

**Behavioral Health Administration – Mental Health
030 - M2 - 3D - HOSPITAL REVENUE ADJUSTMENT**

Agency Submittal: 11-2017-19-YR Agency Req

Budget Period: 2017-19

SUMMARY

The Behavioral Health Administration (BHA) requests an annual funding adjustment in order to maintain funding levels based on twelve month average annual revenue projection of inpatient contributions, and Medicaid earnings.

PROBLEM STATEMENT

Revenue projections at Western State Hospital (WSH), Eastern State Hospital (ESH), and the Child Study and Treatment Center (CSTC) are different than the earnings in the projected budget because of the current client mix.

PROPOSED SOLUTION

The sources of funding should be adjusted in order to earn all federal and local revenue to support current hospital operations based on the current client mix.

EXPECTED RESULTS

To maintain current patient services funded from the projected revenue sources.

STAKEHOLDER IMPACT

This proposal is routine in nature and expected to have support from stakeholders with no known opposition.

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DSHS VISION

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION

To transform lives

DSHS VALUES

Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

OTHER CONNECTIONS

Performance Outcomes/Important Connections

1. **Does this DP provide essential support to one or more of the Governor's Results Washington priorities?**
Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
2. **The decision package meets the following DSHS' strategic objectives:**
1.1: State psychiatric hospitals will be safer for staff and patients.
3. **Identify other important connections or impacts below.** (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)
 - a) Regional/County impacts? Yes, all counties are impacted.
 - b) Other local government impacts? Yes, many courts and jails in the state are impacted.
 - c) Tribal government impacts? No
 - d) Other state agency impacts? No
 - e) Responds to specific task force, report, mandate or executive order? No
 - f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No
 - g) Facility/workplace needs or impacts? No
 - h) Capital budget impacts? No
 - i) Is change required to existing statutes, rules or contracts? No
 - j) Is the request related to litigation? No
 - k) Is the request related to Puget Sound recovery? No
 - l) Other important connections? No

030 - M2 - 3D - Hospital Revenue Adjustment

4. Please provide a detailed discussion of connections/impacts identified above.

This request contributes to maintaining current operating funding and supports the readjustment of funding authority.

Alternatives/Consequences/Other

5. What alternatives were explored by the agency, and why was this alternative chosen?

Patient care will be adjusted based on revenue earnings.

6. How has or can the agency address the issue or need within its current appropriation level?

The request cannot be absorbed within existing resources.

7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?

No

Yes (Include an IT Addendum)

Fiscal Detail**030 - M2 - 3D - Hospital Revenue Adjustment**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	-2,054,000	8,966,000	14,529,000	20,092,000
001-7 General Fund-Priv-Loc	2,165,000	1,324,000	1,324,000	1,324,000
001-C General Fund-Medicaid	-111,000	-10,290,000	-15,853,000	-21,416,000
Total Cost	0	0	0	0

Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	0.0	0.0	0.0	0.0

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 030				
C063 Mental Health Facilities Services	0	0	0	0
No measures submitted for package				

Object Detail

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
	0	0	0	0
Total Objects	0	0	0	0

DSHS Source Detail**Overall Funding**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
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Fund 001-1, General Fund-State**Sources Title**

0011 General Fund State	-2,054,000	8,966,000	14,529,000	20,092,000
Total for Fund 001-1	-2,054,000	8,966,000	14,529,000	20,092,000

Fund 001-7, General Fund-Priv-Loc**Sources Title**

5417 Contributions & Grants	2,165,000	1,324,000	1,324,000	1,324,000
Total for Fund 001-7	2,165,000	1,324,000	1,324,000	1,324,000

Fund 001-C, General Fund-Medicaid**Sources Title**

19TA Title XIX Assistance (FMAP)	-111,000	-10,290,000	-15,853,000	-21,416,000
Total for Fund 001-C	-111,000	-10,290,000	-15,853,000	-21,416,000

Total Overall Funding	0	0	0	0
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