

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5266H.011
Bill No.: HB 2520
Subject: Mental Health; Department of Health and Senior Services
Type: Original
Date: February 13, 2024

Bill Summary: This proposal requires the Department of Mental Health to apply for a federal grant to implement a statewide mobile mental health unit program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenses are estimated at \$2.2 million annually and net to zero.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§630.1130 - Federal grant to implement a statewide mobile mental health unit program

Officials from the **Department of Mental Health (DMH)** assume there would be a federal grant to provide these services. Assuming the agency is successfully awarded the grant, the proposed legislation adds §630.1130 establishing the “Statewide Mobile Mental Health Unit Program” within the Department of Mental Health (DMH). DMH shall apply for grant funding from the United States Department of Health and Human Services to establish mobile mental health units throughout the state in cooperation with local public health agencies. If awarded grant funding, DMH shall implement the program in communities across the state.

If grant funding is secured to establish mobile mental health units, DMH anticipates contracting with certified mental health providers to provide these services. It is estimated that 11 mobile units would be needed to cover the state. Cost for the mobile unit is estimated to be \$100,000 per unit; total cost for 11 units would be \$1,100,000. These mobile units would be used to provide information about behavioral health care services and setting up intake appointments. Cost for staffing these mobile units is estimated at \$162,500 per unit per year, this covers 2.5 FTE peer specialists and fringe. Total cost for 12 months of staff to operate the mobile units is \$1,787,500. Maintenance, fuel and insurance cost for each mobile unit would be approximately \$20,000 per year. For equipment and supplies to operate the mobile unit DMH would estimate \$20,000 per unit per year. The ongoing expenses for eleven mobile units’ maintenance, fuel, insurance, and equipment and supplies would total \$440,000 annually. DMH estimates total cost for FY25 to start up the mobile units would be \$2,956,250 ((\$1,100,000 initial unit costs + 1,489,583 for contracted staff (10 months) + \$366,667 equipment and expense (10 months)). For FY26 the cost would be \$2,245,375 (\$1,796,575 for contracted staff + \$448,800 equipment and expense). For FY27 the cost would be \$2,263,428 (\$1,805,652 for contracted staff + \$457,776 equipment and expense). If the federal grant is not available or awarded, then General Revenue would be needed to fund this program.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DMH. Oversight assumes the program will only be implemented when federal funds are secured and that all grant money received will be spent on program services.

Oversight notes that, according to [Medicaid.gov](https://www.medicare.gov):

The American Rescue Plan Act of 2021 (ARP) amended Title XIX of the Social Security Act (the Act) by adding after section 1946 (42 U.S.C. 1396w-5) the following new section: “SEC. 1947. State Option to Provide Qualifying Community-Based Mobile Crisis Intervention Services.” This section also authorizes CMS (Centers for Medicare & Medicaid Services) to make funding

available for implementing, administering, and making planning grants to states to prepare for implementing qualifying community-based mobile crisis intervention services.

Additionally, on December 28, 2021, CMS released SHO#21-008, [Medicaid Guidance on the Scope of and Payments for Qualifying Community-Based Mobile Crisis Intervention Services](#) which details the options states have should they seek "...payments for qualifying community-based mobile crisis intervention services".

Officials from the **Department of Health and Senior Services** and the **Newton County Health Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local public health agencies were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
FEDERAL FUNDS			
<u>Income - DMH (\$630.1130) Statewide Mobile Mental Health Unit Program reimbursements p. 3</u>	\$2,956,250	\$2,245,375	\$2,263,428
<u>Costs – DMH (\$630.1130) Statewide Mobile Mental Health Unit Program p.3</u>			
Contracted staffing	(\$1,489,583)	(\$1,796,575)	(\$1,805,652)
Equipment and Expense	(\$366,667)	(\$448,800)	(\$457,776)
Mobile units	<u>(\$1,100,000)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Costs – DMH</u>	<u>(\$2,956,250)</u>	<u>(\$2,245,375)</u>	<u>(\$2,263,428)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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.

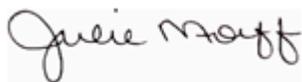
FISCAL DESCRIPTION

This legislation establishes the "Statewide Mobile Mental Health Unit Program" within the Department of Mental Health. Upon receipt of any grant moneys under this legislation, the Department of Mental Health shall implement the program by cooperating with local public health agencies to establish mobile mental health units in communities across the state.
 (§630.1130)

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
 Newton County Health Department



Julie Morff
 Director
 February 13, 2024



Ross Strobe
 Assistant Director
 February 13, 2024