

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 8/12/11

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution endorsing a plan submitted by the Milwaukee County New Behavioral Health Facility Study Committee which states that the county's current inpatient model of providing mental health care is financially unsustainable and less cost effective than a community-based mental health system and urging county government to permanently and fundamentally shift its funding, staff, and programming into a community-based system of care and endorsing Milwaukee County's continued operation of an inpatient hospital facility with a 120 maximum number of county provided inpatient beds as part of the county's obligation to provide safety net services for persons with mental illness.

**FISCAL EFFECT:**

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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
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*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

**In the space below, you must provide the following information. Attach additional pages if necessary.**

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

This resolution adopts a number of policy directives related to Milwaukee County's behavioral health delivery system, the current facility, and a future facility, which resulted from the work of the New Behavioral Health Facility Study Committee ("Facility Committee"). Additionally, this resolution directs that the Facility Committee's final report be submitted to the Mental Health Redesign Task Force (created through adopted resolution 11-173/11-284) for consideration in system redesign implementation planning.

The resolution authorizes and directs the Interim Director, Department of Health and Human Services (DHHS) to issue Requests for Proposals (RFPs) or renegotiate existing contracts to begin implementing suggestions included in the resolution (and other resolutions related to the mental health care delivery system recently passed by the County Board), including a community-based treatment model. The resolution also authorizes and directs the Interim Director, (DHHS) to issue a Request for Information (RFI) to determine what capacity presently exists in the community and how it can be utilized for redesign efforts.

The resolution directs that the Interim Director, DHHS, report back to the County Board with recommendations for a new facility, based on the Facility Committee's recommendations in January 2012. Finally, the Architectural, Engineering and Environmental Services Division is authorized and directed to issue an RFP for architectural design services for a new facility, based on the Facility Committee's recommendations and the aforementioned report. Funds remaining in the allocated contingency account within Capital Funds (WE033) shall be utilized to pay for any

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

architectural and design services, which result. The current balance of WE033 is approximately \$10,770,604.

This resolution does not anticipate any direct fiscal effect, although existing staff time will be required for planning efforts, the development and distribution of RFPs and RFIs, and the drafting of subsequent reports. Should additional funding be necessary to carry out the contents of this resolution, the Interim Director, DHHS, will have to return to the Board with an appropriation transfer request.

This resolution also states that the Architectural, Engineering and Environmental Services Division shall utilize funds remaining in the allocated contingency account within Capital Funds (WE033) to pay for any architectural and design services for a new behavioral health facility. Policymakers would need to approve any appropriation transfers prior to the release of any funding from the WE033 account. As WE033 contains bond proceeds, any money expended from that account will need to be used for bond eligible purposes.

Department/Prepared By Jennifer Collins, County Board

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No