

Office of the  
Legislative Fiscal Analyst

## **FY 2005 Budget Recommendations**

Joint Appropriations Subcommittee for  
Health and Human Services

Utah Department of Human Services  
**Division of Substance Abuse and Mental Health**

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## **1.0 Summary: Division of Substance Abuse and Mental Health**

The Division of Substance Abuse and Mental Health (DSAMH) was created by the Legislature during the 5<sup>th</sup> Special Session, 2002, when it combined the two previously separate Division of Mental Health and Division of Substance Abuse. All service program budgets have retained their own unique identities except the two Administration programs which have been combined into one.

The Division is the State's public mental health and substance abuse authority. It oversees the twelve local mental health and thirteen local substance abuse authorities. Each county legislative body is both a mental health and substance abuse authority. Two or more counties may join to provide prevention and treatment services. The Division has general supervision of the State Hospital in Provo. A seven-member Board of Substance Abuse and Mental Health is the policy-making entity for the Division. The Board establishes minimum quality standards, funding formulas for distribution of public funds, and sets other public mental health policies with input from various stakeholders.

Both mental health and substance abuse services are delivered either directly by the local authorities (counties) or through contracts with private providers (such as Valley Mental Health in Salt Lake County). Counties are required to provide a minimum scope and level of service, and must provide a minimum 20 percent county fund match. Counties set priorities to meet local needs but must submit an annual plan describing services they will provide.

### **Financial Summary**

The Fiscal Analyst recommends an FY 2005 appropriation for DSAMH of approximately \$104.8 million, including \$65.4 million from the General Fund. The Analyst's recommendation includes the transfer of 0.5 FTE and \$19,400 (\$10,500 General Fund) to the Executive Director's Office for the Human Resources staff consolidation in the Department.

	<b>Analyst FY 2005 Base</b>	<b>Analyst FY 2005 Changes</b>	<b>Analyst FY 2005 Total</b>
<b>Financing</b>			
General Fund	\$65,451,700	(\$10,500)	\$65,441,200
Federal Funds	26,182,700	(8,900)	26,173,800
Dedicated Credits Revenue	2,728,100		2,728,100
GFR - Intoxicated Driver Rehab	1,200,000		1,200,000
Transfers - H - Medical Assistance	8,980,900		8,980,900
Transfers - Other Agencies	243,600		243,600
<b>Total</b>	<b>\$104,787,000</b>	<b>(\$19,400)</b>	<b>\$104,767,600</b>
<b>Programs</b>			
Administration	\$2,281,300	(\$19,400)	\$2,261,900
Community Mental Health Services	5,402,100		5,402,100
Mental Health Centers	22,779,400		22,779,400
Residential Mental Health Services	2,819,800		2,819,800
State Hospital	40,804,300		40,804,300
State Substance Abuse Services	5,940,300		5,940,300
Local Substance Abuse Services	23,559,800		23,559,800
Drivers Under the Influence	1,200,000		1,200,000
<b>Total</b>	<b>\$104,787,000</b>	<b>(\$19,400)</b>	<b>\$104,767,600</b>
<b>FTE/Other</b>			
Total FTE	771.4	(0.5)	770.9
Vehicles	71	0	71

## **2.0 Issues: Division of Substance Abuse and Mental Health**

### **2.1 Previous Budget Reductions**

Compared with the original FY 2002 appropriation, the DSAMH budget for FY 2004 has seen its General Fund reduced by approximately \$4.6 million in administrative and program reductions. This is about 7.5 percent below the original FY 2002 level. The total FY 2004 appropriated budget (all funds) is down by about \$2.8 million (3.6 percent) from the original FY 2002 appropriation. These numbers include reductions from closure of one of four wings at the State Hospital forensic facility, as well as 30 geriatric beds. Reductions have also been made to that portion of the budget passed through to local mental health and substance abuse authorities (approximately \$1.5 million General Fund). See Additional Information Section 4.1 in this report for a five year budget history.

### **2.2 State Hospital Rampton II Facility Staffing Needs**

The second and final wing of the new Rampton complex at the State Hospital was formally opened last October. This 116 bed facility, connected to the original 120 bed facility will complete the envisioned Lucybeth Rampton building and will house the majority of patients at the Hospital. Patients and staff from the old Hyde building have transferred to the new facility, including 24 youth. To adequately staff the youth wing in the new facility, the Division is requesting funds for an additional 19 FTE employees (\$265,800 General Fund). An FY 2004 supplemental appropriation of \$90,200 General Funds would also be needed. The Fiscal Analyst recommends that this critical need be funded if funds become available.

### **2.3 PASRR and Competency Evaluations Increasing**

Preadmission Screening and Resident Reviews (PASRR) are required of all people prior to entering a nursing home. Competency evaluations are ordered by the Courts to determine a defendant's mental competency. The Analyst recommends the Legislature consider funding the increasing number of these evaluations. The estimated cost to fund the increase since FY 2003 would be \$93,400 of State Funds. The Analyst recommends this critical need be considered by the Legislature, if funds become available.

### **2.4 State Hospital Forensic Facility**

As part of FY 2004 budget reductions, the Legislature reduced funding for the Hospital's new forensic facility by \$1.7 million, closing one of four 25 bed wings. Demands on the facility have been growing and there is a "waiting list" on the beds in the remaining three wings. The department has requested \$2.2 million (General Fund) to re-open the fourth wing.

## 2.5 State Below Federal “Maintenance of Effort” Requirements

States receiving the Mental Health and the Substance Abuse Prevention and Treatment (SAPT) block grants are required to comply with a “Maintenance of Effort” (MOE) requirement or lose \$1 of the federal block grants for every dollar that State funding drops below the MOE. In FY 2005, the State support is projected to be about \$1.2 million short. The State has filed an appeal to the Secretary of Human Services for a waiver.

## 2.6 Federal Funds Match Rate Change

The Federal Medical Assistance Payments (FMAP) match rate changes from 71.60 percent to 72.01 percent effectively for State Fiscal Year 2005. This is the third year in a row that the required state match has actually been reduced. The state’s match rate is based on its per capita personal income in relation to the national average. For FY 2005, this rate change will realize a projected savings in the budget of the State Hospital of \$52,300 (General Funds).

