

Appropriations Summary

Presented to the
Correctional Managed Health
Care Committee
June 2005





**FY 2004-2005
Supplemental
Appropriations**



FY 2004-2005 Supplemental Appropriations Request

- ◆ Request for Supplemental Appropriations in the amount of \$31.8M filed to reimburse the university providers for projected financial losses incurred during the FY 2004-2005 biennium.
- ◆ HB 10 provides \$31.3M in supplemental appropriations for the university provider financial losses in FY 2004-2005.
- ◆ Added to that amount will be about \$0.9M in available fund balance from the CMHCC

– TOTAL ESTIMATED FUNDING AVAILABLE TO ALLOCATE: \$32.2M

Allocation of FY 2004-2005 Supplemental Funding

	FY 2004	FY 2005 est.	TOTAL
<u>Source of Supplemental Funding</u>			
HB 10 FY 2004-2005 Supplemental Funding	\$11,300,000	\$20,000,000	\$31,300,000
End of Year Funds Available from CMHCC	\$0	\$900,000	\$900,000
Total Supplemental Funding Available	\$11,300,000	\$20,900,000	\$32,200,000
<u>Basis for Requested Supplemental Funding</u>			
UTMB Projected Losses	\$11,300,000	\$20,800,000	\$32,100,000
TTUHSC Projected Losses	\$0	\$1,800,000	\$1,800,000
CMHCC Projected Offset Available	\$0	(\$2,100,000)	(\$2,100,000)
Total Projected Losses	\$11,300,000	\$20,500,000	\$31,800,000
<u>Basis for Allocation of Supplemental Funding</u>			
UTMB Certified Losses	\$13,746,818	\$23,674,328	\$37,421,146
TTUHSC Certified Losses	\$0	\$1,784,670	\$1,784,670
Total Losses	\$13,746,818	\$25,458,998	\$39,205,816
<u>Supplemental Funding Allocations</u>			
UTMB Allocation of Supplemental Funding	\$11,300,000	\$19,115,330	\$30,415,330
TTUHSC Allocation of Supplemental Funding	\$0	\$1,784,670	\$1,784,670
Total Allocation	\$11,300,000	\$20,900,000	\$32,200,000



