

Involuntary Treatment Judicial Costs:

**Actual Cost Data Not Available;
Estimates Suggest Wide Range in
Average Case Costs**

Proposed Final Report

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Joint Legislative Audit & Review Committee

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ITA Commitment Background

- The Involuntary Treatment Act (ITA) allows for the civil commitment of individuals who pose a threat to themselves or others.
- Regional Support Networks (RSNs) and counties ensure provision of mental health treatment and judicial services for ITA commitments.
- Commitment hearings are often not in person's county of residence.
- Counties with Evaluation and Treatment (E&T) facilities incur a disproportionate share of judicial costs.
- Currently, there is no uniform reimbursement process.

98% of ITA Hearings are Held in 13 Counties



SSB 5531 (2011) Created Reimbursement Process for County ITA Cases

- **Effective July 1, 2012**, counties can bill their RSN for ITA judicial costs
 - ♦ For residents of other RSNs, RSNs can bill the RSN of residence; and
- **JLARC directed to address three questions:**
 - 1) What are the actual direct costs for ITA judicial services?
 - 2) What accounts for cost differences among counties?
 - 3) How can rates be updated to account for changes over time?

JLARC Worked Extensively with Counties to Assess Costs and Account for Differences

- Questionnaires to RSN administrators, prosecuting attorneys, public defenders, county clerks, court administrators, and county budget & finance staff;
- Site visits and observations of court hearings;
- Time and effort surveys of judicial staff;
- 3-year expenditure survey adapted from survey created by county and RSN representatives on 2010 workgroup; and
- Counties given multiple opportunities to review cost estimates they provided.

Question 1:

What are the actual direct costs for ITA judicial services?



SSB 5531 Directs County Rates Be Based on “Actual” Average Case Costs

$$\text{Average Case Cost} = \frac{\text{3 Years of Actual Costs}}{\text{3 Years of Case Counts}}$$

- Expenditure estimates came from counties
 - ♦ 12 of the 13 counties do not have processes in place to capture actual ITA expenditure data.
 - ♦ Documentation supporting expenditures lacked detail or was unavailable.
- Case counts came from Administrative Office of the Courts (AOC)
 - ♦ Counties collect case data for their own purposes and submit to AOC, but AOC does not validate.

Absent Actual Cost Data, JLARC Provides Best Possible Initial Rate Estimates

- Average case costs are needed for reimbursement rates starting July 1, 2012.
- SSB 5531 requires each county to have its own reimbursement rate based on actual costs.
- Prior to passage of SSB 5531, the state did not have need for ITA judicial cost and caseload data.
- Actual expenditure data were generally not available, but counties did provide cost estimates.
- Based on costs estimates, JLARC provides initial rate for each of the 13 counties.

Estimated 3-Year Average ITA Case Costs for Each County



Question 2:

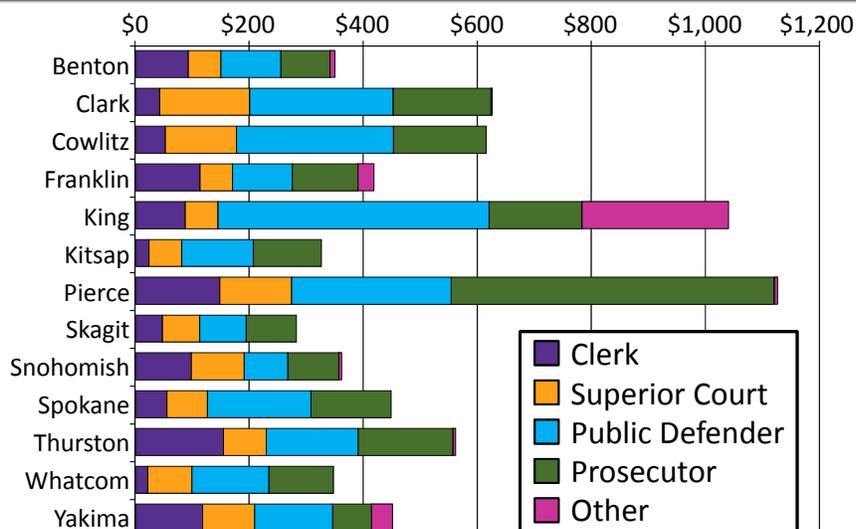
What accounts for cost differences among counties?