## 2.7 Legislative Intent Language

The 2003 Legislature approved the following intent language related to the Division of Substance Abuse and Mental Health:

*Distribution of additional funds related to Involuntary Commitment Amendments bill.*

*“It is the intent of the Legislature that this appropriation be distributed through the mental health funding formula to Local Authorities for use as match for Medicaid funding and adjustment of Medicaid rates to accommodate community supports for the treatment services required by this bill and that this be reflected in contracts between the state and Local Authorities for providing mental health services.”*

The Legislature provided an additional \$188,700 from the General Fund for implementation of SB 27 (2003 General Session), “Susan Gall Involuntary Commitment Amendments.” This legislation modified the process by which adults are involuntarily committed to mental health programs, eliminating the “immediate” standard with a “substantial” standard. The Division has distributed these funds to the local mental health authorities as directed in the intent language.

### 3.0 DSAMH Issues and Data

#### **The Public Mental Health System**

The State Public Mental Health System serves adults with severe and persistent mental illnesses and children with serious emotional disturbances. Individuals with serious mental illnesses often benefit most from the public mental health system because of extra wrap-around supports that are available. The targeted population tends to have less financial and private insurance resources.

Each local mental health authority shall review and evaluate mental health needs and services, including mental health needs and services for incarcerated people. They shall prepare a plan for mental health funding and service delivery for adults, youth and children, which may include:

- Inpatient care and services;
- Residential care and services;
- Outpatient care and services;
- 24-hour crisis care and services;
- Psychotropic medication management ;
- Psychosocial rehabilitation, including vocational training and skills development;
- Case management;
- Community supports, including in-home services, housing, family support services, and respite services;
- Consultation and education services, including case consultation, collaboration with other county service agencies, public education, and public information;
- Services to incarcerated persons

*(Utah Code: 17-43-301)*

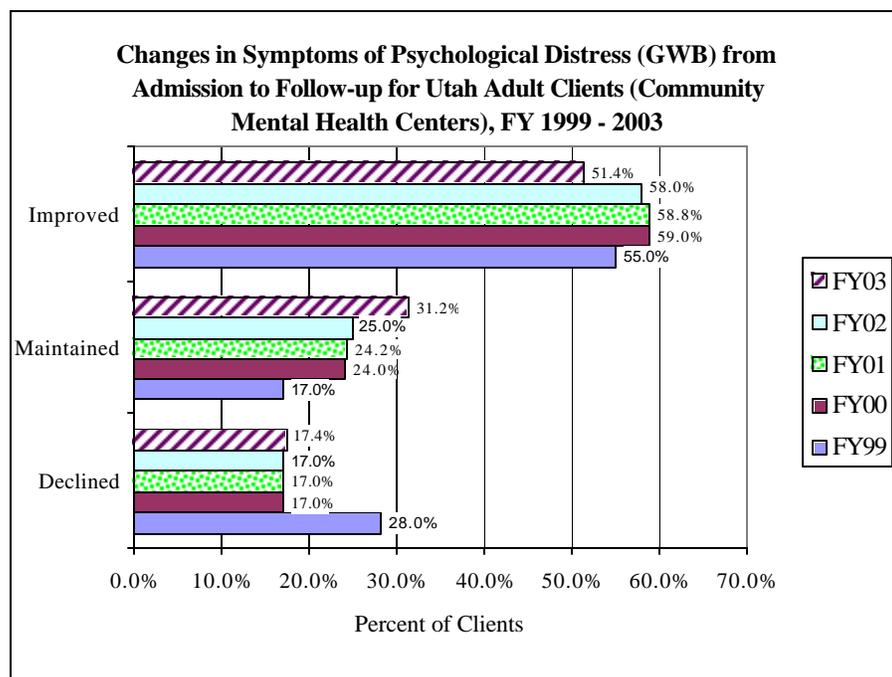
Some local mental health centers provide additional services including housing, clubhouses, consumer drop-in centers, employment and rehabilitation, services to the homeless, forensic evaluations, family respite, nursing home and hospital alternatives and consumer education.

#### **Performance Measures (Mental Health)**

While the Division will report in more detail on performance and outcome measures, the Analyst has chosen several measures to highlight in this report. Performance measures used in the mental health field generally try to gauge lessening of symptoms and improvement in ability of a patient to function. The two measures shown here reflect client improvements in the Community Mental Health System and at the State Hospital.

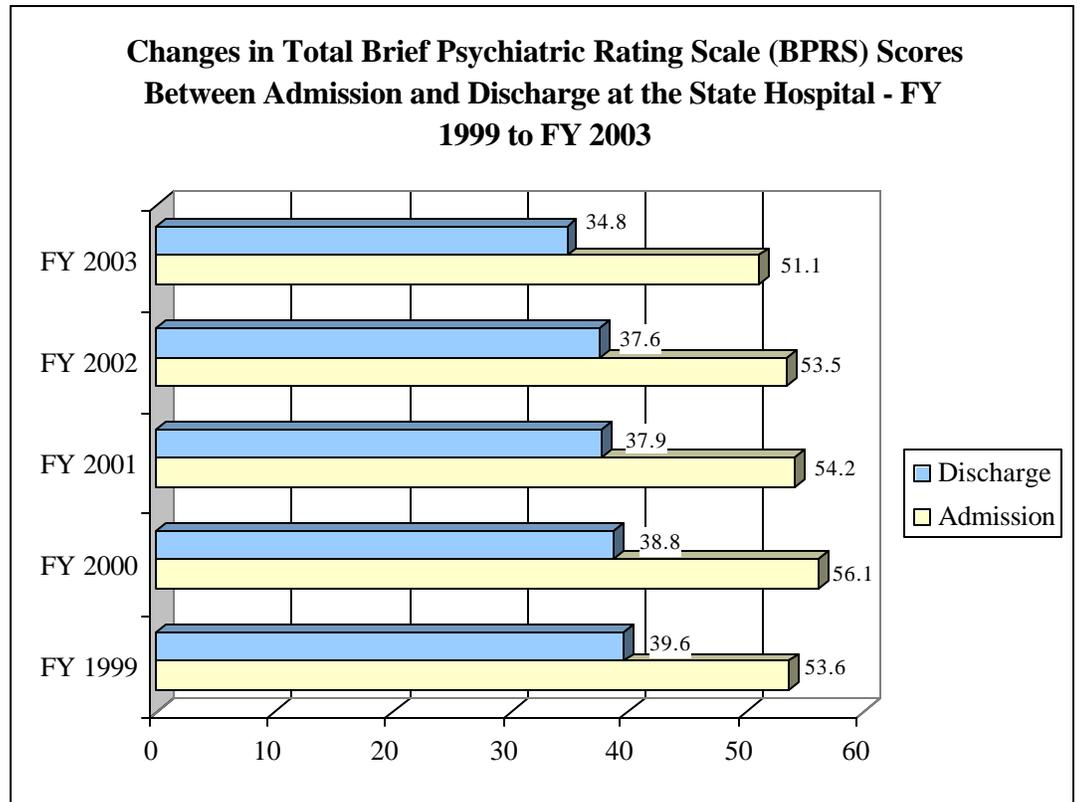
*Improvements of Symptoms in Patients of the Community Mental Health System*

