

S.B. NO. 1456

IAN 2 2 2007

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 for immediate passage
2 in accordance with section 9 of article VII of the Constitution
3 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, 2006 and ending June 30, 2007, a
7 funding emergency now exists. The program will expend all
8 appropriated funds before the end of the current fiscal year,
9 and the department will be unable to meet its fiscal obligation
10 to provide services to certain adults with severe mental
11 illness.

12 Over the past four fiscal years, the adult mental health
13 division has served an increasing number of eligible mental
14 health consumers and has provided an increased number of crisis
15 outreach, eligibility determination, homeless outreach, and jail
16 diversion services. This emergency appropriation is to continue
17 existing services to meet the needs of the expanding eligible

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1 population and to continue funding of required services
2 developed during the fiscal year. This increase in services and
3 the number of consumers served first resulted from the
4 settlement agreement and subsequent orders in *United States of*
5 *America v. State of Hawaii*, Civil Number 91-00137 (DAE/KSC), and
6 continues in response to the need for the public mental health
7 services adult mental health division provides.

8 The purpose of this Act is to appropriate or authorize
9 funds for ongoing services of the adult mental health division.

10 SECTION 3. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$8,377,698, or so
12 much thereof as may be necessary, for fiscal year 2006-2007, for
13 ongoing services provided by the adult mental health division.


14 SECTION 4. The sum appropriated shall be expended by the
15 department of health for the purposes of this Act.

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

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INTRODUCED BY:



BY REQUEST

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JUSTIFICATION SHEET

DEPARTMENT: Health

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

PURPOSE: To authorize an emergency appropriation for fiscal year 2006-2007 of \$8,377,698 from general funds to the Department of Health, for ongoing services provided by the adult mental health division. The primary reason for this financial situation is the need to continue existing services during a period in which increasing numbers of people access services as a result of the actions and requirements of the settlement agreement and subsequent orders in *United States of America v. State of Hawaii*, 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 2006-2007.

JUSTIFICATION: Over the past four fiscal years, the adult mental health division has served an increasing number of eligible mental health consumers and has provided an increased number of crisis outreach, eligibility determination, homeless outreach and jail diversion services. For example, in fiscal year 2001-2002, approximately 4,455 consumers received services from the adult mental health division. In fiscal year 2003-2004, this number had increased to 7,543 consumers; 10,136 in fiscal year 2004-2005 and continued to increase at a rate of over 200 admissions per month during fiscal year 2005-2006. Preliminary un-duplicated consumer counts across purchase of service (POS) contracted fee-for-service, POS cost-reimbursement, and state operated services

suggests that approximately 11,300-12,500 people were served in fiscal year 2005-2006.

The primary reason for the significant increase in number of persons served is the capacity expansion of available services throughout the islands. This expansion was triggered by a federal lawsuit *United States of America v. State of Hawaii*, Civil Number 91-00137 (DAE/KSC) that first involved the Hawai'i State Hospital (1991) and later was expanded to address the needs of consumers in the community (January 2003).

Other factors that have contributed significantly to this growth include: (a) the creation of the Access Line (fiscal year 2002-2003), a single point of entry to the AMHD system; the ACCESS call center is now receiving over 130,000 calls per annum with 80,000 of the calls representing incoming requests; (b) the expansion of AMHD's eligibility criteria and the presumptive eligibility policy (fiscal year 2003-2004) which allows AMHD to serve consumers in crisis for up to 30 days regardless of their diagnosis; and (c) the significant improvement in AMHD's data infrastructure and expanded ability to capture data from purchase of service providers and cost-reimbursement services.

This emergency increase is to continue existing services to meet the needs of the expanding eligible population and to continue funding of required services developed during the current fiscal year.

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 session of 2006, the Executive Branch appropriation ceiling for Fiscal Year 2006-2007 has already been exceeded by \$415,349,859 or 8.51 percent. Funding requested in this measure will allow the department to meet its fiscal obligation to provide services to people who are seeking mental health services as a result of improved access and outreach to individuals with mental illness and to maintain existing services, and will result in the appropriation ceiling for the Executive Branch to now be exceeded in Fiscal Year 2006-2007 by \$8,337,698 or 0.17 percent. This current declaration takes into account additional general fund appropriations authorized for Fiscal Year 2006-2007 in this measure only, and does not include other general fund appropriations for Fiscal Year 2006-2007 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2007.

Impact on the public: The continuation of services will positively impact adults with severe and persistent mental illness served by the AMHD. Timely payments will continue to providers of AMHD services.

Impact on the department and other agencies: This should address county police department workload of directing mental health patients in public settings (streets and beaches) to suitable services.

GENERAL FUND:	\$8,377,698 (fiscal year 2006-2007).
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	HTH-420.

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OTHER AFFECTED
AGENCIES:

Department of Budget and Finance.

EFFECTIVE DATE:

Upon approval.