

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number: HB1062

House of Origin: ☒ Introduced ☐ Substitute ☐ Engrossed

Second House: ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Watts

3. Committee: Health, Welfare and Institutions

4. Title: Geriatric mental health services, specialized; DMHMRSAS to develop pilot program

5. Summary/Purpose: This bill requires the Department of Mental Health, Mental Retardation and Substance Abuse Services to develop a two-year pilot program for the provision of specialized geriatric mental health services annually for up to 1,000 adults age 65 and older with serious mental illness. This program is to be implemented no later than January 1, 2007 and expires on July 1, 2009. The pilot program is to be located in the City of Alexandria and the Counties of Arlington, Fairfax, Loudoun, and Prince William. The Department shall consult with the Department for the Aging and area Community Services Boards. All agencies of the Commonwealth shall provide assistance with development of the program upon request. Program services are listed along with program objectives and evaluation criteria. Two evaluation reports are to be submitted to House and Senate Committees.

6. Fiscal Impact Estimates are: Preliminary

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2005-06	-	-	-
2006-07	\$2,568,461	0.00	GF
2007-08	\$4,343,343	0.00	GF
2008-09	n/a	n/a	-
2009-10	n/a	n/a	-
2010-11	n/a	n/a	-
2011-12	n/a	n/a	-

7. Budget amendment necessary: Item 312 (Grants to Localities), Program 44500 (Financial Assistance for Health Services)

8. Fiscal implications: This bill requires the development of a pilot program in the Northern Virginia Region, including the City of Alexandria, and Counties of Arlington, Fairfax, Loudoun, and Prince William to annually serve up to 1,000 adults over the age of 65 who exhibit the need for mental health services. This is to be a two-year program, implemented no later than January 1, 2007 and is authorized through July 1, 2009. Specific services, five program objectives and evaluation criteria are also listed.

Program requirements include: (1) serving up to 1,000 adults annually, age 65 and older, with serious mental illness; (2) providing on-going gero-psychiatric consultation and training to staff in 50 residential facilities housing older adults, including long-term care facilities, assisted living facilities and other group settings housing older adults; and (3) expanding specialized geriatric mental health services by adding gero-psychiatric support to adult day programs serving older adults and adding 30 mental health Intermediate Care Facility beds. Implementation of these services would require purchase of gero-psychiatric beds for acute conditions requiring immediate care; adding 30 psychiatric intermediate care facility beds in a long-term care facility; staff support to existing adult psychosocial day programming; and staffing an older adult intensive transition program for consultation and training. Total annual cost is based on:

	General Funds	Non-general Funds (Medicare, Medicaid federal match, private insurance, private pay)	Total
Gero-psychiatric beds: 7 beds x \$1,000 /day x 365 days Reimbursement @ 90%	\$255,000	\$2,300,000	\$2,555,000
Psychiatric ICF beds: 30 beds x \$446 / day x 365 days Reimbursement @ 60%	\$1,953,480	\$2,930,220	\$4,883,700
Psychosocial Day Programming	\$548,706	\$ 0	\$548,706
Intensive Transition Program (consultation and training) Hub Office: \$678,229 3 Satellite Offices: Alexandria: \$183,036 Arlington: \$183,036 Fairfax: \$541,856	\$1,586,157	\$ 0	\$1,586,157
Total	\$4,343,343	\$5,230,220	\$9,573,563

For FY2007, funds would be needed for development and program implementation by the Intensive Transition Program (contract) staff for nine months. Services costs for bed purchase and day programming funds would be for six months. FY2008 costs are for 12 months. This pilot program cannot be implemented without additional resources.

9. Specific agency or political subdivisions affected: DMHMRSAS, Community Services Boards, and Department for the Aging

10. Technical amendment necessary:

11. Other comments:

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Document: G:\Fy06 Legislation\Hb1062.Doc Emily Ehrlichmann

cc: Secretary of Health and Human Resources