The following chart depicts reported improvements in the General Well-Being (GWB) test administered to clients at time of admission to the Community Mental Health System and at 90 days after admission. The data shows that in FY 2003, 51.4 percent of clients receiving services through the Community Mental Health Centers in Utah saw their psychological symptoms improve. Between FY 1999 and FY 2002, this percentage has varied between 59 and 55 percent. The drop in this data for FY 2003 has several possible explanations. Some centers are possibly relying more on group therapy sessions than individual therapy sessions. There are some indications that clients are entering service with more serious symptoms. The Division is researching the cause of this drop in reported improvement of “general well-being.” The percentage of patients reporting a decline in their condition has gone down from 28 percent in FY 1999 to 17 percent over the last few years.



*Improvements in Symptoms of Patients at the State Hospital*

Patients at the State Hospital in Provo are administered the Brief Psychiatric Rating Scale (BPRS) test at time of admission and discharge. The following chart shows reported improvements of a sample of 172 patients discharged in FY 2003 compared to samples from FY 1999 thru FY 2002. The reduction in the symptoms score demonstrates the effectiveness of the Hospital’s efforts to reduce patient symptoms prior to discharge. This shows an average drop of 16.3 points (from 51.1 to 34.8), or a drop of 32 percent, on the BPRS score from admission to discharge in FY 2003, which is comparable to the samples from FY 1999 thru FY 2002.



**State Below Federal Block Grants “Maintenance of Effort” requirement by \$1.2 million**

One of the federal requirements for State to receive the Mental Health and the Substance Abuse Prevention and Treatment (SAPT) block grants is “Maintenance of Effort” (MOE). States are not permitted to “supplant” increases in the federal block grants with decreases in state support for the programs. This means the State must provide at least the same level of State funding as in two prior years. Otherwise it will lose \$1 of the federal block grants for every dollar that State funding drops below the MOE. Due to recent budget reductions, it is estimated that in FY 2005 the Mental Health block grant MOE will be short \$793,000 (or about 3.7 %) and the SAPT block grant MOE will lack \$367,900 (or about 3.2%). The State has filed an appeal to the Secretary of Human Services for a waiver based on the economic (revenue) downturn and increases in the unemployment rate. A response to the appeal is not expected until next fall.

**PASRR and Competency Evaluations Increasing**

Preadmission Screening and Resident Review (PASRR) are required of all people before admission to a nursing home to prevent inappropriate admission and retention of people with mental disabilities. Medicaid statute prohibits nursing facilities from admitting individuals with a serious mental illness unless it has been determined by the State Mental Health Authority that the individual requires that level of services. The number of PASRR evaluations has risen from 1,391 in FY 2001 to 1,587 in FY 2003 and is expected to reach 1,750 in FY 2005. The average cost of the evaluation is about \$400 with the State paying 25 percent.

Competency evaluations are ordered by the Courts to determine the defendant's competency to stand trial or when a defendant enters a plea of guilty and mentally ill. The number of these court-ordered evaluations is expected to reach 836 in FY 2005, up from 757 in FY 2003. The average cost of these exams is about \$500, with the State's share averaging 63 percent.

The Analyst recommends the Legislature consider funding the increased number of these evaluations expected since 2003. The estimated cost would \$93,400 of State Funds plus another \$106,700 of Medicaid funds (Title XIX). The Analyst recommends this critical need be funded, if funds become available.

**The Local Substance Abuse Authority (LSAA) System**

Any person in need of LSAA services is eligible; however, due to limited resources, the number that can be served is restricted, which creates waiting lists. A significant amount of resources is geared at individuals in the criminal justice system (see also separate report tab on Drug Courts and Boards). Recently, the Division policy board adopted the following priority of who will receive services:

- Pregnant women
- Women with dependent children
- Other women
- Men referred from the Criminal Justice System
- Other men

For the State to receive the federal Substance Abuse Prevention and Treatment (SAPT) block grant, local substance abuse authorities are required to provide the following services:

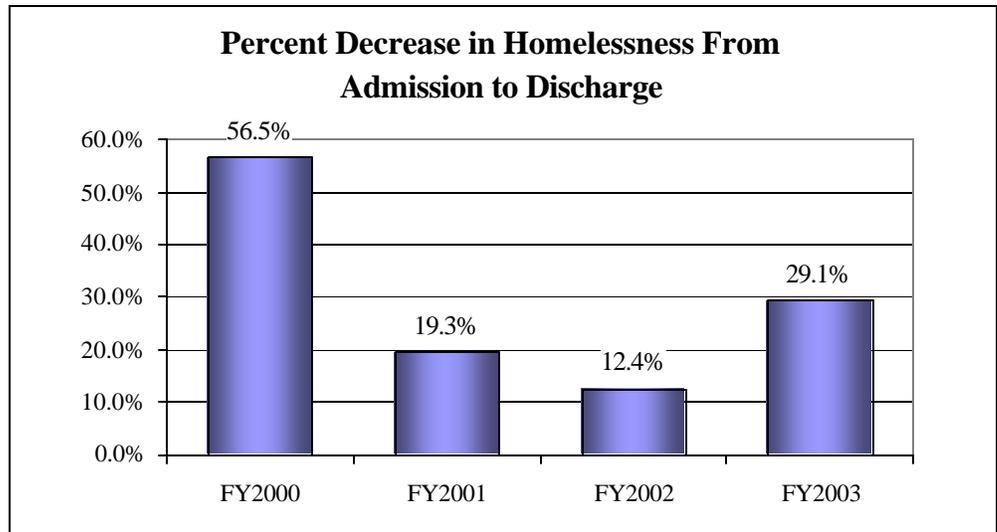
- Prevention services
- Outpatient services
- Intensive outpatient services
- Detoxification
- Residential

**Performance Measures (Substance Abuse)**

While the Division will report in more detail on performance and outcome measures in the area of substance abuse, the Analyst has chosen several measures to highlight in this report. Performance measures used in the substance abuse field generally try to gauge lessening of dependency and improved quality of life.

