

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** HB1026

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:** Adams, L.R.

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

**4. Title:** Mandatory outpatient treatment; criteria.

**5. Summary:** Eliminates the requirement that a person have a history of lack of compliance with treatment for mental illness that has, at least twice within the previous 36 months, resulted in the person being subject to an order for involuntary admission to be eligible for mandatory outpatient treatment following a period of involuntary inpatient treatment.

**6. Budget Amendment Necessary:** No.

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

**8. Fiscal Implications:** This legislation eliminates the requirement that to be eligible to be subject to mandatory outpatient treatment (MOT) order, an individual must have had at least two previous occasions within the last 36 months of either having been involuntarily admitted for psychiatric care or having been subject to a temporary detention order and subsequently volunteered for admission. Any individual subject to involuntary hospitalization could be subject to a mandatory outpatient treatment order regardless of their previous history.

This legislation may increase the number of people admitted to MOT. Currently, between 300 and 350 individuals are admitted to MOT each year in the Commonwealth of Virginia. It is unknown how many people are not ordered to MOT because they do not have a history of a lack of compliance with treatment. In FY2018, 25,417 adults and children were subject to a TDO in Virginia. This legislation would potentially open MOT to all of those individuals. An increase in MOT orders would result in additional clinical costs, some of which could be covered by the individual's private insurance or the Department of Medical Assistance Services if the individual is enrolled in Medicaid. In cases where an individual is uninsured, a Community Services Board may incur additional costs to provide treatment. While an updated average cost of services provided under a MOT order was not available, previous estimates on the cost of mandatory outpatient treatment were approximately \$3,400 for a 30 day period. Current law allows for a period of mandatory outpatient treatment of up to 90 days.

If individuals that would otherwise be committed to a state operated mental health facility are instead ordered to mandatory outpatient treatment, there would be potential cost avoidance for the Department of Behavioral Health and Developmental Services. Those who successfully complete their mandatory outpatient treatment may be less likely to require future inpatient treatment at a state facility.

It is unclear if this legislation will impact the workload of the judicial system. While input from the Courts was not available prior to issuing this fiscal impact statement, any additional hearings that occur as a result of this legislation may also impact their costs. Based on information previously provided, 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).

**9. Specific Agency or Political Subdivisions Affected:** Department of Behavioral Health and Developmental Services, CSBs.

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

**11. Other Comments:** None.