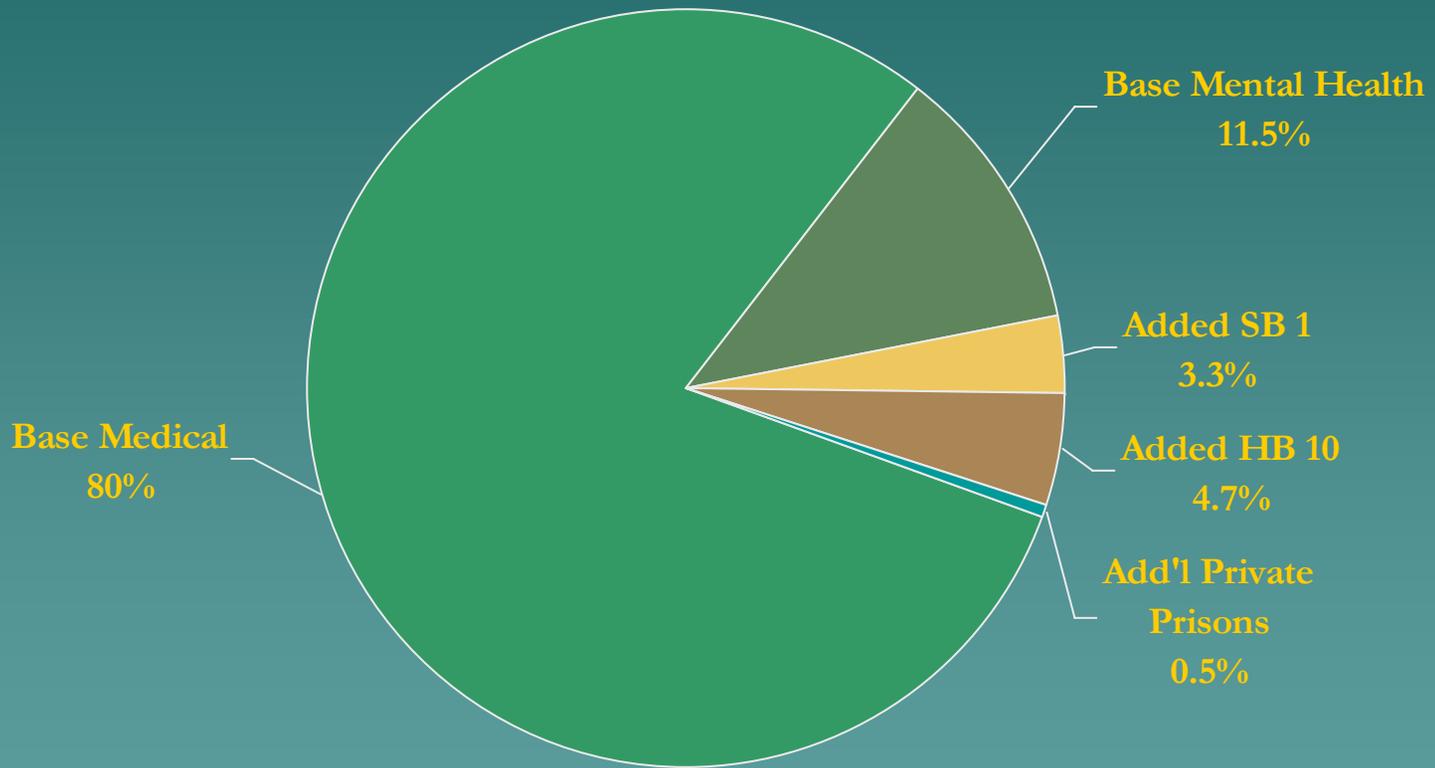
FY 2006-2007
Appropriations



FY 2006-07 Appropriations

Funding Source	FY 2006	FY 2007	Biennium
Medical Services Base Calculation	\$300,674,719	\$300,674,720	\$601,349,438
Mental Health Base Calculation	43,094,589	43,094,589	\$86,189,178
Total Base Funding	\$343,769,308	\$343,769,309	\$687,538,616
Additional Funding Senate Bill 1	\$12,500,000	\$12,500,000	\$25,000,000
Additional Funding House Bill 10	\$17,500,000	\$17,500,000	\$35,000,000
Additional Funding Two Private Prisons	\$1,981,512	\$1,981,512	\$3,963,024
Total Additions to Base Funding	\$31,981,512	\$31,981,512	\$63,963,024
Total Funding to Allocate	\$375,750,820	\$375,750,821	\$751,501,641

Source of Funding FY 2006-2007 Appropriations



Appropriation Riders

- ◆ Rider 18: ***Employee Medical Care Rider*** —continued from prior years—no change
- ◆ Rider 46: ***CMHCC Reporting Rider*** —continued from prior years—clarifies reporting requirement for reporting fund balances each quarter (addressing SAO Report issue)
- ◆ Rider 47: ***\$5M Operational Shortfall Rider*** —continued from prior years—no change
- ◆ Rider 69: ***Limitation of Expenditure Rider*** —new rider prohibiting payment over capitation rates in contracts and lapsing any unexpended or unobligated funds at the end of each fiscal year (addressing SAO Report issue)
- ◆ Rider 78: ***Study of Cost-Effectiveness of Regional Medical Facilities*** — new rider calling for study of regionally housing and treating offenders with similar medical conditions
- ◆ Article IX, Sec. 10.10: ***Rider for the Dept. of State Health Services*** - mandating that they require nursing homes to send in a secure manner unopened packages of prescription drugs that would otherwise be destroyed to the CMHC for use.