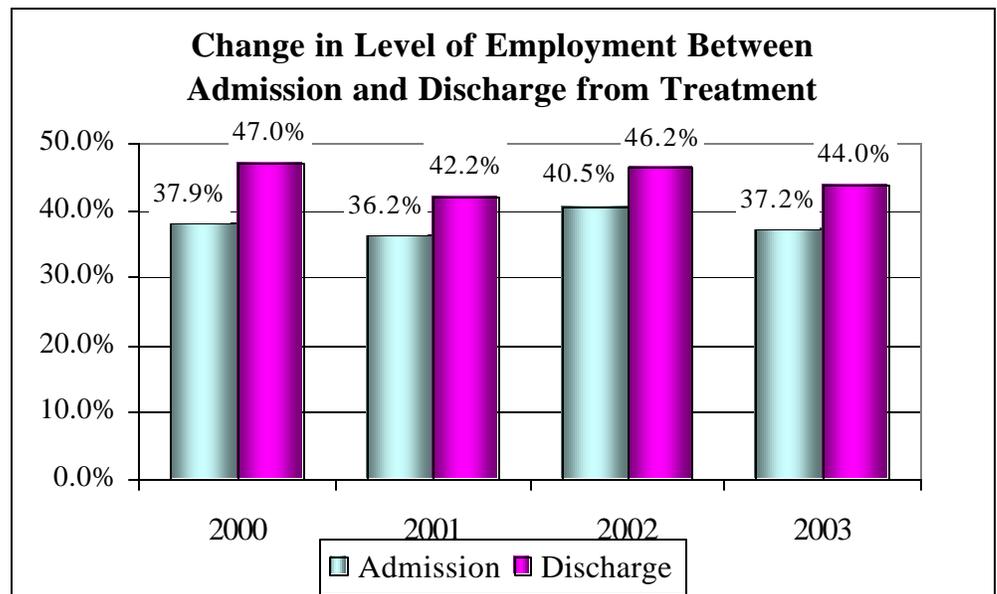
*Clients in treatment improve their living status.*

The first chart shows the living status of clients at time of admission and at time of discharge. While the change reported in FY 2000 was much greater than in the next three years, in all years, the data shows that clients completing treatment are less likely to be homeless.



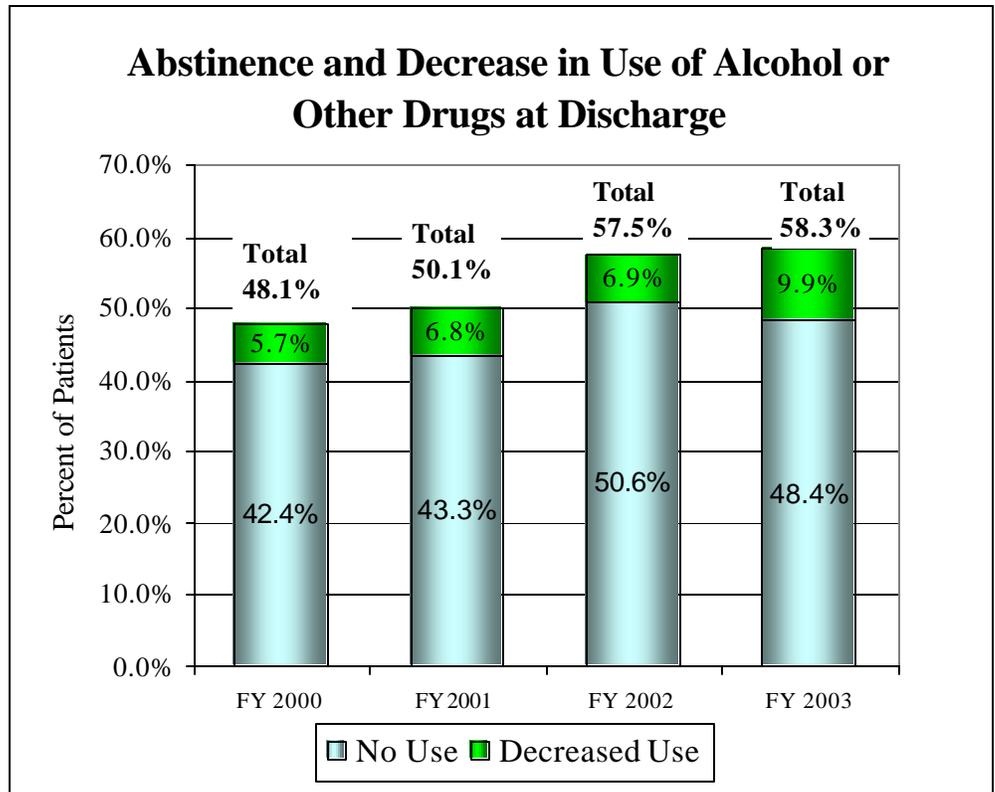
*Clients receiving treatment improve their employment status.*

The second chart depicts changes in employment status from when clients entered treatment and at discharge. The percentage of clients that were employed increased significantly compared to the percentage employed at time of admission.



*Level of substance abuse reduced while in treatment.*

The third chart shows reported decreases in incidence of clients' substance abuse 30 days prior to admission compared with incidence at discharge. This includes all programs, not just resident treatment programs. It also includes individuals who do not complete treatment programs. In FY 2003, a total of 58.3 percent of clients either abstained or showed a decrease of substance abuse at time of discharge.



