



Legislative Fiscal Bureau

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May 6, 2021

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Department of Health Services Proposal for Expansion of the Mendota Juvenile Treatment Center -- Agenda Item I

On October 16, 2019, the Department of Health Services submitted a request to the Committee for approval to construct a 50-bed expansion of the Mendota Juvenile Treatment Center (MJTC). Under provisions of 2017 Act 185, DHS is required to expand MJTC by no fewer than 29 beds, subject to the approval of the Committee.

BACKGROUND

Mendota Juvenile Treatment Center and 2017 Act 185

The Mendota Juvenile Treatment Center (MJTC) is a Type 1 juvenile correctional facility that provides psychiatric evaluation and treatment for male juveniles transferred from the juvenile correctional system whose behavior is highly disruptive and who have not responded to standard services and treatment at the Department of Corrections' secure correctional facility at Lincoln Hills. MJTC treatment and programming includes therapy for anger management, treatment to address substance abuse, sexual offense, or mental illness, and academic support. Treatment is designed to improve behavior and manage any mental health conditions to permit a transfer back to Lincoln Hills. MJTC, which is on the campus of the Mendota Mental Health Institute in Madison, has been in operation since 1995. MJTC currently has 29 staffed beds for males in single-occupancy secure rooms. No beds are designated for females.

2017 Act 185 made several changes to juvenile correctional system, including a requirement that the Department of Corrections close Lincoln Hills by January 1, 2021 (changed by 2019 Act 8 to July 1, 2021), and the establishment of new types of county correctional facilities for juveniles, designated as secured residential care centers for children and youth (SRCCs). Along with these changes, Act 185 envisioned an expanded role for MJTC. As such, the Act directed DHS to add no fewer than 29 beds to the facility, authorized \$15,000,000 in general fund-supported general

obligation bonds for that purpose, and included the project, with a \$15,000,000 enumeration, in the 2017-19 authorized state building program.

DHS Expansion Proposal

In response to the Act 185 directive to expand MJTC, DHS proposed adding a total of 64 beds, including 14 beds utilizing existing space in MJTC and 50 beds in a new addition to the building. DHS had planned to open the 14-bed unit in early 2021, but because the number juveniles at MJTC has recently been below the capacity for the existing 29-bed facility, the Department does not have plans to open the unit in the near term. Instead, the Department uses this unit for adult forensic patients admitted to the Mendota Mental Health Institute.

The 50-bed building addition would include two units for males, with a total of 30 beds and two units for females with a total of 20 beds. In addition to housing units, the building addition would include programing and classroom space, recreation space, nurse stations, staff offices, and utility space. The male units would be separated from the female units, although the building would be configured so that both males and females could utilize common spaces at staggered times. The building would be connected to the Mendota food service building via an existing tunnel system that is currently used to deliver food and supplies to buildings throughout the Mendota campus. In addition to the new construction, the Department's proposed project would include some renovation of the existing building to facilitate movement of juveniles between the new and existing space while maintaining gender separation.

At the time of deliberations on the 2019-21 budget bill, the Department of Administration's Division of Facilities Development and Management estimated the cost of the MJTC building expansion at \$58,994,000. As passed by the Legislature, the 2019-21 budget bill increased the MJTC expansion project enumeration to \$43,994,000, \$15,000,000 less than the estimated cost and set the bonding authorization accordingly. In signing the bill, however, the Governor used a partial veto to increase the enumeration to \$58,994,000. However, although this partial veto increased the project enumeration, the bonding authorization for the project is provided in a separate section of the Act, and was unchanged by the partial veto. Thus, the bonding authorization specifically designated for the project remains \$43,994,000. To address the difference between the enumeration total and the bond authorization, the Governor used a partial veto to delete specific language in a separate \$15,000,000 bond authorization under the Building Commission that the Legislature had included for making a grant to a nonstate organization for the establishment of a northern Wisconsin regional crisis center. With this veto, the \$15,000,000 bond authorization is available for a "center," which the Governor indicated could be used to support the MJTC expansion, bringing the total bonding that could be made available for the project to \$58,994,000.

In its 2021-23 capital budget submission, the Department requested that the amount of funding enumerated for the project be increased by \$6,961,200, which would bring the total to \$65,955,200. This new total is the current estimated cost of the project, and does not represent a change to the scope of the proposal. In addition, the Department requested an increase of \$21,961,200 in bonding for the project, an amount that would provide sufficient authority for the current estimated cost, without requiring an allocation of the \$15,000,000 in the "center" bonding.