FY 2006-2007
Budget
Allocations



Key Assumptions

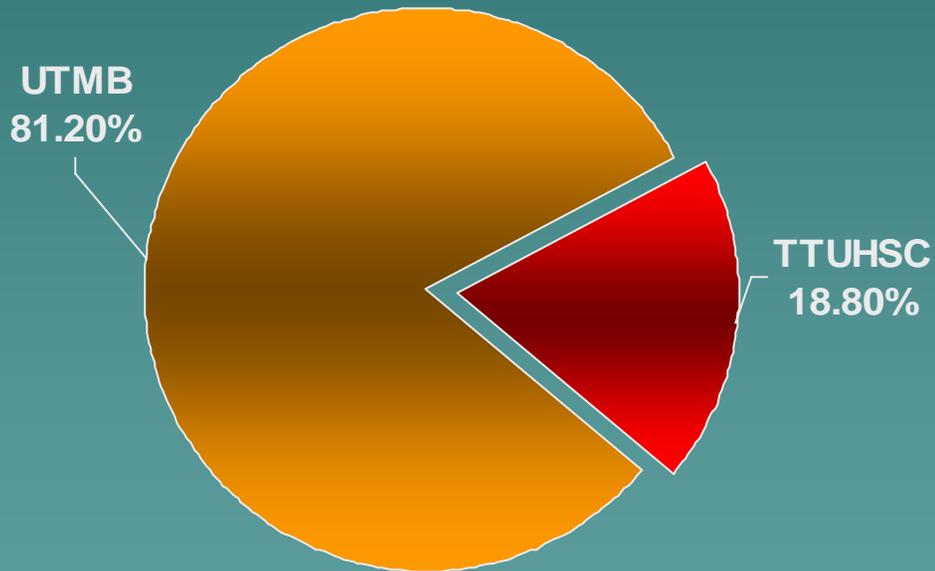
- ◆ Medical Services capitation to be a sum-certain payment based on population to be served with variance limits (+/-)
- ◆ Mental Health payments use same methodology as prior years, however projected levels adjusted to better match historical data
- ◆ As in prior years, allocations utilize funding from mental health appropriations for medical allocations to fund psychiatric medications through pharmacy and other overlap of services between medical and mental health functions (nursing, triage, records, etc.)
- ◆ University providers retain the flexibility to allocate amounts paid under each capitation calculation as needed to meet their obligations
- ◆ The allocation distributes all funding available for both years

Distribution of Funds

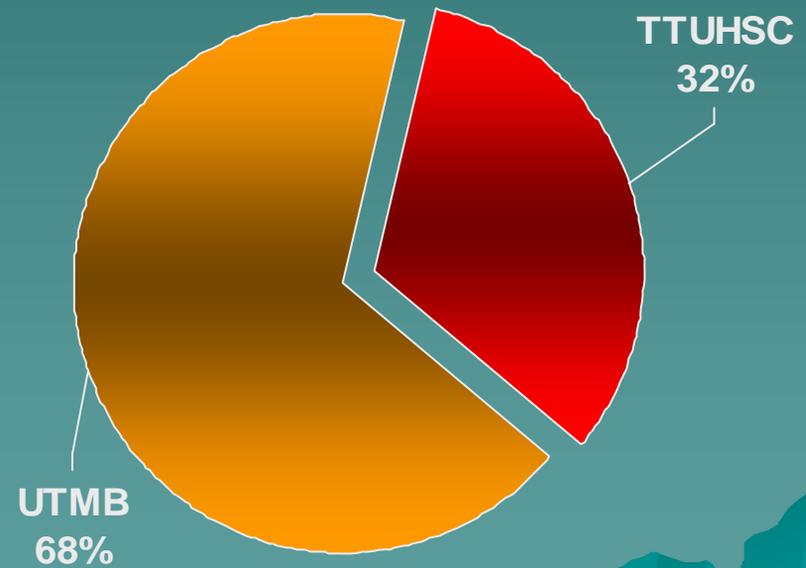
<u>Allocated to</u>	<u>FY 2006</u>	<u>FY 2007</u>
The University of Texas Medical Branch		
Medical Services	\$273,775,733	\$273,775,733
Mental Health Services	\$25,619,350	\$25,619,350
Subtotal UTMB	\$299,395,083	\$299,395,083
Texas Tech University Health Sciences Center		
Medical Services	\$63,433,828	\$63,433,828
Mental Health Services	\$12,337,000	\$12,337,000
Subtotal TTUHSC	\$75,770,828	\$75,770,828
SUBTOTAL UNIVERSITY PROVIDERS	\$375,165,911	\$375,165,911
Correctional Managed Health Care Committee	\$584,909	\$584,910
TOTAL DISTRIBUTION	\$375,750,820	\$375,750,821

