



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 80** HLS 12RS 523
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: April 18, 2012 3:02 PM	Author: BURNS
Dept./Agy.: DHH/Office of Behavioral Health	
Subject: Prohibits smoking in state psychiatric facilities	Analyst: Jennifer Katzman

HEALTH CARE/FACILITIESEG INCREASE GF EX See NotePage 1 of 1

Prohibits smoking in psychiatric facilities of DHH

Proposed law allows the Department of Health and Hospitals (DHH) to prohibit smoking by inpatients in its psychiatric facilities. Proposed law also directs DHH to establish procedures for current and new inpatients in its psychiatric facilities to receive smoking cessation treatment and education, including screening, consent from patient, training of staff, and patient access to necessary counseling, nicotine replacement therapy, and oral medications.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$41,310	\$14,238	\$14,238	\$14,238	\$14,238	\$98,262
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$41,310	\$14,238	\$14,238	\$14,238	\$14,238	\$98,262

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

It is anticipated that the proposed legislation will result in an estimated \$41,310 in SGF costs in FY 13 and \$14,238 in future fiscal years due to increased participation in smoking cessation programs and activities. Specifically, expenditures will increase relative to smoking cessation assistance and counseling, replacement therapies, and medications.

The Office of Behavioral Health (OBH) estimates that smoking cessation program activities will cost an average of \$85 per person for an average 8-week program. According to OBH, in the most recent patient census at OBH’s three inpatient psychiatric hospitals, 486 out of 742 (65%) patients are smokers. As such, it will potentially cost \$41,310 (\$85 x 486) to treat all current patients for smoking cessation in the 8-week program with a 100% completion rate. Annual new admissions to the state hospitals range from 200-315. Using the same ratio of smokers as calculated with current patients, 65% of new admissions are estimated to be smokers, or 130-205 patients. Therefore, if all new smoking patients participate in smoking cessation programs, this will potentially cost an additional \$14,238 on average in future fiscal years. It is anticipated that any training costs will be absorbed within existing staff and resources.

Information from OBH indicates that higher doses of pharmacological drugs are often needed for smokers versus nonsmokers due to issues with absorption and metabolism. With the provision of smoking cessation programs, there may be reductions in antipsychotic and antidepressant drug distribution and costs. To the extent any savings are realized, they will offset the smoking cessation programmatic costs.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	Dual Referral Rules	House	
☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		☐ 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<u>H. Gordon Monk</u>
☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	H. Gordon Monk Legislative Fiscal Officer