

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$109,873		\$99,621	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$109,873		\$99,621	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill directs the Department of Health and Human Services (DHHS) to create a certification process (including eligibility and training requirements, setting fees, and establishing rules and regulations) for licensed independent mental health practitioners to take persons into emergency protective custody. At minimum, certification is to require training in the following areas:

- a) A review of relevant statutes and other law;
- b) What constitutes probable cause;
- c) What happens to a subject who is taken into custody, committed, or otherwise subject to the authority of the mental health board under the Nebraska Mental Health Commitment Act;
- d) Ethical considerations;
- e) How to evaluate and assess dangerousness and risk level; and
- f) Consideration of how to safely hold and transport a subject taken into emergency protective custody.

The bill permits mental health professionals with probable cause to initiate emergency protective custody. The Nebraska Association of County Officials indicates unknown additional costs due to counties being responsible for paying the cost of the emergency protective custody. Nebraska Department of Correctional Services indicates no fiscal impact to their agency.

DHHS indicates the certification process would require oversight of a new Program Coordinator starting October 1, 2023. The new FTE would assist in developing training and certification processes, contracting with trainers, and implementing a tracking and monitoring system. An initial contractor for curriculum development is estimated to cost \$30,000 and any data system changes are estimated to cost \$10,000. Subsequent upkeep and reporting are estimated to cost \$3,000 annually. Additionally, an independent entity to administer the actual testing is recommended. Currently DHHS utilizes an entity for similar testing for other certifications and licensures. A comparable cost of \$3,000 to \$5,000 per year is expected. For purposes of this fiscal note, the \$3,000 minimum is being used for FY24 and FY25.

Additional fiscal impacts include the arrangement and payment for transportation and the payment for levels of care that do not qualify under the clinical criteria of their respective payer sources. DHHS may experience an increase in costs if most individuals without alternative payer sources are committed to the care of the State. This would be seen in both hospital-based acute care and community-based services. An investigation into the extent of such costs can be seen in the table provided by DHHS and is not included in the total estimate of fiscal impact provided here.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE				
LB:	668	AM:	AGENCY/POLT. SUB: Nebraska Department of Health & Human Services	
REVIEWED BY:	Ann Linneman	DATE:	3-7-2023	PHONE: (402) 471-4180
COMMENTS: The Nebraska Department of Health and Human Services' analysis and estimate of fiscal impact to the department appears reasonable.				

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	668	AM:	AGENCY/POLT. SUB: Nebraska Department of Correctional Services
REVIEWED BY:	Ann Linneman	DATE:	1-30-2023 PHONE: (402) 471-4180
COMMENTS: Concur with the Department of Correctional Services' assessment of no fiscal impact.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:	668	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)
REVIEWED BY:	Ann Linneman	DATE:	1-24-2023 PHONE: (402) 471-4180
COMMENTS: No basis to disagree with NACO's assessment of unknown fiscal impact.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) John Meals

Date Prepared 3-6-2023

Phone: (5) 471-6719

	<u>FY 2023-2024</u>		<u>FY 2024-2025</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$109,873	\$0	\$99,621	\$0
CASH FUNDS	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0
OTHER FUNDS	\$0	\$0	\$0	\$0
TOTAL FUNDS	\$109,873	\$0	\$99,621	\$0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 668 authorizes mental health professionals and licensed independent mental health practitioners to take persons into emergency protective custody by way of a certification process offered through the Department of Health and Human Services (DHHS).

This DHHS certification process would require the oversight of a new DHHS Program Coordinator who would assist in the development of the training curriculum and certification process, contract with trainers, and implement a tracking and monitoring system. An initial contractor for curriculum development is estimated to cost \$30,000 and any data system changes are estimated to cost \$10,000. Subsequent upkeep and reporting are estimated to cost \$3,000 annually.

Additionally, an independent entity to administer the actual testing is recommended. Currently DHHS utilizes an entity for similar testing for other certifications and licensures. A comparable cost of \$3,000 to \$5,000 per year is expected. For purposes of this fiscal note, the \$3,000 minimum is being used for FY24 and FY25.

Additional fiscal impacts include the arrangement and payment for transportation and the payment for levels of care that do not qualify under the clinical criteria of their respective payer sources.

DHHS may experience an increase in costs if most individuals without alternative payer sources are committed to the care of the State. This would be seen in both hospital-based acute care and community-based services.

Based on a five percent (5%) increase in hospital-based care (acute, emergency psychiatric observation and emergency protective custody) and a ten percent (10%) increase in units billed from the FY23 annualized amounts for each year, and assuming rates for services are increased by 3% each year of the biennium:

	FY24 Rate	FY24 Unit Increase	FY24 Funding Increase	FY25 Rate w/ 3% incr	FY25 Unit Increase	FY25 Funding Increase
Outpatient Psychotherapy	\$152.16	2,057	\$312,993.12	\$156.72	2,263	\$354,668.22
Medication management	\$86.75	993	\$86,142.75	\$89.35	1,092	\$97,572.93
Acute	\$1,108.13	43	\$47,649.59	\$1,141.37	47	\$53,644.57
Inpatient Post Commitment	\$831.09	2	\$1,662.18	\$856.02	3	\$2,568.07
Emergency Protective Custody	\$1,108.13	34	\$37,676.42	\$1,141.37	37	\$42,230.83
Emergency Psych Observation	\$110.69	399	\$44,165.31	\$114.01	439	\$50,050.70
Total			\$530,289.37			\$600,735.33

This would not account for additional law enforcement time, transportation costs, county attorney costs and system capacities.

This table does not represent a definite cost associated with LB 668. The table is intended to inform of a potential cost should the increase in certified individuals available to take persons into emergency protective custody lead to increases in hospital-based acute care and community-based services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2023-2024	2024-2025
	23-24	24-25	EXPENDITURES	EXPENDITURES
DHHS Program Coordinator	0.75	1.00	\$39,097	\$54,735
Benefits.....			\$13,684	\$19,157
Operating.....			\$57,092	\$25,729
Travel.....			\$0	\$0
Capital Outlay.....			\$0	\$0
Aid.....			\$0	\$0
Capital Improvements.....			\$0	\$0
TOTAL.....			\$109,873	\$99,621

Please complete ALL (5) blanks in the first three lines.

2023

LB⁽¹⁾ 668

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Lisa Stanton Date Prepared: ⁽⁴⁾ 01/23/2023 Phone: ⁽⁵⁾ (402)479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

NDCS estimates no fiscal impact as a result of LB 668.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2023

LB⁽¹⁾ 668

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/24/2023 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

In addition to law enforcement, LB 668 would authorize mental health professionals and practitioners to take persons into emergency protective custody and provide for a training and certification process. Counties are responsible for paying the cost of the emergency protective custody of persons.

Without knowing the costs of the training and certification, the fiscal impact is unknown.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____