

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2193-01  
Bill No.: HB 1067  
Subject: Mental Health Department; Hospitals  
Type: Original  
Date: March 17, 2017

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Bill Summary: This proposal modifies provisions relating to inspection requirements of mental health facilities.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Health and Senior Services** and the **Department of Mental Health (DMH)** each assume the proposal would not fiscally impact their respective agencies.

**Oversight** obtained additional information from the DMH for similar legislation (SB 532) regarding the number of surveys completed in FY16 where providers were sent letters from the Department requesting plans of correction. Oversight assumes each of those letters were sent certified mail, return receipt requested. The 2017 United States Postal Service (USPS) Certified Mail Fee is \$3.35 and the Return Receipt Electronic Signature fee is \$1.45; therefore, the total fees saved as a result of this proposal is approximately \$4.80 per letter.

Per the DMH, 284 letters were sent to providers requesting plans of correction for FY16. Oversight assumes the department would save approximately \$1,363 annually as a result of this proposal (284 X \$4.80). For fiscal note purposes, Oversight is not presenting this minimal savings for the DMH.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

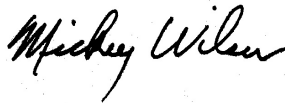
### FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Health and Senior Services  
Department of Mental Health



Mickey Wilson, CPA  
Director  
March 17, 2017

Ross Strobe  
Assistant Director  
March 17, 2017