

Fiscal Estimate Narratives

DHS 1/24/2024

LRB Number	23-5479/1	Introduction Number	SB-0913	Estimate Type	Original
Description psychiatric residential treatment facilities, providing an exemption from emergency rule procedures, and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This proposal creates a certification process for a new category of mental health facility for youth, referred to as a Psychiatric Residential Treatment Facility, or PRTF. The bill defines a PRTF as a non-hospital facility that provides inpatient comprehensive mental health services to individuals under 21. The bill also authorizes the Wisconsin Medicaid program to reimburse certified PRTFs for services provided to Medicaid members. The proposal would require the Department to conduct rulemaking and establish a PRTF certification process. On an ongoing basis, the Department will need to conduct oversight activities to ensure facilities comply with certification activities. It is estimated that these activities will generate workload equivalent to 4.0 FTE GPR and \$340,400 GPR in cost.

The Department estimates that a 25 bed PRTF would have \$8.95 million in annual operating costs for facility staff salaries as well as food, medical, instructional, and other programming costs. The Governor's 2023-25 Biennial Budget assumed that 80% of the PRTF's beds would be occupied by Medicaid members at any given time, and therefore the facility would receive \$7.16 million in Medicaid reimbursement. The Governor's Budget assumed the need to support the facility with \$1.79 million GPR in grants to support the remaining costs, to ensure all 25 beds are available throughout the year.

Long-Range Fiscal Implications