

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 829 – SB 901

May 19, 2009

**SUMMARY OF AMENDMENT (008125):** Adds a new section to the bill which removes the court's authority to order an inpatient evaluation unless the evaluator determines that further evaluation and treatment are needed and requires the state to bear the cost of the resulting inpatient evaluation. The state will also be required to pay for costs of court ordered inpatient mental health evaluations of juveniles who have been charged with commission of an offense that would be a felony if committed by an adult.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$7,236,700

Decrease Local Expenditures - \$75,600

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - \$2,404,400**

Assumptions applied to amendment:

- The Department of Mental Health and Developmental Disabilities (DMHDD) ceased payments of court ordered inpatient mental health evaluations of juveniles who had been charged with commission of an offense that would be a felony if committed by an adult on September 1, 2008, as a result of the Court of Appeals decision *In Re J.B. (E2007-01467-COA-R3-JV)*.
- According to the Department, the number of both court ordered inpatient and outpatient evaluations were significantly reduced after September 1, 2008, due to the counties not having the resources to fund court ordered inpatient evaluations that resulted from a previously ordered outpatient evaluation.
- It is estimated that the provisions of the bill will result in court ordered evaluations of juveniles who are charged with the commission of an offense that would be a felony if committed by an adult increasing to the

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amount of evaluations prior to the Court of Appeals decision. In FY07-08, there were approximately 744 juvenile court ordered evaluations ordered for delinquent and unruly individuals.

- Since September 1, 2008, the state has been responsible for the cost of juvenile court ordered outpatient evaluations. From September 1, 2008, to March 31, 2009, there have been 89 juvenile court ordered outpatient evaluations. It is estimated that the courts are ordering 13 (89/7 months) outpatient evaluations per month. Based on this, it is estimated that the state is currently responsible for funding approximately 156 outpatient evaluations per year.
- It is estimated that 50 percent, or 372, of the 744 court ordered evaluations will result in an outpatient evaluation being ordered. The increase in the estimated outpatient evaluations that the state will pay for is 216 (372-156).
- According to DMHDD, each outpatient evaluation costs approximately \$600 resulting in an increase in expenditures of \$129,600 (216 x \$600).
- Currently, DMHDD is not paying for any inpatient evaluations. According to DMHDD, approximately 50 percent, or 188, of the 372 outpatient evaluations will result in an inpatient evaluation.
- According to DMHDD, each inpatient evaluation will last on average 25 days at a cost of \$450 dollars per day resulting in an increase in expenditures of \$2,115,000 (188 x 25 x \$450).
- Currently, the state is responsible for transportation costs to state facilities for juveniles who are charged with commission of an offense that would be a felony if committed by an adult. The proposed bill as amended requires the state to pay for all transportation costs for these juveniles, including to non-state facilities. It is estimated that reimbursement to the county sheriffs for transporting these individuals will result in an increase in expenditures of \$159,800 which includes 200 round-trip miles at \$.54 per mile and an average wait time of one hour.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/kml