Role of MJTC Expansion Within Juvenile Correctional System

Although Act 185 established a 29-bed minimum level for the MJTC expansion, DHS has maintained that a larger expansion is warranted. In part, the proposed expansion would allow MJTC to establish separate space for females, who are not currently receiving treatment services. In addition, however, the Department believes that with the other juvenile justice changes included in Act 185 and subsequent legislation, referrals of males to MJTC for treatment could increase substantially. In particular, the Department anticipates that once the Act 185 changes are fully phased in, counties will refer significantly more juveniles to MJTC than the Department of Corrections has in the past. Currently, only Corrections can refer juveniles housed at Lincoln Hills to MJTC for treatment.

The Department also has indicated that in order to serve a role in meeting overall facility space needs in the state and county juvenile justice system, MJTC may serve juveniles who do not typically meet the clinical criteria for the current MJTC treatment model. Whereas MJTC treatment is now reserved for males who show the greatest propensity for violence and psychopathy, the Department has indicated that the expanded facility could serve male juveniles with a wider range of mental health and behavioral problems, in addition to also providing treatment for females.

SUMMARY AND ANALYSIS

While referrals to MJTC could eventually increase as the Department has indicated, several circumstances have changed since the time that the Department submitted its request that make the future needs for MJTC treatment space more uncertain. Notably, at the time that the Department's request was submitted in 2019, the Department of Corrections was also planning to move forward with grants to four counties (Brown, Dane, Milwaukee, and Racine) to construct SRCCs. The Committee approved these grants in February of 2020. As DHS noted at the time, once the SRCCs were constructed, MJTC could accept referrals directly from counties, along with referrals from Corrections, which could increase the MJTC population. Since that time, however, Brown, Dane, and Milwaukee counties have decided not to move forward with construction of SRCCs, and these counties' future plans remain uncertain. Racine County is proceeding with the project, and currently estimates completion in late 2022.

In addition, the number of male juveniles placed at Lincoln Hills, currently the only Type 1 facility operated by the Department of Corrections, has declined by approximately 50% since the Department submitted its request. With a decrease in the number of juveniles at Lincoln Hills, placements at MJTC have also fallen. In 2021, the average daily population at MJTC has been about 19, well below the current capacity of 29.

It is possible that at least some of the decrease in juvenile placements at both Lincoln Hills and MJTC can be attributed to the COVID-19 pandemic, as court proceedings were delayed and counties sought alternative dispositions. However, some of these decreases were occurring prior to the pandemic, thus it is difficult to determine how much of the decrease in the population at both facilities is due to the effect of COVID-19, and how much reflects other factors.

In the short term, at least, the Department plans to continue using the existing 14-bed unit in the MJTC building for adult forensic patients, rather than for juveniles. The Governor's 2021-23 budget proposes to provide positions and funding to staff this unit (the positions currently used for this unit will soon be transitioned to newly renovated space in a separate building at Mendota Mental Health Institute). DHS indicates that if the 50-bed building addition is approved and constructed, the use of the 14-bed MJTC unit for adult forensic patients would not interfere with the use of the new building for juveniles. At a future time, the 14-bed unit could be converted to MJTC use if needed.

The future demand for MJTC treatment cannot be known with certainty. The scope of the Department's expansion proposal is intended to reduce the chance that a male juvenile who would benefit from MJTC is denied this opportunity due to space constraints, and that female juveniles can be offered treatment services. However, if juvenile referrals do not increase as much as anticipated, the new building would be underutilized. The Department has indicated that if the newly built units are not needed for MJTC treatment, they could be used for adult forensic patients admitted to the Mendota Mental Health Institute. Over the past several years, there has consistently been a waiting list for forensic adult admissions at Mendota, generally ranging from 60 to 70 patients.

Under Act 185, the Department's expansion of MJTC is subject to approval of the Joint Committee on Finance. To proceed with construction as proposed, the Building Commission would also need to approve the project and allocate the bonding necessary for construction. As noted above, the bonding approved by the Building Commission would presumably include the bond authorization specific to the project, but also would require additional bonding to fully fund the current project estimate. Some of this additional authority could be provided from the \$15,000,000 "center" bond authorization, or, alternatively, additional bonding authorization could be provided in the 2021-23 budget bill.

If the Committee denies the Department's request, the Department would not be able to proceed with construction, even if the Building Commission later allocates bonding for the project. In this event, the Department may need to either: (a) resubmit the project to the Committee without modification at a later date; (b) submit an alternative proposal to the Committee for approval at a later date; or (c) not proceed with construction of an MJTC addition at this time. Under any of these scenarios, the Department would remain out of compliance with the Act 185 MJTC expansion requirement. In addition, any growth in the number of male juveniles referred to MJTC would have to be accommodated within existing space and there would be no treatment space designated for females.

ALTERNATIVES

1. Approve the Department's request to proceed with construction of a 50-bed expansion of the MJTC building.
2. Deny the request.

Prepared by: Jon Dyck