

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>19-3806/1</b>	<b>Introduction Number</b> <b>AB-0646</b>
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**Description**  
 registration of recovery residences and disciplinary action against a state employee who is receiving medication-assisted treatment

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs	

**Local:**

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	<b>5. Types of Local Government Units Affected</b>	
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties	<input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.435 (6)(a)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DHS/ Michael Christopherson (608) 266-9364	Andy Forsaith (608) 266-7684	1/7/2020

## Fiscal Estimate Narratives

DHS 1/7/2020

LRB Number	19-3806/1	Introduction Number	AB-0646	Estimate Type	Original
<b>Description</b> registration of recovery residences and disciplinary action against a state employee who is receiving medication-assisted treatment					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department to establish and maintain a registry of approved recovery residences. The bill allows the Department to register a recovery residence that is certified by a nationally recognized recovery residence certification organization or a chapter or a national recovery residence organization approved by the Department.

For the recovery residence to be certified under the provisions of this bill, the certification organization must require the recovery residence to operate with integrity and uphold residents' rights. The culture of the residence must empower residents to engage in governance and leadership of the residence, and where residents develop abilities to apply the social model form of recovery focused on learning from peers who are in recovery. Residences must provide a home-like, safe, and healthy environment. The residence must facilitate active recovery, model positive social behaviors and relationship skills, and cultivate residents' senses of belonging and responsibility toward community. The residences must maintain an alcohol and illicit drug-free environment. Finally, the certification organization must require the recovery residences to have courtesy rules and be responsive to neighbors' concerns and require the residence to display in the residence its code of ethics, grievance procedure, and grievance contact information. This bill would prohibit the Department from including a recovery residence in the registry if the residence excludes any residents solely on the basis that the resident is participating in medication-assisted treatment.

Under the bill, recovery residences are not required to register with DHS, unless the residence seeks referrals for state or federal funding passing through the state registry. In order to register, residences would need to provide to DHS the name of their certification organization, any organization under which the recovery residence operates, the address of the residence, and the number of residents allowed to reside at the residence. Residences could only designate themselves as 'registered' or 'state approved' if they are included in this registry.

It is difficult to determine exactly how many recovery residences are available, because Wisconsin lacks a recovery residence registry. As of December 2019, the state had 24 Oxford Houses in operation, which are self-run, self-supported recovery houses, supported through a non-profit corporation and similar to the proposed recovery residences. It is unclear if residences operating under Oxford House charters would be eligible to apply for funding under the provisions in this bill.

The bill does not provide any support to the Department to develop and maintain the recovery residence registry. The Department requires \$40,000 GPR in one-time systems development funding to establish the registry, and 0.5 GPR FTE to monitor the registry to ensure the facilities are meeting the statutory requirements and to update the recovery registry when a facility is added. Including salary, fringe, and supplies/allocated costs, the annual costs for the .5 FTE are \$48,600 GPR, with a one-time office setup cost of \$2,500. The program's first year costs are expected to be \$91,100 GPR, and reduce to \$48,600 GPR annually thereafter.

Under current law, an employee can be removed, suspended without pay, discharged, have their base pay reduced, or be demoted without imposing progressive discipline for being intoxicated or under the influence of a controlled substance or a controlled substance analog. The employee can face the same for cause punishments for possessing a controlled substance or its analogue while at work.

This bill would exempt employees from both prohibitions if the employee is in possession of, intoxicated, or under the influence of the controlled substance or its analogue as dispense, prescribed, or recommended as part of

medication-assisted treatment (MAT).

The fiscal effect of this provision on the Department cannot be estimated. The provision may increase staffing costs, especially at the Department's seven direct care facilities, if employees who are intoxicated, or under the influence of controlled substances must remain in work status, but cannot perform their regular job duties.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> registration of recovery residences and disciplinary action against a state employee who is receiving medication-assisted treatment			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  42500			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$48,600		\$
(FTE Position Changes)	(0.5 FTE)		
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$48,600</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR	48,600		
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$48,600		\$
NET CHANGE IN REVENUE	\$		\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DHS/ Michael Christopherson (608) 266-9364		Andy Forsaith (608) 266-7684	1/7/2020