

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** HB713

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:** Hope

**3. Committee:** Health, Welfare, and Institutions

**4. Title:** Mandatory outpatient treatment orders; judicial review conferences.

**5. Summary:** Extends from 90 days to 180 days the maximum time period a court may order mandatory outpatient treatment for adults and juveniles. The bill provides that any order for mandatory outpatient treatment may include provisions for periodic reviews to monitor the person's (i) access to and satisfaction with services and supports provided under the treatment plan and (ii) compliance with the mandatory outpatient order. The district court judge or special justice may require attendance at such conferences by the person, the community services board staff member responsible for monitoring the person's compliance with the order, and such other persons as deemed appropriate. If agreed upon by the person and monitoring community services board, the judge or special justice may (a) allow such review conferences to be conducted through an electronic video and audio or telephonic communication system and (b) make adjustments to the treatment plan.

**6. Budget Amendment Necessary:** See Item 8.

**7. Fiscal Impact Estimates:** Indeterminate. See Item 8.

**8. Fiscal Implications:** This bill extends the maximum length of a mandatory outpatient treatment (MOT) order from 90 days to 180 days. Previous estimates on the cost of extending the mandatory outpatient treatment time period had the cost of 30 days of mandatory outpatient treatment at an average cost of approximately \$3,400, so for the purposes of this fiscal impact statement, that is the assumed monthly cost of treatment. While the extension will likely increase the average length of time an individual is subject to an order, and thus increase the total cost of services, the portion of that cost that is the responsibility of the state is indeterminate, as it is dependent on whether an individual has private insurance, is enrolled in Medicaid, or is indigent during the service period.

Currently, between 300-350 individuals are ordered to mandatory outpatient treatment per year. According to data from the federal Centers for Medicaid and Medicare Services, Medicaid covers approximately 16 percent of the total population of Virginia. If that figure is applied to the number of individuals under MOT orders, approximately 56 individuals would be Medicaid eligible. At a monthly cost of \$3,400, an additional three months of treatment would equal \$561,200, of which as much as half would be reimbursable by the federal

government, depending on the services provided. If the service is not deemed medically necessary by the providers, then the costs would not be Medicaid eligible and would fall to either the individual or the CSBs.

In addition to the cost of services, this legislation is likely to have an impact on both the Courts and on the CSBs, who would be required to participate in additional court hearings in the form of periodic reviews.

The cost for each hearing is estimated at \$261.25, including a special justice (\$86.25 per hearing), attorney (\$100.00 per hearing), and witness examiner (\$75.00 per hearing). It is not known how many of these cases would be extended and subject to periodic review, nor whether the extended period of time for which treatment can be ordered would increase the number of individuals who are ordered to mandatory outpatient treatment. While there will likely be increased cost to the courts, the impact is unknown. Using current MOT figures, if every individual under an MOT received two periodic reviews during their period of treatment, the cost to the courts would be \$182,875 (350 individuals x \$261.25 per review hearing x two hearings). Any additional individuals committed to mandatory outpatient treatment, or additional reviews beyond the two assumed in this fiscal impact statement, would increase the cost of this legislation.

Additionally, CSBs would also have to arrange for transportation for the individual under the MOT order. This legislation does allow for the possibility of participation by either of these parties via electronic communication, which could reduce costs of travel and staff time, thus the impact to CSBs is also indeterminate.

**9. Specific Agency or Political Subdivisions Affected:** Community Services Boards, Department of Medical Assistance Services, Courts of Justice.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.