



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #359

### **Peer-Run Respite Center for Veterans (Health Services -- Care and Treatment Services)**

[LFB 2017-19 Budget Summary: Page 235, #8]

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#### **CURRENT LAW**

The Department of Health Services (DHS) administers a program to support regional peer-run, residential respite centers to assist persons experiencing a mental health or substance abuse crisis. Staff at peer-run centers have successfully participated in mental health or substance abuse recovery or treatment programs. The Department provides a total of \$1,325,000 GPR to three peer-run respite centers (\$441,700 each), located in Appleton, Madison, and Menomonie.

Individuals self-refer to a peer-run respite center, and typically stay one to five days. There is no charge for the user. No medical services are provided.

#### **GOVERNOR**

Provide \$450,000 PR in 2018-19 in a program revenue appropriation in the Division of Care and Treatment Services for interagency and intra-agency programs and authorize DHS to make payments from the appropriation to an organization that establishes peer-run respite centers that provide services to veterans who are experiencing mental health conditions or substance abuse. Modify the PR appropriation that funds the general operations of the state mental health institutes to authorize DHS to make transfers from that appropriation to the interagency and intra-agency programs PR appropriation, in an amount determined by DHS, for funding peer-run respite centers for veterans.

## DISCUSSION POINTS

1. The administration indicates that the proposed peer-run respite center for veterans would operate in a similar way to peer-run respite centers currently supported through the existing grant program. As with the existing centers, the proposed peer-run respite center would provide a home-like atmosphere for veterans experiencing stress or symptoms associated with mental illness or addiction, and would connect persons with other community resources as appropriate. Veterans would contact center staff to determine if a residential stay at the center is appropriate. There would be no charge for the services, since the state grant would cover the operating costs of the center.

2. The administration indicates that the peer-run respite center would be established in the Milwaukee area, although the bill would not specify the location. The operator and precise location of the center would be selected through a competitive process. Based on the Department's experience in selecting the peer-run respite centers under the existing program, it is anticipated that the proposed center would begin operations in July 2018.

3. The administration intends to target veterans due to the unmet needs for support for veterans experiencing post-traumatic stress disorder or addiction. The Milwaukee area was considered the best location for center because of population density and because the area is not currently served by one of the three existing peer-run respite centers.

4. The mechanism for funding the peer-run respite center would be the same as the bill's proposal for funding a youth crisis stabilization facility [See LFB Paper #358]. That is, DHS would be authorized to transfer funds from the PR appropriation for the state mental health institutes to the interagency and intra-agency programs appropriation, which would be used to provide support for the peer-run respite center. However, as with the youth crisis stabilization facility provision, the bill would not provide budget authority to make this transfer in the mental health institutes PR appropriation. In an erratum for this provision, DOA requested that the PR appropriation be increased by \$450,000 in 2018-19 to make this transfer (Alternative 1). With this change, the funding for the peer-run respite center would be reflected in the transferring appropriation as well as the receiving appropriation.

5. Because the peer-run respite center would use the same funding source and the same transfer mechanism as the youth crisis stabilization facility, the Committee has a similar set of issues to consider. In summary, the Committee could consider the appropriateness of using mental health institutes PR balances as a funding source for the peer-run respite center or instead substitute GPR funding. If Committee approves the Governor's recommendation to use the PR balance, there are two modifications that could be considered. First, the use of the PR balance could be used only on a one-time basis, rather than an ongoing basis. Second, the amount of funding provided for the peer-run respite center could be limited to exercise Legislative control of the expenditure. These alternatives are described in the following points.

6. By using the mental health institutes PR balance, the bill would fund the peer-run respite center for veterans using moneys that are largely derived from county payments for the care of individuals placed in the institutes under emergency detention or civil commitment. Since the proposed peer-run respite center may have the potential to divert persons facing mental illness or

addiction from more costly county-funded services, it may benefit counties and so is arguably an appropriate use of the surplus funds collected from counties. If, however, the Committee determines that it would be inappropriate to divert funds collected for the specific purpose of providing care at the mental health institutes for this function, the bill could be amended to instead provide \$450,000 GPR in 2018-19 for the peer-run respite center. This funding could be provided in the appropriation that currently funds the peer-run respite program and the statutory authorization for the program could be amended to add a directive that the Department fund a peer-run respite center for veterans (Alternative 2).