### 3.1 Substance Abuse and Mental Health Administration – State Office

**Recommendation**

The Fiscal Analyst’s FY 2005 recommendation for the Division’s State Office Administration is nearly \$2.3 million including \$1.1 million from the General Fund. It includes both administrative budgets of the former separate Division of Substance Abuse and Division of Mental Health. The Analyst’s recommendation includes the transfer of 0.5 FTE and \$19,400 (\$10,500 General Fund) to the Executive Director’s Human Resource Office as part of the human resource staff consolidation.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
<b>Financing</b>				
General Fund	\$1,088,200	\$1,112,800	\$1,102,300	(\$10,500)
General Fund, One-time		3,100		(3,100)
Federal Funds	1,115,300	1,126,500	1,110,900	(15,600)
Dedicated Credits Revenue	19,900	19,000	19,000	
Transfers - H - Medical Assistance	21,800	29,800	29,700	(100)
Beginning Nonlapsing	36,500			
Lapsing Balance	(32,900)			
<b>Total</b>	<b>\$2,248,800</b>	<b>\$2,291,200</b>	<b>\$2,261,900</b>	<b>(\$29,300)</b>
<b>Expenditures</b>				
Personal Services	\$1,691,900	\$1,831,200	\$1,806,100	(\$25,100)
In-State Travel	23,400	22,100	22,100	
Out of State Travel	9,200	9,000	9,000	
Current Expense	401,100	329,000	324,800	(4,200)
DP Current Expense	117,900	99,900	99,900	
DP Capital Outlay	5,300			
<b>Total</b>	<b>\$2,248,800</b>	<b>\$2,291,200</b>	<b>\$2,261,900</b>	<b>(\$29,300)</b>
<b>FTE/Other</b>				
Total FTE	30.8	30.9	30.4	(0.5)

\*Non-state funds as estimated by agency

**Purpose**

The State Office coordinates the substance abuse prevention/treatment and mental health programs in the state under the direction of the State Board of Substance Abuse and Mental Health. It provides consultation and technical assistance to the local authorities and centers, administers state and federal grants, collects data, evaluates programs, and prepares required reports. It is responsible for development of administrative, fiscal, and service standards for local mental health centers and substance abuse authorities. The office also has general oversight of the State Hospital. It works with the State Office of Education and other agencies for the establishment of substance abuse prevention programs. It also administers the DUI program and the alcohol servers program.

### 3.2 Community Mental Health Services

**Recommendation**

The Analyst recommends \$5.4 million for the Community Mental Health Services Program budget for FY 2005, including nearly \$2.0 million from the General Fund.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
<b>Financing</b>				
General Fund	\$2,262,500	\$1,970,600	\$1,970,600	\$0
Federal Funds	2,355,900	3,288,500	3,123,100	(165,400)
Transfers - H - Medical Assistance	448,800	308,400	308,400	
<b>Total</b>	<u>\$5,067,200</u>	<u>\$5,567,500</u>	<u>\$5,402,100</u>	<u>(\$165,400)</u>
<b>Expenditures</b>				
Personal Services	\$116,600	\$120,700	\$85,000	(\$35,700)
In-State Travel	2,700	10,800	4,600	(6,200)
Out of State Travel	14,600	12,400	8,100	(4,300)
Current Expense	1,267,000	1,288,700	1,262,600	(26,100)
DP Current Expense	400	1,900		(1,900)
Other Charges/Pass Thru	3,665,900	4,133,000	4,041,800	(91,200)
<b>Total</b>	<u>\$5,067,200</u>	<u>\$5,567,500</u>	<u>\$5,402,100</u>	<u>(\$165,400)</u>
<b>FTE/Other</b>				
Total FTE	2	2	2	0

\*Non-state funds as estimated by agency

**Purpose**

The following programs are administered and/or funded through the Division’s Community Mental Health Services program budget:

- ▶ *Information Systems Grant*: Develops common data indicators across all of the Mental Health Centers that is consistent, compatible, and conforms to national indicators.
- ▶ *Competency Evaluations*: The State is responsible for determining an individual’s competency to stand trial for a crime.
- ▶ *Homeless Mentally Ill*: The Division distributes federal funds to mental health centers for specialized services to the homeless mentally ill.
- ▶ *Omnibus Budget Reconciliation Act of 1987 (OBRA)*: This Act requires the State to assess the appropriateness of placement for mentally ill persons residing in nursing facilities. The State is required to provide alternative placements for those inappropriately placed and to provide appropriate social rehabilitation to the mentally ill residing in nursing facilities.
- ▶ *Rural Education*: Provides funding for mental health education in under-served rural areas of the State.
- ▶ *Pre-school Autism Program*: This program provides funds to several areas of the State to develop and operate programs for pre-school children with autism.
- ▶ *Frontiers Project*: The Division has received a federal grant to develop and provide a network of wrap-around mental health services for children in “frontier” areas of the State. After six years, the grant will run out next summer.
- ▶ *Community Action Grant – Consensus Building Project*: The Division received a \$150,000 federal grant in FY 2003 which involved key stakeholders looking to incorporate practice principles of an assertive community treatment model for delivery of mental health services. The grant will expire in FY 2004.

- ▶ *Project Reconnect*: In FY 2003, the Division was awarded a four-year federal grant totaling \$2 million to assist seriously emotionally disturbed youth (ages 14 – 21) or youth with emerging mental illness to successfully transition to adulthood.

### 3.3 Mental Health Centers

The Analyst recommends \$22.8 million for the Community Mental Health Services Program budget for FY 2005, including \$20.5 million from the General Fund.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
General Fund	\$21,381,300	\$20,540,700	\$20,540,700	\$0
Federal Funds	2,231,900	2,238,700	2,238,700	
Transfers - Other Agencies	104,000			
<b>Total</b>	<b>\$23,717,200</b>	<b>\$22,779,400</b>	<b>\$22,779,400</b>	<b>\$0</b>
<b>Expenditures</b>				
Other Charges/Pass Thru	\$23,717,200	\$22,779,400	\$22,779,400	\$0
<b>Total</b>	<b>\$23,717,200</b>	<b>\$22,779,400</b>	<b>\$22,779,400</b>	<b>\$0</b>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

### Purpose

Under Utah law, county commissions are the local public mental health authorities that deliver mental health services throughout the State. The counties have organized 11 local mental health centers, with some counties combining resources to serve a region. These centers are listed in the following table. Seven of the local mental health centers are county (or multi-county) operated and four of the centers contract for services with private nonprofit corporations. The local mental health authorities must provide a minimum 20 percent match of the State funds.