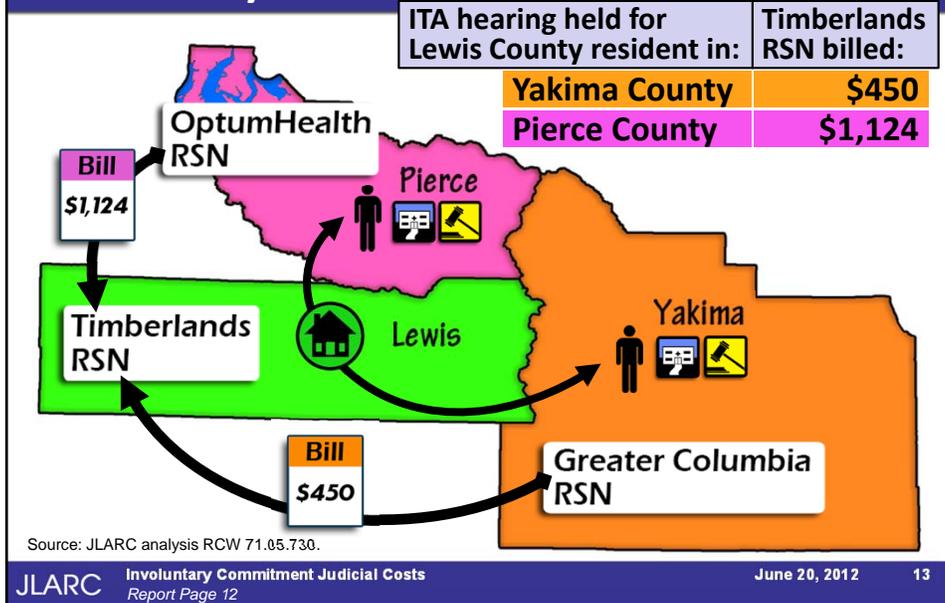
Factors that Contribute to Differences in Average Case Costs

- Salary and benefit levels of ITA judicial personnel;
- Types and numbers of hearings per case;
- Time spent preparing for and conducting similar types of hearings;
- Judicial service needs associated with ITA cases;
- Whether the county or another entity such as an E&T or RSN paid the cost; and
- Whether a county reported a cost it has.

Personnel Costs Drive Majority of Estimated 3-Year Average Case Costs



RSNs Will Pay Different Rates Depending on Availability of E&T Beds



ITA Judicial Reimbursement Will Shift Existing Funds across RSNs and Counties

- The ITA reimbursement process will:
 - ♦ Provide more funding for most counties
 - ♦ Require most RSNs to pay more for ITA cases.
- Payments between RSNs will depend on available E&T beds and differing county rates.
- JLARC was unable to analyze potential net impacts to RSNs because DSHS does not maintain data about individuals receiving services across multiple counties and RSNs.

Question 3:

How can rates be updated to account for changes over time?



Data Problems Will Pose Challenges for Future Rate Updates

To address study objective and lack of actual expenditure data, JLARC:

- Reviewed alternate approaches to establishing and updating rates.
 - ♦ Less resource intensive;
 - ♦ May not require actual expenditure data;
 - ♦ Would require changes in statute.
- Offers two recommendations to improve the accuracy of data so the legislative intent of SSB 5531 can be met.

Recommendation One: Improving Expenditure Data

- By January 1, 2013, DSHS should report to the Legislature on a **plan and timeline** to implement the ITA judicial cost reimbursement process as intended by SSB 5531.
- If applicable, DSHS should identify resource needs and comment on alternate approaches.

DSHS concurs
OFM concurs

Recommendation Two: Improving Case Counts

- Consistent with their responsibility to track court data, the Administrative Office of the Courts should take steps to ensure counties consistently apply the definition of an ITA case contained in statute.

AOC partially concurs
OFM concurs

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