7. In addition to the peer-run respite center for veterans and the youth crisis stabilization facility, the bill would appropriate a total of \$10.8 million from the mental health institutes PR balance for the establishment of two new forensic treatment units at Mendota. Combined, these initiatives would use \$12.5 million from the balance.

8. The Committee may determine that it is appropriate to fund the peer-run respite center with the mental health institutes PR balance initially, but that the state should fund the center with GPR on an ongoing basis after 2018-19. In this case, the bill could be amended to specify that the PR funding is available on a one-time basis in 2018-19. To provide the ongoing funding for the peer-respite center, DHS could be required to request a GPR funding increase for the center in its 2019-21 budget request (Alternative 3a).

9. With the modification requested in the administration's erratum, the Legislature would provide PR budget authority for the precise amount of funding for operating a peer-run respite center for veterans. However, the Department would have the authority to transfer more or less than that amount to fund one or more peer-run respite centers. If the Department were to transfer more, then the additional amount would be made from funds budgeted for the mental health institutes. If the Committee decides to limit the Department's authority to determine the number and amount of peer-run respite centers to support, the bill could be amended to create a separate, sum-certain appropriation for the peer-run respite center for veterans. In this case, the Department would be authorized to transfer only \$450,000 to the appropriation (Alternative 3b).

10. If the Committee determines that providing funding from the mental health institutes PR appropriation for the peer-run respite center for veterans would be inappropriate, and that providing GPR funding for this service is not a priority, the bill could be amended to delete the Governor's recommendation (Alternative 4).

## **ALTERNATIVES**

1. Approve the Governor's recommendation to provide \$450,000 PR in 2018-19 in a program revenue appropriation in the Division of Care and Treatment Services for interagency and intra-agency programs and authorize DHS to make payments from the appropriation to an organization that establishes peer-run respite centers that provide services to veterans who are experiencing mental health conditions or substance abuse. Modify the Governor's recommendation, in accordance with DOA's erratum for this proposal, to provide \$450,000 PR in 2018-19 in the mental health institutes PR appropriation to provide the budget authority for making this transfer.

ALT 1	Change to	
	Base	Bill
PR	\$900,000	\$450,000

2. Modify the Governor's recommendation by replacing the \$450,000 PR in 2018-19 with an equal amount of GPR in the Department's grants for community programs appropriation. Require DHS to provide a grant of not more than \$450,000 annually for a peer-run respite center for veterans from this appropriation.

ALT 2	Change to	
	Base	Bill
GPR	\$450,000	\$450,000
PR	<u>0</u>	<u>- 450,000</u>
Total	\$450,000	\$0

3. Modify the Governor's recommendation (as amended by the DOA erratum) by adopting one or both of the following:

a. Provide the \$450,000 PR in 2018-19 for the peer-run respite center on a one-time basis in 2018-19. Delete the Department's authority to transfer funds from the mental health institutes PR appropriation for the peer-run respite center after June 30, 2019. Require DHS to include in its 2019-21 budget request a proposal to provide ongoing GPR funding for the peer-run respite center for veterans.

b. Provide the \$450,000 PR in 2018-19 for supporting a peer-run respite center for veterans in a new sum certain appropriation for that purpose, instead of in the interagency and intra-agency programs appropriation. Authorize the Department to transfer the amounts shown in the appropriation schedule for this appropriation from the mental health institutes PR appropriation.

ALT 3a or b	Change to	
	Base	Bill
PR	\$900,000	\$450,000

4. Delete provision.

ALT 4	Change to	
	Base	Bill
PR	\$0	- \$450,000

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