Center	Private / County	Counties Served
Bear River Mental Health	Private	Box Elder, Cache, Rich
Davis Behavioral Health	Private	Davis
Weber Human Services	County	Weber, Morgan
Valley Mental Health	Private	Salt Lake, Summit, Tooele
Northeast Counseling Ctr	County	Daggett, Duchesne, Uintah
Four Corners Mental Health	Private	Carbon, Emery, Grand
Wasatch Mental Health	County	Utah
Heber Valley Counseling	County	Wasatch
San Juan Mental Health	County	San Juan
Southwest Center	County	Beaver, Garfield, Iron, Kane, Washington
Central Utah Mental Health	County	Piute, Sevier, Juab, Wayne, Millard, Sanpete

*Private - Private Non-profit contract provider*  
*County - Services provided by one or more counties*

**Access to State Hospital Beds**

Prior budget reductions have forced the closure of one wing of the State Hospital (30 geriatric beds). Legislation (H.B. 181, 2002 General Session) reduced the number of beds available in statute to local centers from 212 to 182. The beds are allocated according to population (62A-12-209.5, UCA). The statute indicates that as the State population changes, the distribution of beds available to the local centers should be reviewed.

**3.4 Residential Mental Health Services**

**Recommendation**

The Fiscal Analyst recommends that approximately \$2.8 million from the General Fund be appropriated for Residential Services in FY 2005.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
<b>Financing</b>				
General Fund	\$2,680,300	\$2,819,800	\$2,819,800	\$0
Lapsing Balance	(101,000)			
<b>Total</b>	<u>\$2,579,300</u>	<u>\$2,819,800</u>	<u>\$2,819,800</u>	<u>\$0</u>
<b>Expenditures</b>				
Other Charges/Pass Thru	\$2,579,300	\$2,819,800	\$2,819,800	\$0
<b>Total</b>	<u>\$2,579,300</u>	<u>\$2,819,800</u>	<u>\$2,819,800</u>	<u>\$0</u>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

**Purpose**

Residential programs are intended to reduce hospitalization and nursing home placements. This program provides funding for the diversion of some individuals who would be admitted to a nursing facility and for the relocation of some current residents. There are 46 funded openings for outplacement from nursing facilities and 70 openings for diversions from institutions for the mentally diseased (IMD). Federal regulations define any nursing facility with 50 percent or more mentally ill residents as an IMD and prohibit Medicaid funding for residents of IMDs between the ages of 22 and 65. The program also funds 22 adults and 15 children who have left the State Hospital and have moved into the community. There is a waiting list for the diversion and hospital out-movement programs.

**3.5 State Hospital**

The Fiscal Analyst’s FY 2005 recommendation for the State Hospital is \$40.8 million including \$29.4 million from the General Fund.

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$29,017,600	\$29,393,400	\$29,393,400	\$0
General Fund, One-time		76,500		(76,500)
Dedicated Credits Revenue	2,742,500	2,773,900	2,709,100	(64,800)
Transfers - H - Medical Assistance	8,439,600	8,606,700	8,642,800	36,100
Transfers - Other Agencies	61,900	59,000	59,000	
Lapsing Balance	(137,700)			
<b>Total</b>	<b>\$40,123,900</b>	<b>\$40,909,500</b>	<b>\$40,804,300</b>	<b>(\$105,200)</b>
<b>Expenditures</b>				
Personal Services	\$32,821,700	\$33,367,700	\$33,227,300	(\$140,400)
In-State Travel	6,000	8,000	8,000	
Out of State Travel	8,900	11,400	11,400	
Current Expense	6,560,500	6,746,800	6,825,000	78,200
DP Current Expense	464,600	757,000	694,000	(63,000)
Capital Outlay	262,200	18,600	38,600	20,000
<b>Total</b>	<b>\$40,123,900</b>	<b>\$40,909,500</b>	<b>\$40,804,300</b>	<b>(\$105,200)</b>
<b>FTE/Other</b>				
Total FTE	727	739	739	0
Vehicles	68	71	71	0

\*Non-state funds as estimated by agency

**Purpose**

The State Hospital complements the local mental health centers by providing specialized services not available in community settings. The Hospital's population includes adults and children, for whom no appropriate, less restrictive, environment is currently available. Services are provided for four groups of people: 1) pediatric services for children and adolescents, 2) forensic services for those found not guilty of crimes and mentally ill or not competent to proceed with court actions, 3) specialty services for geriatric patients and patients being prepared for transfer into the community, and 4) adult services. The adult and geriatric services provide 182 beds to the community mental health centers as prescribed by statute.

**Hospital Closures**

The State Hospital has closed one geriatric patient wing (30 beds) and one forensic patient wing (26 beds) as a result of FY 2002 and FY 2003 budget reductions. These closures represent annual savings of nearly \$2.5 million in state funds and elimination of about 67 FTE employee positions.

**Hospital's New Rampton Complex needs \$265,800 General Funds.**

Construction on the second half of the Rampton facility at the Hospital is complete and was opened last fall. The Division will close the old Hyde building, transferring patients and staff to the new facility. However, additional funding is required to fully staff the new youth facility of this new facility. The new addition is configured such that it will require additional staff beyond those moving from the old facility. The Analyst recommends that the Division's request of \$703,900 (\$265,800 General Funds) for 19 additional FTEs and related expenses be considered by the Legislature if funds become available.

**Forensic Facility 4<sup>th</sup> Wing**

The Division is requesting funds be restored to reopen the forensic facility 4<sup>th</sup> wing. There is a “waiting list” of court-ordered placements at the facility for evaluations and treatment. The Division estimates it needs \$2,188,000 (General Fund) to reopen the fourth wing.

**Hospital Cost History**

The following table shows the average number of available beds at the State Hospital and the average daily occupancy rate for the past five years. It also shows the total Hospital budget, cost per patient per day and per year, and cost per bed per day and per year. For FY 2003, the average cost per Patient/Day was \$387, up 39 percent since 1998.

