

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number SB 276

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron Ken T. Cuccinelli, II

3. Committee Passed Both Houses

4. Title Psychiatric inpatient treatment of minors; timing of petition and hearing.

5. Summary/Purpose: This bill increases from 72 hours to 96 hours the length of time (i) to hold a hearing for the involuntary commitment of a minor or the emergency admission of a minor for inpatient treatment, and (ii) that a minor may be admitted by his parents to a facility over his objections. The bill also provides that the time to hold the involuntary commitment hearing runs from the filing of the petition for such hearing. The bill provides further that a petition for judicial approval of the admission of a minor by his parents over his objections shall be filed no sooner than 24 hours and no later than 96 hours after his admission.

6. Fiscal Impact Estimates are: Final.

Expenditure Impact:

(Item 304, Service Area 32107) TDO program:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$ 144,451	N/A	GF
2010	\$ 161,063	N/A	GF
2011	\$ 179,585	N/A	GF
2012	\$ 200,237	N/A	GF
2013	\$ 223,265	N/A	GF
2014	\$ 248,940	N/A	GF

(Item 306, Service Area 45609) TDOs within Medicaid:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$ 10,799	N/A	GF
2009	\$ 10,799	N/A	NGF
2010	\$ 12,041	N/A	GF
2010	\$ 12,041	N/A	NGF
2011	\$ 13,426	N/A	GF
2011	\$ 13,426	N/A	NGF
2012	\$ 14,970	N/A	GF
2012	\$ 14,970	N/A	NGF
2013	\$ 16,692	N/A	GF
2013	\$ 16,692	N/A	NGF
2014	\$ 18,611	N/A	GF
2014	\$ 18,611	N/A	NGF

Total Fiscal Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$ 155,250	N/A	GF
2009	\$ 10,799	N/A	NGF
2010	\$ 173,104	N/A	GF
2010	\$ 12,041	N/A	NGF
2011	\$ 193,011	N/A	GF
2011	\$ 13,426	N/A	NGF
2012	\$ 215,207	N/A	GF
2012	\$ 14,970	N/A	NGF
2013	\$ 239,956	N/A	GF
2013	\$ 16,692	N/A	NGF
2014	\$ 267,551	N/A	GF
2014	\$ 18,611	N/A	NGF

7. **Budget amendment necessary:** Yes, Item 304 (Service Area 32107) and Item 306 (Service Area 45609).

8. **Fiscal Implications:** The Department of Medical Assistance Services identified three populations that could be affected by this proposed bill. The first population is made up of individuals who are not enrolled in Medicaid at the time of the temporary detention order (TDO). The claims from this population are paid 100 percent from the general fund. The second population is made up those enrolled in Medicaid Fee for Service (FFS) at the time of their TDO. For those enrolled in Medicaid, their claims are paid 50 percent from the general fund and 50 percent from federal funds. The third population consists of recipients enrolled in a Managed Care Organization through Medicaid. The costs associated with this group are covered under capitation payments and are calculated as a factor of FFS units. Capitation payments are also paid 50 percent from the general funds and 50 percent from federal funds.

Currently, the maximum hours before a hearing for a minor are limited to 72 hours. By reviewing Medicaid claims information, DMAS determined that over 91 percent of TDOs for minors do not reach the maximum and had an average length of stay estimated to be 1.59 days per TDO. This percentage of TDOs is assumed to remain constant. The remaining nine percent had lengths of stays of 72 hours (3 days) or greater due to weekends and holidays. For the population of TDOs with stays less than three days, this impact does not include an increase in average length of days. For the population with average lengths of stays equal to or greater than three days, an additional day is added. Using this methodology, DMAS estimated that the average number of days for both populations at 2.20 days.

DMAS was able to identify the cost of TDOs to be approximately \$825 per average length of stay during FY 2008. By reviewing claims information, growth rates of the number of TDOs per year and the average cost per TDO were calculated and applied. The difference between the forecast of TDO costs without the additional days and the forecast of TDO costs with the anticipated additional day resulted in the calculated fiscal impact. Using this methodology, the total additional costs of the proposed 96 hour maximum during FY 2009 is estimated to be \$160,000 from the general fund and \$11,000 in federal funds.

9. Specific agency or political subdivisions affected: Department of Medical Assistance.

10. Technical amendment necessary: No.

11. Other comments: None.

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cc: Secretary of Health and Human Resources