

# JLBC Fiscal Note

**BILL #** SB 1813

**SPONSOR:** Gowan

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**TITLE:** ~~state hospital; governing board~~ NOW: state hospital; bed availability

**STATUS:** Senate Engrossed

## Description

The Senate Engrossed version of SB 1813 would require the Arizona State Hospital (ASH) to admit patients based on clinical need and disallow limiting admission based on a patient's county of residence. Civil commitment admissions from Maricopa County are limited to 55 beds per the Arnold v. Sarn settlement.

## Estimated Impact

We estimate the bill would increase General Fund costs at ASH. The magnitude will depend on the potential demand for new beds and how this bill language is interpreted relative to the 55-bed limitation.

Under one scenario, ASH currently has 75 vacant beds that could be reopened at a one-time cost of \$2.5 million and \$31 million ongoing. If the 55-bed cap remains in place, the 75 beds may be sufficient to address the civil commitment needs outside of Maricopa County. If the 55-bed cap is viewed as no longer being in place, the Maricopa demand could exceed 75 beds and the cost could be notably higher.

DHS has not yet provided this year their perspective on the bill's fiscal impact.

## Analysis

Our estimate assumes the following:

- 1) The bill would require ASH to admit patients based clinical need for treatment, giving priority to the most ill patients, and prohibit ASH from limiting admissions based on the patient's county of residence. To the extent that the bill changes the hospital's current admission practices and increases the number of beds needed to serve its civilly committed patients, costs would increase.
- 2) The civil commitment unit has a daily average of 113 patients compared to 117 available beds, or a daily average of 4 available beds. Increasing the unit's bed capacity beyond 117 would require opening unused space on the hospital's campus. For a previous analysis, DHS reported an additional 75 beds are currently unused and could be opened to accommodate additional patients in the civil commitment unit. The department previously estimated the one-time costs of preparing the unused beds for patients would cost \$2.5 million for 75 beds.
- 3) New bed capacity would also generate additional costs of care. To estimate these ongoing costs, we assume the average daily cost of care for civilly committed patients is \$1,133. Increasing the number of used beds would increase ASH's annual operating expenses by \$31.0 million for 75 beds.

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