

UTAH STATE HOSPITAL

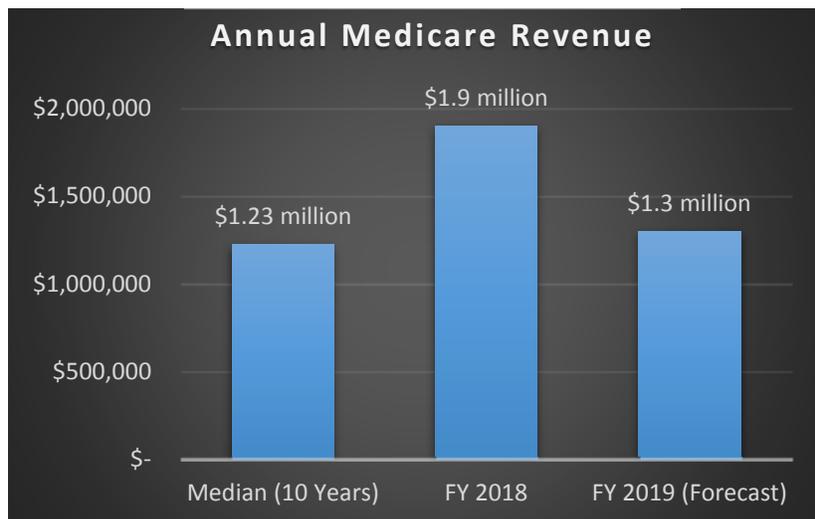
BUDGET CUT RECONSIDERATION

LFA BUDGET CUT PROPOSAL

- \$500,000 ongoing and one-time cut due to increases in Forensic Medicare Revenue
- \$154,300 ongoing from the Adult Recovery Treatment Center (ARTC) – USH was supplementing – ARTC closed in FY18
- \$248,300 one-time cut from USH non-lapsing surplus (sum of \$154,300 + \$94,000 surplus) from DOH \$460,000 funding to USH for ARTC

MEDICARE REVENUE

- Increased revenue in FY18 is an outlier with an increase of \$673,000 over historical average
- Increased revenue was critical in allowing USH to address facility safety upgrades totaling \$1,051,000 mandated by The Joint Commission and Centers for Medicaid and Medicare (CMS) to maintain accreditation
- FY19 forecast is in line with the 10-year average Medicare revenue.



ARTC

- \$154,300 was not 'extra' money in USH budget
- Staffing resources were redirected from other areas of the hospital to ARTC
- Accreditation compliance required staff to be reassigned and contributed to closure of ARTC
- \$94,000 unused funding

COMBINED INCREASE IN EXPENSES FY18 / FY19

- FY18 – Ligature resistant safety upgrades \$503,000
- FY19 – Ligature resistant safety upgrades \$548,000
- FY19 - Inflationary costs - \$225,000
 - Pharmacy - \$75,000
 - Off-Campus Medical - \$50,000
 - Food - \$70,000
 - Grounds Contract - \$30,000
- Total - \$1,276,000 without supplemental request or closure of civil beds
- Anticipate expenses with replacement of furniture to ligature resistant safety furniture



SUMMARY

- USH willing to give up one time cut of \$94,000
- **Without cuts:**
 - USH will meet the settlement agreement
 - Ensure no disruption to forensic or civil services
 - Meet patient safety requirements per The Joint Commission / CMS