Distribution of Funds

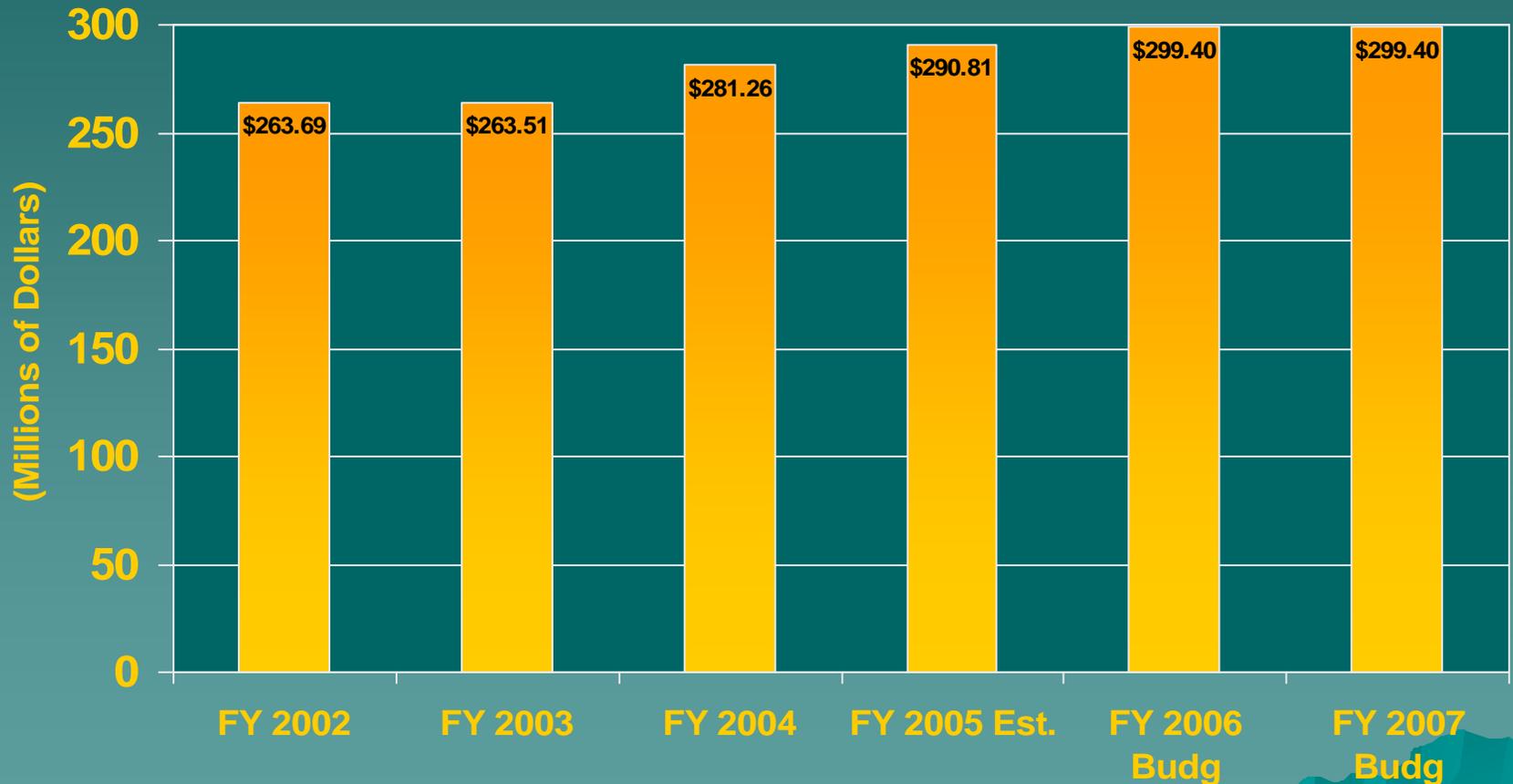
Medical Services



Mental Health Services

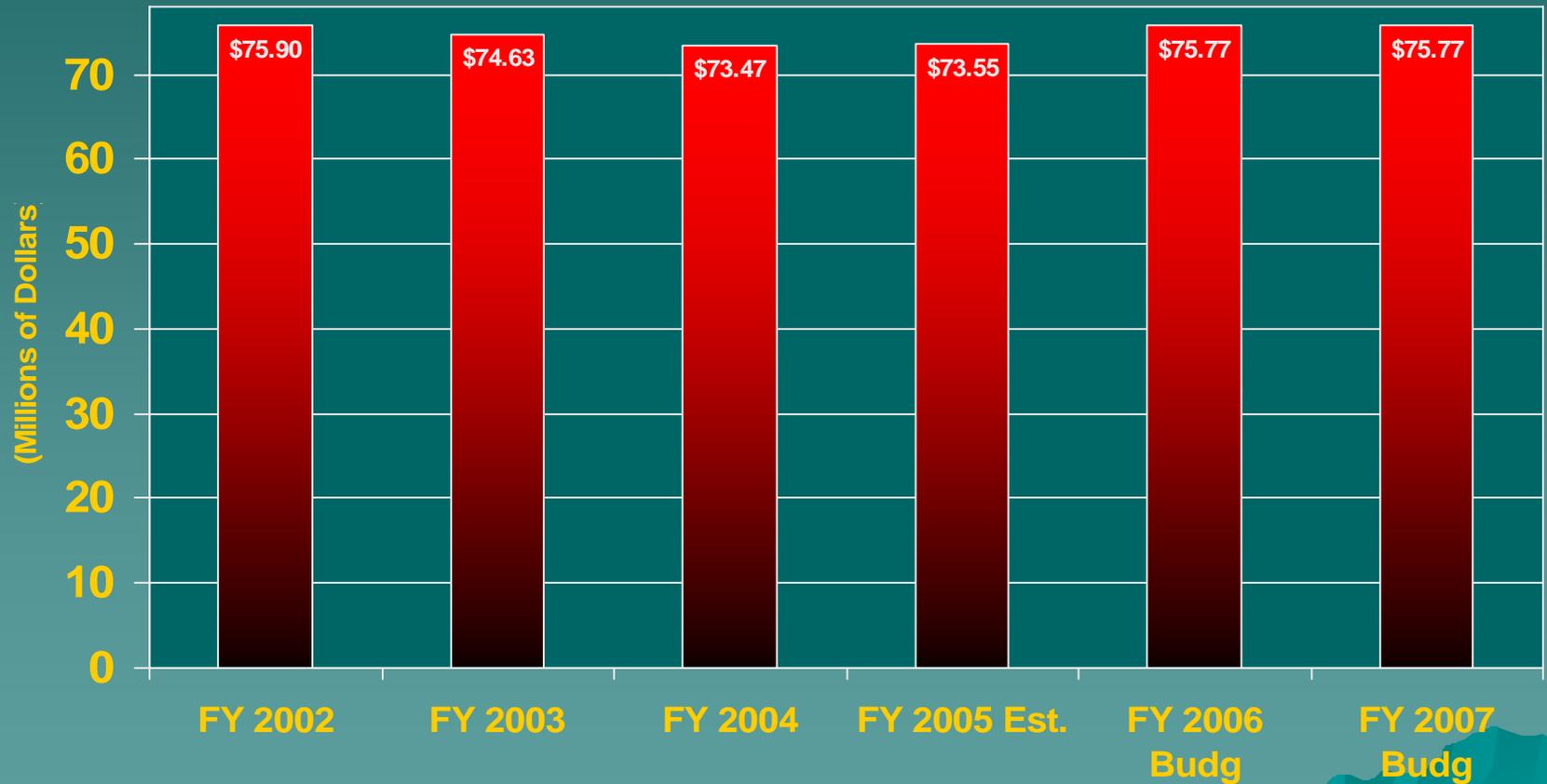


