

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date 05/16/2019
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) DHS 50	
4. Subject Youth Crisis Stabilization Facilities	
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected 20.435 (2)(gk), (5)(kp)
7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$996,400	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule Children who experience a mental health crisis are often placed in inpatient settings, such as a private hospital or state operated mental health institution, because these are the only options available to counties that lack access to less intensive, non-institutional crisis service options. Placing a child experiencing a crisis in a mental health institution can be traumatizing and may exacerbate crisis symptoms. This practice is also inconsistent with Chapter 51, which establishes that all people should have access to the least restrictive treatment alternative appropriate to their needs. A new provider type, a Youth Crisis Stabilization Facility (YCSF), was developed as a new service option to provide youth mental health treatment and crisis services, outside of institutional settings, but more intensive than they could receive in their community. Currently, Wisconsin provides three types of non-institutional facilities for youth treatment: children's group homes, treatment foster homes, and residential care centers. These facilities are licensed child welfare agencies, regulated by the Department of Children and Families. The facilities do not specialize in providing youth mental health treatment or crisis stabilization. Per a joint DHS/DCF policy memo, any child who needs to reside in these facilities for more than five days requires a court hearing to place them there, entering the child into the child welfare system. Due to the stigma associated with having a child enrolled into the child welfare system, some families resist these services. To address the need for a youth crisis facility, 2017 Wisconsin Act 59 created a statute allowing for the creation and certification of one or more Youth Crisis Stabilization Facilities. The statute also provided authority to DHS to promulgate rules to implement the facilities. The YCSFs would be a new type of Wisconsin facility, authorized under Chapter 51. YCSFs are intended to provide short-term, non-institutional mental health treatment services for youth under Chapter 51, and are exempt from Chapter 48 regulations regarding youth placements. YCSFs may also be used to provide step-down services as a youth transitions from an institutionalization back to living in their community.	

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12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.

The Department published a solicitation on the Administrative Register, requesting comments on the economic impact of the proposed rule, from April 22nd to May 6th, 2019. DHS received two comments, both supporting the promulgation of DHS 50.

13. Identify the Local Governmental Units that Participated in the Development of this EIA.

Counties were able to comment during the public comment solicitation period. DHS received comments from Ozaukee County supporting the development of the facility.

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule is not expected to affect existing service providers and would instead create new business opportunities for service providers. County governments, and other third parties, that use the facility are expected save money on children's mental health treatment services, because the daily rates for services at YCSFs should be lower than those at an inpatient mental health facility. Private and public inpatient mental health facilities may see reduced youth admissions, though YCSFs have a maximum size of eight beds each, limiting the number of youth able to be diverted from inpatient facilities. Currently, the only non-institutional facilities where children can be placed for treatment are children's group homes, treatment foster homes, and residential care centers (RCC), regulated by the Department of Children and Families (DCF), under Chapter 48, Wisc. Stats. However, these facilities provide child welfare services, not mental health treatment services, and their services should not be significantly impacted by the creation of YCSFs.

Because YCSFs are a new type of facility for Wisconsin, and cannot be established until DHS 50 is complete, the actual costs for the facility to comply with and implement the rules is unknown. Providers operating under the rules will be the organizations primarily impacted by the rule change, limiting the costs of compliance and implementation of DHS 50 to those organizations certified to provide YCSF services. To estimate the fiscal impact, DHS assumed a rate of \$341 per day, based on the daily rates charged at eight-bed residential care centers for youth (RCC). RCCs provide the nearest analogue in Wisconsin to a YCSF. Assuming the YCSF operates everyday of the year, at its full eight-bed capacity, and a \$341 daily rate, the annual fiscal impact of the facility is expected to be \$996,400.

DHS 20.435 (5)(kp) allows DHS to make payments to YCSFs from moneys transferred from appropriation 20.435 (2)(gk). The revenues in (2)(gk) are generated by payments made for civil admissions to Wisconsin's mental health institutes. Providing the YCSF grants will increase Department's costs. DHS intends the YCSF grant funding to be used to establish the facilities and provide continuing support for staff, compliance, and operations during times when the facilities are not filled to capacity. If children are diverted from Winnebago Mental Health Institute (WMHI) into YCSFs, WMHI would receive lower revenue than it currently does, and should help DHS work towards its goal of reducing the number of emergency detentions to WMHI.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

YCSFs were developed to create a new provider type for youth mental health treatment and crisis services in a less restrictive setting than an inpatient mental health institute. The YCSFs are expected to reduce youth crisis admissions to both private and state inpatient mental health facilities. The facilities will create business opportunities for service providers. A YCSF's daily rate is expected to be lower than that an inpatient facility, and should reduce the juvenile mental health costs for counties that use the facility.

If the rule is not approved, DHS would be unable to create certification criteria to regulate YCSFs. Without YCSFs, counties would likely continue relying on inpatient facilities to provide mental health crisis services to youth and paying the increased costs for inpatient treatment.

16. Long Range Implications of Implementing the Rule

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The rule will create a new type of treatment facility for youth facing a mental health crisis. The Department expects the facilities will reduce demand for WMHI treatment services. As counties begin relying on YCSFs, DHS expects the number of improper emergency detention referrals for youth will be reduced, as counties would have another, less expensive, less restrictive, option for placement in a crisis situation.

17. Compare With Approaches Being Used by Federal Government

There appear to be no existing or proposed federal regulations that address the activities to be regulated by the proposed rules.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

There appear to be no activities in Illinois, Iowa, Michigan, or Minnesota that address the activities to be regulated by the proposed rules.

19. Contact Name

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20. Contact Phone Number

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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
 - Less Stringent Schedules or Deadlines for Compliance or Reporting
 - Consolidation or Simplification of Reporting Requirements
 - Establishment of performance standards in lieu of Design or Operational Standards
 - Exemption of Small Businesses from some or all requirements
 - Other, describe:
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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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