STATE HOSPITAL BUDGET HISTORY & COST PER PATIENT AND PER BED							Five Year
	FY 1998	FY1999	FY 2000	FY 2001	FY 2002	FY 2003	% Change
Avg # Beds Available	343	343	358	384	348	333	
Avg Patients Per Day	306	306	323	323	312	284	
Avg Occupancy Rate	89.2%	89.2%	90.2%	84.1%	89.7%	85.3%	
Hospital Budget (Actuals)	\$31,001,857	\$32,097,061	\$36,029,017	\$41,272,327	\$41,117,412	\$40,097,000	29.3%
Avg Patient Cost / Day	\$278	\$287	\$306	\$350	\$361	\$387	39.4%
Avg Patient Cost / Year	\$101,313	\$104,892	\$111,545	\$127,778	\$131,787	\$141,187	
Average Bed Cost / Year	\$248	\$256	\$276	\$294	\$324	\$330	33.3%
Average Bed Cost / Day	\$90,384	\$93,577	\$100,640	\$107,480	\$118,153	\$120,411	

During FY 2002, the Hospital closed one of two geriatric wings (30 beds)  
 For FY 2003, it has closed one of four forensic wings (26 beds)

**3.6 State Substance Abuse Services**

**Recommendation**

The Fiscal Analyst’s FY 2005 recommendation for the State Substance Abuse Services program is \$5.9 million, mostly federal funds. The recommendation includes \$516,200 from the General Fund.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$608,100	\$516,200	\$516,200	\$0
Federal Funds	4,856,700	5,314,500	5,239,500	(75,000)
Transfers - Other Agencies	694,200	184,600	184,600	
<b>Total</b>	<b>\$6,159,000</b>	<b>\$6,015,300</b>	<b>\$5,940,300</b>	<b>(\$75,000)</b>
<b>Expenditures</b>				
Personal Services	\$48,300	\$38,000	\$38,000	\$0
In-State Travel	300	300	300	
Out of State Travel	4,900	1,800	1,800	
Current Expense	657,800	530,000	530,000	
DP Current Expense	70,700			
Other Charges/Pass Thru	5,377,000	5,445,200	5,370,200	(75,000)
<b>Total</b>	<b>\$6,159,000</b>	<b>\$6,015,300</b>	<b>\$5,940,300</b>	<b>(\$75,000)</b>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

**Purpose**

While most Division funds are passed through to local substance abuse authorities, the Division keeps some funds for statewide programs. By Board policy, the Division may retain up to 10 percent of these funds for substance abuse services described below:

- ▶ *Drug Free Schools and Communities:* A specific federal grant to local authorities to provide prevention and education.
- ▶ *State Office of Education:* The State Office of Education provides curriculum and training in drug abuse prevention for Utah’s schools.
- ▶ *Department of Corrections:* The Department of Corrections provides substance abuse treatment services at the Utah State Prison.
- ▶ *University of Utah:* The University of Utah provides counseling education, clinical services, evaluation and data analysis and operates the Utah School of Alcoholism and Other Drug Dependencies.
- ▶ *Federal Grants:* The Division has several federal grants including a grant looking at drug and alcohol use among arrested persons, and a grant to help upgrade the Division’s data infrastructure. The Division was awarded in FY 2001 a three year \$2.9 million federal incentive grant (total \$8.7 million) for development of a comprehensive statewide strategy to coordinate, redirect, and leverage substance abuse prevention resources. The time period for the grant has been extended by a year. In addition, the Division has received a new federal grant to develop prevention strategies and prevention programs that will serve students in higher education.

**3.7 Local Substance Abuse Services**

**Recommendation**

The Fiscal Analyst’s FY 2005 recommendation for the Local Substance Abuse Services program is approximately \$23.6 million including \$9.1 million from the General Fund.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Est/Analyst</b>
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$9,380,100	\$9,098,200	\$9,098,200	\$0
Federal Funds	14,183,400	14,461,600	14,461,600	
<b>Total</b>	\$23,563,500	\$23,559,800	\$23,559,800	\$0
<b>Expenditures</b>				
Other Charges/Pass Thru	\$23,563,500	\$23,559,800	\$23,559,800	\$0
<b>Total</b>	\$23,563,500	\$23,559,800	\$23,559,800	\$0
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

**Purpose**

These funds are passed through to local substance abuse authorities. County commissioners are designated as the local substance abuse authorities in the state. The counties may join together to provide or contract for these services, including prevention, intervention, and treatment. The substance abuse authorities are required to provide a minimum 20 percent match for funds received. There are currently 13 substance abuse centers in the State: Bear River, Weber, Davis, Salt Lake, Wasatch, Central Utah, Southwest, Four Corners, San Juan, Uintah, Summit, Utah and Tooele.

**3.8 DUI Fines**

**Recommendation**

The Division’s expenditures from this General Fund Restricted Account are limited to the lesser of the amount authorized by the Legislature or by the availability of funds. The Fiscal Analyst recommends the Legislature appropriate \$1.2 million from this fund for FY 2005.

	2003	2004	2005	Est/Analyst
	Actual	Estimated*	Analyst	Difference
<b>Financing</b>				
GFR - Intoxicated Driver Rehab	\$1,200,000	\$1,200,000	\$1,200,000	\$0
<b>Total</b>	<u>\$1,200,000</u>	<u>\$1,200,000</u>	<u>\$1,200,000</u>	<u>\$0</u>
<b>Expenditures</b>				
Other Charges/Pass Thru	\$1,200,000	\$1,200,000	\$1,200,000	\$0
<b>Total</b>	<u>\$1,200,000</u>	<u>\$1,200,000</u>	<u>\$1,200,000</u>	<u>\$0</u>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

**Purpose**

The Division oversees the Intoxicated Driver Rehabilitation Account. The Division receives 7.5 percent of the surcharges levied on persons convicted of a felony, class A, or B misdemeanor. These fees on fines are appropriated to the Division and then distributed to the 13 local substance abuse authorities by formula to support education, intervention and treatment services for drivers convicted of driving under the influence. The formula is driven by overall population figures.