UTMBB Allocations Compared to Prior Four Years Expenses



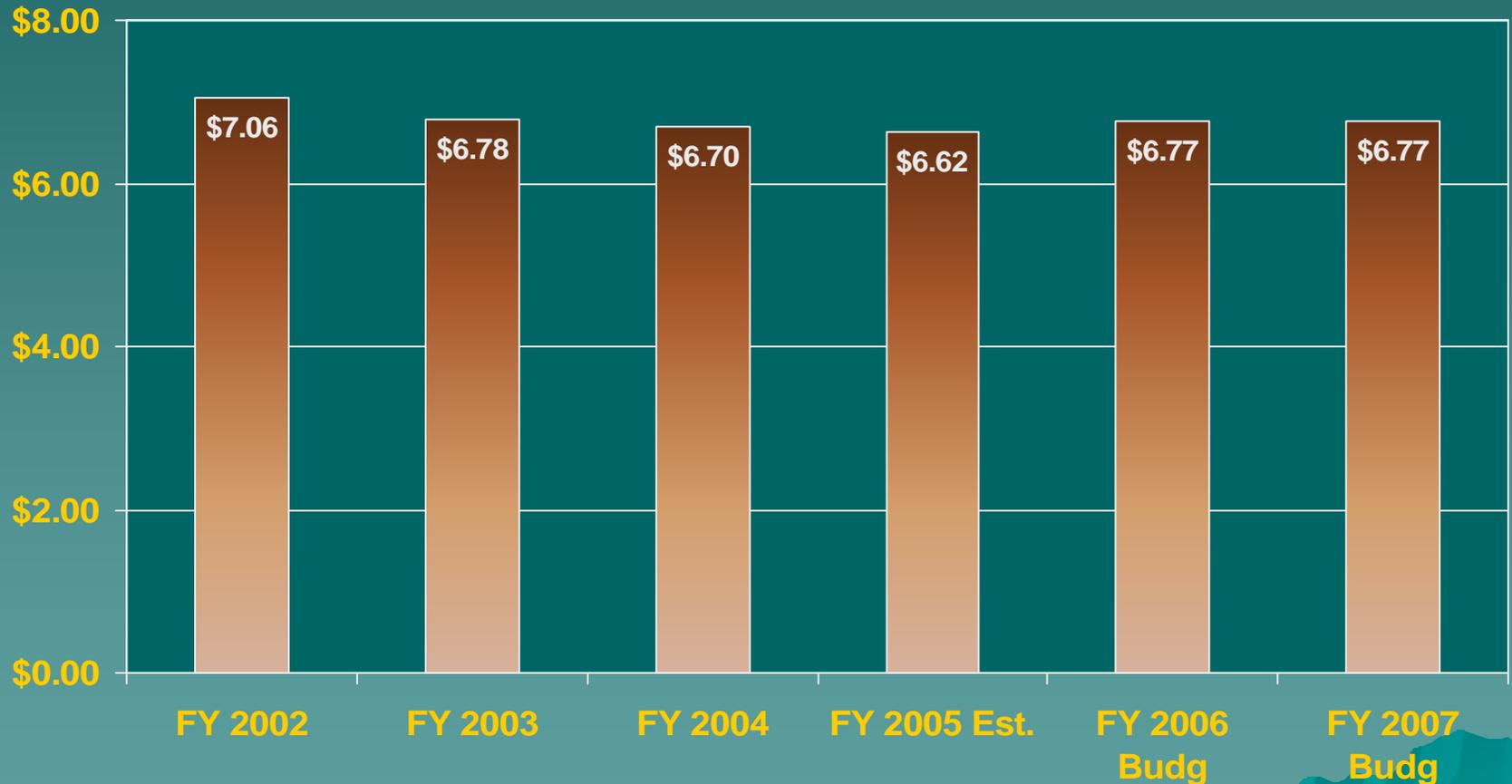
Note: Excludes Benefit Reimbursements Funded Separately

TTUHSC Allocations Compared to Prior Four Year Expenses



Note: Excludes Benefit Reimbursements Funded Separately

Total Estimated Cost Per Offender Per Day



Note: Excludes Benefit Reimbursements Funded Separately