

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB 4027

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Stolle

3. Committee: Courts of Justice

4. Title: DBHDS and VSP; mobile applications, mental health and public safety

5. Summary: The proposed legislation requires the Department of Behavioral Health and Developmental Services (DBHDS) to develop or obtain a mental health mobile application to facilitate the provision of crisis intervention services by licensed clinicians to individuals in the Commonwealth through calls, texts, and online chat portals. The bill requires the mobile application to be integrated with the crisis intervention phone hotline administered by a third-party provider under contract with the Department of Medical Assistance Services (DMAS) and requires DMAS to provide DBHDS with data and other information necessary to ensure such integration. The Secretary of Health and Human Services is directed to promote, market, and advertise the use of such application.

The bill also requires the Department of State Police, in coordination with the Virginia Fusion Intelligence Center, (i) to develop or obtain a public safety mobile application to enable individuals in the Commonwealth to furnish confidential tips to the State Police through text, audio, images, or video concerning a suspected, anticipated, or completed criminal violation or a school-related safety concern and (ii) to develop a referral system to ensure that such confidential tips are referred to the appropriate law-enforcement agency, school board, threat assessment team, or other relevant entity. The Secretary of Public Safety and Homeland Security is directed to promote, market, and advertise the use of such application.

The bill requires DBHDS and the Department of State Police to coordinate in the development or procurement of one comprehensive mobile application or separate mobile applications.

6. Budget Amendment Necessary: Yes, Items 307, 312, and 420

7. Fiscal Impact Estimates: Preliminary. See Below

8. Fiscal Implications:

Mental Health Mobile Application

Under the bill, a mental health mobile application developed by DBHDS would connect users with real-time, 24 hour a day crisis intervention by licensed clinicians through calls,

texts and online chat portals. To do this, DBHDS would incur costs associated with developing and maintaining the required mobile app. Further, this application must be integrated with the crisis intervention phone hotline under contract with DMAS. There is no specific estimate for the cost of this effort; however, a recent Healthcare IT study estimates the average cost to develop a mobile health app from conception to launch to be approximately \$425,000.

Currently, DMAS contracts with a vendor for service authorizations and case management of behavioral health services for those enrolled in Medicaid and the Children's Health Insurance Program (CHIP). As part of that contract, the vendor provides a call center for handling crisis intervention services for Medicaid and CHIP recipients. If the vendor receives calls from individuals that are not currently eligible for the programs, they assist the caller through the immediate crisis and may refer them to their local community services board (CSB) to obtain further services. This legislation requires that the mobile app be integrated with this third-party provider; as such, all calls, texts, and chats received through the mobile app would be directed to this provider. The expected increase in volume would necessitate changes to the current contract and higher costs. A similar model for service delivery was used in the development of SafeUT, a school safety mobile application for all students in Utah. As part of the functionality of SafeUT, students are able to tap a button on their phones and be connected to a crisis intervention counselor either through a chat feature or voice call. Last year, the crisis line connected to SafeUT received 15,000 such chats and calls. The proposed legislation does not limit the app's target population to school age children. Therefore, should this app be marketed to all Virginians, it can reasonably be assumed that the number of chat and calls in Virginia may grow far beyond that experienced by SafeUT. Virginia's population is approximately 8.5 million, with approximately 85 percent over the age of 12. For the purposes of this estimate, it is assumed that few children under the age of 12 will utilize the mobile app; therefore, this population is excluded. The National Alliance on Mental Illness (NAMI) reports that approximately one in 25 adults experiences a serious mental illness in a given year. Assuming half of the estimated number of Virginians over the age of 12 who experience a serious mental illness utilize the mobile crisis app, then approximately 150,000 calls and chats may be received annually. There is no readily available data to suggest how many repeat interactions may occur in a given year, so the interaction estimate does not include those individuals who may utilize the mobile app more than once. Further, not factoring in this population will provide a more conservative fiscal estimate and will potentially account for any uncertainty associated with the assumptions used. Based on an assumption of 150,000 annual interactions and information from the current DMAS vendor for behavioral health services; DMAS reports that a similar level of response would cost approximately \$7.0 million general fund annually to expand the scope of the agency's current contract to meet the provisions of this bill. Actual costs would depend on how the program was rolled out and when the mobile application would become available. It should be noted that the referenced DMAS contract expires in May 2020 and would need to be re-procured, at such time the estimated cost could vary.

Under this legislation, it is assumed that the DMAS contractor would refer and connect individuals to crisis intervention services provided by DBHDS through the CSBs. There are a total of 40 CSBs across the Commonwealth, each with their own emergency services team.