**4.0 Additional Information: Division of Substance Abuse and Mental Health**

**4.1-Funding History**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Financing</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>
General Fund	\$68,452,100	\$69,294,400	\$66,418,100	\$65,451,700	\$65,441,200
General Fund, One-time				79,600	
Federal Funds	20,389,686	22,305,600	24,743,200	26,429,800	26,173,800
Dedicated Credits Revenue	2,973,535	2,247,800	2,762,400	2,792,900	2,728,100
GFR - Intoxicated Driver Rehab	950,000	1,050,000	1,200,000	1,200,000	1,200,000
GFR - IT Innovation Fund	53,700				
Transfers - H - Medical Assistance	8,414,323	8,479,800	8,910,200	8,944,900	8,980,900
Transfers - Other Agencies	381,246	406,300	860,100	243,600	243,600
Beginning Nonlapsing	5,089	11,200	36,500		
Closing Nonlapsing	(11,216)	(36,500)			
Lapsing Balance			(271,600)		
<b>Total</b>	<b>\$101,608,463</b>	<b>\$103,758,600</b>	<b>\$104,658,900</b>	<b>\$105,142,500</b>	<b>\$104,767,600</b>
<b>Programs</b>					
Administration	\$2,625,108	\$2,465,100	\$2,248,800	\$2,291,200	\$2,261,900
Community Mental Health Services	7,388,703	6,630,600	5,067,200	5,567,500	5,402,100
Mental Health Centers	21,257,679	22,375,500	23,717,200	22,779,400	22,779,400
Residential Mental Health Services	2,744,032	2,576,800	2,579,300	2,819,800	2,819,800
State Hospital	41,272,328	41,126,900	40,123,900	40,909,500	40,804,300
State Substance Abuse Services	3,836,257	5,283,100	6,159,000	6,015,300	5,940,300
Local Substance Abuse Services	21,534,356	22,250,600	23,563,500	23,559,800	23,559,800
Drivers Under the Influence	950,000	1,050,000	1,200,000	1,200,000	1,200,000
<b>Total</b>	<b>\$101,608,463</b>	<b>\$103,758,600</b>	<b>\$104,658,900</b>	<b>\$105,142,500</b>	<b>\$104,767,600</b>
<b>Expenditures</b>					
Personal Services	\$35,254,230	\$36,129,546	\$34,678,500	\$35,357,600	\$35,156,400
In-State Travel	38,879	28,690	32,400	41,200	35,000
Out of State Travel	77,110	31,800	37,600	34,600	30,300
Current Expense	8,660,776	8,073,590	8,886,400	8,894,500	8,942,400
DP Current Expense	794,415	594,649	653,600	858,800	793,900
DP Capital Outlay	67,779	35,700	5,300		
Capital Outlay	41,202	6,100	262,200	18,600	38,600
Other Charges/Pass Thru	56,674,072	58,858,525	60,102,900	59,937,200	59,771,000
<b>Total</b>	<b>\$101,608,463</b>	<b>\$103,758,600</b>	<b>\$104,658,900</b>	<b>\$105,142,500</b>	<b>\$104,767,600</b>
<b>FTE/Other</b>					
Total FTE	846	841	760	771	771
Vehicles	60	68	68	71	71

\*Non-state funds as estimated by agency.

**4.2-Federal Funds**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Program</b>	<b>Actual</b>	<b>Estimated</b>	<b>Analyst</b>
Social Svc Block Grant	\$150,000	\$150,000	\$150,000
State Matching Funds	0	0	0
Totals for this grant/contract	\$150,000	\$150,000	\$150,000
MH Data Infrastructure Grant	\$80,300	\$134,700	\$37,500
State Matching Funds	80,300	134,700	37,500
Totals for this grant/contract	\$160,600	\$269,400	\$75,000
MH: Transition from Homelessness	\$300,100	\$333,000	\$333,000
State Matching Funds	100,000	111,000	111,000
Totals for this grant/contract	\$400,100	\$444,000	\$444,000
<i>Match may be met with "in-kind"</i>			
Drug Free Schools	\$452,000	\$546,800	\$546,800
State Matching Funds	0	0	0
Totals for this grant/contract	\$452,000	\$546,800	\$546,800
Assertive Community Treatment	\$78,300	\$71,700	\$0
State Matching Funds	0	0	0
Totals for this grant/contract	\$78,300	\$71,700	\$0
<b>State Incentive Coop Agreem. (SICA)</b>	<b>\$2,200,600</b>	<b>\$2,836,300</b>	<b>\$2,836,200</b>
State Matching Funds	0	0	0
Totals for this grant/contract	\$2,200,600	\$2,836,300	\$2,836,200
Children w/SED in Frontier Areas	\$1,444,600	\$1,609,400	\$1,606,400
State Matching Funds	2,889,200	3,218,800	3,212,800
Totals for this grant/contract	\$4,333,800	\$4,828,200	\$4,819,200
<i>Match may be met with "in-kind"</i>			
Youth Transition (Project RECONNECT)	\$52,800	\$500,000	\$500,000
State Matching Funds	0	0	0
Totals for this grant/contract	\$52,800	\$500,000	\$500,000
Treatment Outcome Pilot Project	\$680,700	\$0	\$0
State Matching Funds	0	0	0
Totals for this grant/contract	\$680,700	\$0	\$0
Alchol & Drugs Assessment Among Arrestees	\$81,600	\$60,200	\$71,300
State Matching Funds	0	0	0
Totals for this grant/contract	\$81,600	\$60,200	\$71,300
Drug & Alcohol Svc Information System (DASIS)	\$41,100	\$46,400	\$46,400
State Matching Funds	0	0	0
Totals for this grant/contract	\$41,100	\$46,400	\$46,400
Promote Community Based Care - Olmstead	\$27,500	\$20,000	\$0
State Matching Funds	0	0	0
Totals for this grant/contract	\$27,500	\$20,000	\$0
Substance Abuse Data Infrastructure Grant	\$0	\$175,000	\$100,000
State Matching Funds	0	0	0
Totals for this grant/contract	\$0	\$175,000	\$100,000
Substance Abuse Prevention & Treatment Grant*	\$16,326,700	\$16,747,100	\$16,747,100
State Matching Funds (Maint. Of Effort Req'd)	10,456,300	10,092,600	10,091,300
Totals for this grant/contract	\$26,783,000	\$26,839,700	\$26,838,400
Community MH Svc Block Grant	\$2,826,900	\$3,199,200	\$3,199,100
State Matching Funds (Maint. Of Effort Req'd)	21,381,300	20,540,700	20,540,700
Totals for this grant/contract	\$24,208,200	\$23,739,900	\$23,739,800
<b>Total Federal Funds</b>	<b>\$24,743,200</b>	<b>\$26,429,800</b>	<b>\$26,173,800</b>
<b>Total State Funds (Incl. Maint of Effort)</b>	<b>\$34,907,100</b>	<b>\$34,097,800</b>	<b>\$33,993,300</b>
<b>Total Funds</b>	<b>\$59,650,300</b>	<b>\$60,527,600</b>	<b>\$60,167,100</b>