

H .B. NO. 2374

A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH
FOR THE ADULT MENTAL HEALTH DIVISION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. Although funds were appropriated to the
5 department of health for adult mental health services for the
6 fiscal period beginning July 1, 2005, and ending June 30, 2006,
7 a critical funding emergency now exists. The program will
8 expend all appropriated funds before the end of the current
9 fiscal year, and the department will be unable to meet its
10 obligation to provide services to certain adults with severe
11 mental illness. The primary reason for this financial situation
12 is the need to continue existing services and implement
13 additional services and activities to comply with the
14 requirements of the settlement agreement and subsequent orders
15 in *United States v. State of Hawaii*, Civil Number 91-00137 (DAE
16 KSC).

1 The purpose of this Act is to appropriate or authorize
2 moneys to address expenses related to the ongoing operations at
3 Hawaii state hospital, to provide community-based services
4 necessary to reduce the census at the Hawaii state hospital, and
5 to address expenses relating to those individuals who have
6 already been placed in community-based services.

7 SECTION 3. There is appropriated out of the mental health
8 and substance abuse special fund the sum of \$6,148,944, or so
9 much thereof as may be necessary, for fiscal year 2005-2006.
10 This amount is to be used to sustain ongoing operation,
11 services, and activities for patients of Hawaii state hospital,
12 to provide community-based services necessary to reduce the
13 census at the Hawaii state hospital, and to address expenses
14 relating to those individuals who have already been placed in
15 community-based services.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$4,724,703 or so much
18 thereof as may be necessary for fiscal year 2005-2006 to be used
19 to sustain ongoing operation, services, and activities for
20 patients of Hawaii state hospital, to provide community-based
21 services necessary to reduce the census at the Hawaii state

H.B. NO. 2374

1 hospital, and to address expenses relating to those individuals
2 who have already been placed in community-based services.

3 SECTION 5. The sums appropriated shall be expended by the
4 department of health for the purposes of this Act.

5 SECTION 6. This Act shall take effect upon its approval.

6

7

8

INTRODUCED BY: Calvin K. Y. Soy
BY REQUEST

JAN 23 2006

JUSTIFICATION SHEET

DEPARTMENT: Health

TITLE: A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION.

PURPOSE: To authorize an emergency appropriation for fiscal year 2005-2006 of \$4,724,703 from general funds and to authorize an increase in the expenditure ceiling of the Mental Health and Substance Abuse Special Fund by an additional \$6,148,944 to the Department of Health, adult mental health division, for ongoing services provided at Hawaii State Hospital and community-based services. The primary reason for this financial situation is the need to continue existing services and implement additional services and activities to comply with the requirements of the settlement agreement and subsequent orders in *United States v. State of Hawaii, et al.* Civil Number 91-00137 (DAE KSC).

MEANS: Emergency appropriation of general funds for the Adult Mental Health Division of the Department of Health for fiscal year 2005-2006, in accordance with section 9 of article VII of the Constitution of the State of Hawaii, and sections 37-92(b) and 27-92(h), Hawaii Revised Statute. Legislative authorization to increase the Mental Health and Substance Abuse special fund expenditure limit.

JUSTIFICATION: The patient census at Hawaii State Hospital (HSH) is presently over capacity. In addition, to alleviate overcrowding at HSH, the State presently contracts for 40 beds at Kahi Mohala Behavioral Health Care for inpatient care. This ongoing state of overcrowding at HSH threatens hospital

licensing and accreditation. Specifically the emergency appropriation is to: a) increase the capacity of the AMHD to contract for acute community hospital beds so that persons can be diverted from HSH; b) fund capacity for additional community residential treatment facilities; c) fund forensic residential treatment which includes enhanced forensic programming, security and supervision at HSH; and d) increase the capacity of the AMHD to meet the needs of mental health consumers and HSH patients who have special physical health and mental health needs and who require placement in either a skilled nursing facility (SNF) or intensive care facility (ICF) so that they do not have to be placed and remain at HSH.

The request will also provide various outpatient community-based services to continue to maintain in the community those clients that have been directed or discharged from Hawaii State Hospital.

The increase in the special fund ceiling is due to anticipated revenue from a one-time opportunity to collect retroactive payments.

The general fund recommendation included in this measure has been made in accordance with the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. Including appropriations made up to and including the regular and special session of 2005, the Executive Branch appropriation ceiling for fiscal year 2005-2006 has already been exceeded by \$165,665,981 or 3.83 percent. Funding requested in this measure for ongoing services provided at Hawaii State Hospital and community-based

mental health services will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2005-2006 by \$4,724,703 or 0.11 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2005-2006 in this measure only, and does not include other general fund appropriations for fiscal year 2005-2006 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2006.

Impact on the public: The continuation and improvement of services will positively impact adults with severe and persistent mental illness served by the AMHD. If not authorized, this could lead to increased homelessness, use of costly emergency services, and an increase in the number of mentally ill persons in jails and psychiatric hospitals. More timely payments will be made to providers of AMHD services.

Impact on the department and other agencies: If not passed, the Department of Public Safety (PSD) and county police departments may experience an increased need to address issues related to untreated mental illness.

GENERAL FUND:	\$4,724,703 (fiscal year 2005-2006).
OTHER FUNDS:	\$6,148,944 ceiling increase of the Mental Health and Substance Abuse Special Fund.
PPBS PROGRAM DESIGNATION:	HTH-420.

Page 4

OTHER AFFECTED
AGENCIES:

Department of Budget and Finance.

EFFECTIVE DATE:

Upon approval.