These teams consist of multiple preadmission screening clinicians who assess, either in-person or by phone, the need for mental health treatment and will make a recommendation accordingly. It is assumed that the number of individuals needing a preadmission screening clinician will increase, though by how much is unclear. CSBs currently employ approximately 1,000 preadmission screening clinicians whose caseloads are at capacity. Additionally, the bill states that crisis intervention services be provided by “licensed clinicians”, adding to the requirement. Currently, all preadmission screening clinicians employed in emergency services must hold a certification, but they are not all considered “licensed clinicians.” On average, the salary for a preadmission screening clinician, with fringe, is \$81,900 per year. To meet the demand for services that would potentially arise from this legislation, each CSB would require a minimum of one new licensed clinician, for a total of 40 new positions statewide. This will cost DBHDS at least \$3,276,000 per year. If all preadmission screening clinicians are required to be “licensed clinicians,” this cost will be substantially higher because the individuals currently in these positions will be required to hold higher level certifications and will likely require higher salaries because of those certifications. Additionally, the number of individuals who will receive care under this legislation that would not otherwise enter Virginia’s behavioral health system cannot be determined. Separate from the need for additional preadmission screening clinicians, this legislation will likely increase the number of individuals receiving counseling and medication management services at CSBs, increasing caseloads for physicians and other behavioral health clinicians. There is also a possibility of increased hospital admissions as a result of clinicians issuing Temporary Detention Orders (TDO). It is possible that since the individual is actively seeking help they would ideally be more amenable to receiving voluntary care, either in the community or at a private hospital. If more TDOs are issued, however, more individuals will be admitted to state hospitals and potentially could require more beds.

Public safety mobile application

The Virginia Fusion Center (VFC) acts as a central location where state, local and federal agencies, as well as private industries, can share information, resources, and expertise to better respond to and prevent criminal activities, terrorism, natural disasters, and other hazards. The proposed legislation would require the Virginia State Police (VSP), in coordination with VFC, to develop or obtain a public safety mobile application to enable individuals in the Commonwealth to furnish confidential tips to the Department of State Police through text, audio, images, or video concerning (i) a suspected, anticipated, or completed criminal violation or a school-related safety concern and (ii) to develop a referral system to ensure that such confidential tips are referred to the appropriate law-enforcement agency, school board, threat assessment team, or other relevant entity.

VSP estimates the information technology impact of this bill to be approximately \$350,000 in one-time costs to implement the public safety mobile application. There are also recurring costs associated with this bill, including \$200,000 for routine operations and maintenance performed by the vendor (second year), and \$86,259 (first year) for indirect communications maintenance and fees for the iPhones and hotspots needed to allow analysts to interact with the application that are out of scope of the Virginia Information Technologies Agency (VITA). VSP has also indicated that it may need additional office space to accommodate the

increase in personnel at the VFC. However, the associated cost, which may include rental fees or capital renovation, will depend on the number of positions allocated should the legislation be implemented.

While the agency is unable to determine the demand and actual workload that would result if the legislation is enacted, it believes it may need up to seven (7) senior analysts at a cost of \$83,525 annually (salary and benefits), depending on the workload generated once the legislation is fully implemented. Depending on when the legislation is enacted, the personnel cost may be prorated in the first year (fiscal year 2020). However, at minimum, VSP would need additional analyst positions to fully staff the Watch Center twenty-four hours per day and seven days a week. Currently, the Watch Center within the VFC is only staffed during business hours Monday through Friday, with analysts from other areas filling in on nights and weekends as needed.

Promotion and Marketing

The bill requires the Secretary of Health and Human Resources and Secretary of Public Safety and Homeland Security to promote, market, and advertise the use of the application(s). These offices do not have any current resources available for this activity. Assuming the provisions of the bill could be met by publicizing the apps on existing state publications and websites, then the cost of the requirement would be minimal. However, if any dedicated marketing campaign or media advisements are required, then there would be unbudgeted costs incurred by both offices. A marketing or media investment is scalable based on the size of the effort.

9. Specific Agency or Political Subdivisions Affected:

Department of Behavioral Health and Developmental Services
Department of Medical Assistance Services
Office of the Secretary of Health and Human Resources
Office of the Secretary of Public Safety and Homeland Security
Department of State Police

10. Technical Amendment Necessary: No

11. Other Comments: The bill permits the required mobile applications to be developed as one joint application; however, a single app is not required. As it is unclear as to whether a joint application is the most effective strategy to meet the bill's provisions, the fiscal implication of jointly developing and operating the app has not been determined.