could exceed \$100,000)	(Unknown, could exceed \$100,000)	(Unknown, could exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown, could exceed \$100,000)</b>	<b>(Unknown, could exceed \$100,000)</b>	<b>(Unknown, could exceed \$100,000)</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 9 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>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</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>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Insurance, Financial and Professional Regulation, Department of Public Safety (DPS) - Director's Office, DPS - Division of Fire Safety, DPS - Missouri State Highway Patrol, Office of State Treasurer, and Department of Social Services** 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 Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Mental Health (DMH)** state with the removal of Section 198.074, this legislation will no longer have a fiscal impact on the DMH.

The DMH will provide CIMOR training to the hotline 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 DMH now assumes this would be a smaller number of reviews and the costs would be absorbed.

Officials from the **Department of Corrections (DOC)** state 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

ASSUMPTION (continued)

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.

Officials from the **Department of Health and Senior Services (DOH) - Division of Senior and Disability Services (DSDS)** state the DOH assumes that the calls of reports of abuse of a “vulnerable person” as defined in the legislation would be received by the 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 the DMH to determine an estimate of increased call volume due to this bill, 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, the DHSS 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 (DOS), 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 abuse, neglect, or financial exploitation. One Home and Community Services (HCS) field staff can investigate approximately 131.49 investigations per year. (2,080 hours per year/15.88 hours per investigation).

ASSUMPTION (continued)

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

Therefore, the DOH assumes the proposal will have \$0 to Unknown costs, depending on whether there is a significant increase in the number of hotline calls and additional license reviews/investigations.

**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 **Office of Prosecution Services (OPS)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of this proposal, the OPS stated 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. The OPS is 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)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of this proposal, the SPD assumed 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 the Governor** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>GENERAL REVENUE FUND</b>			
<u>Costs - Department of Corrections</u>			
Increase in incarceration and parol costs	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
<u>Costs - Department of Health and Senior Services</u>			
Increase in hotline calls and investigations	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(Unknown, could exceed \$100,000)</u></b>	<b><u>(Unknown, could exceed \$100,000)</u></b>	<b><u>(Unknown, could exceed \$100,000)</u></b>
<b>STATE SCHOOLS MONEYS FUND</b>			
Fines and Penalties	Unknown	Unknown	Unknown
<u>Transfer-Out - Schools</u>			
Transfer-out of fines and penalties	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT ON STATE SCHOOLS MONEYS FUND</b>	<b><u>\$0*</u></b>	<b><u>\$0*</u></b>	<b><u>\$0*</u></b>
<b>* Unknown fines and penalties collected and distributed to schools nets to \$0.</b>			
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>LOCAL GOVERNMENTS - SCHOOLS</b>			
<u>Transfer-In - State Schools Moneys Fund</u>			
Fines and penalties	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - SCHOOLS</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
HWC:LR:OD (12/02)			

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

FISCAL DESCRIPTION

VULNERABLE PERSONS

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 as well as investigation protocols. (Sections 565.210 to 565.220, 630.005, 630.163)

ABUSE AND NEGLECT INVESTIGATIONS

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. (Section 630.165)

CIVIL IMMUNITY AND ADMINISTRATIVE PENALTIES

This proposal gives civil immunity to employees of the Department of Mental Health and contract providers who engage in discussion with the intent to help ensure that facilities and providers are aware of past history of potential employees that might create a danger to clients. (Section 630.950)

FISCAL DESCRIPTION (continued)

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. (Section 630.755)

LICENSURE

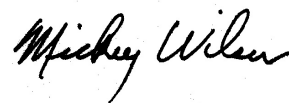
The Department of Mental Health shall notify the Department of Health and Senior Services within ten days of revoking a license of an operator of a facility. If the Department of Health and Senior Services has not already done so, the department shall, within 30 days of such notice, initiate an investigation of the facility to determine whether licensure action is appropriate. (Section 630.725)

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 Insurance, Financial and Professional Regulation  
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 Secretary of State

**NOT RESPONDING: Office of the Governor, Office of Prosecution Services, and Office of State Public Defender**



Mickey Wilson, CPA



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