

Fiscal Note

BILL # SB 1311

TITLE: mental health; oversight; data; documentation.

SPONSOR: Miranda

STATUS: As Amended by Senate HHS

PREPARED BY: Chandler Coiner

Description

The bill, as amended by the Senate Health and Human Services Committee, would assign the Arizona Health Care Cost Containment System (AHCCCS) various responsibilities related to monitoring, overseeing, and evaluating agencies throughout the state that administer or provide certain mental health services. As part of this, it would require AHCCCS to identify and measure certain clinical outcomes of its members. The bill would also modify the requirements and procedures relating to mental health prepetition screenings and court-ordered evaluations.

Estimated Impact

Based on the agency's Senate Health and Human Services Committee testimony, we anticipate that several of the bill's provisions such as auditing and data collection could increase AHCCCS administrative costs. However, AHCCCS has not yet responded to our request for its estimate of the additional staffing need and the associated costs. As a result, we are unable to determine the magnitude of the increase.

Analysis

AHCCCS administers much of the state's behavioral health system for both Medicaid- and non-Medicaid-eligible individuals. AHCCCS contracts with Regional Behavioral Health Authorities (RBHAs) to assist in administering this system. The RBHAs have several responsibilities, include covering the cost of medical services for Medicaid-eligible individuals with a serious mental illness (SMI) and administering various community mental health and crisis services.

Under current law, AHCCCS has rulemaking authority to set standards for evaluation and screening agencies (except for the Arizona State Hospital) that provide mental health services. This bill would expand AHCCCS' authority to include auditing the performance of the RBHAs and evaluation and screening agencies, as well as imposing penalties on agencies out of compliance with applicable laws or not performing services in a "timely, effective, and efficient" manner.

Under the bill, AHCCCS would also be required to collect information related to the clinical outcomes of its members. AHCCCS would be required to semi-annually analyze and annually report on its findings. Some of the outcomes required by the bill include:

- Hospitalizations and rehospitalizations.
- Screening and evaluation facility utilization and discharge data.
- Mortality data.
- Homelessness data.
- Behavioral health residential facility utilization and discharge data.

In some cases, the RBHAs may already collect the information required by the bill. AHCCCS reports, however, that it would need additional administrative resources to cover all of the prescribed clinical outcomes. While we concur with

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AHCCCS that the bill could increase administrative costs, without further information from the agency, we are unable to determine the magnitude of the cost increase.

Local Government Impact

The bill could have a fiscal impact to counties that provide certain mental health services. To the extent that AHCCCS imposes penalties for non-compliance with applicable laws or not performing services in a "timely, effective, and efficient" manner, this would generate a cost to the counties. However, the magnitude of these costs cannot be determined in advance.

2/19/24