



# **Correctional Managed Health Care**

## **Quarterly Report FY 2012 First Quarter**

**September 2011 – November 2011**

## **Summary**

This report is submitted in accordance with Rider 55; page V-24, House Bill 1, 82<sup>nd</sup> Legislature, and Regular Session 2011. The report summarizes activity through the first quarter of FY 2012. Following this summary are individual data tables and charts supporting this report.

### ***Background***

During Fiscal Year 2012, approximately \$429.2 million within the TDCJ appropriation has been allocated for funding correctional health care services. This funding included:

- \$135.3M in general revenue appropriations in strategy C.1.8 (Hospital and Clinic Care)
- \$242.4M in general revenue appropriations in strategy C.1.7 (Unit and Psychiatric Care).
- \$51.5M in general revenue appropriations in strategy C.1.9 (Pharmacy Care).

Of this funding, \$428.5M (99.9%) was allocated for health care services provided by UTMB and TTUHSC. And \$673K (0.1%) was allocated for funding of the operation of the Correctional Managed Health Care Committee.

These payments are made directly to the university providers according to their contracts. Benefit reimbursement amounts and expenditures are included in the reported totals provided by the universities.

## ***Report Highlights***

### **Population Indicators**

- Through the first quarter of this fiscal year, the correctional health care program has slightly increased in the overall offender population served. The average daily population served through the first quarter of FY 2012 was 153,350. Through this same quarter a year ago (FY 2011), the average daily population was 152,386, an increase of 964 (0.63%). While overall growth has slightly increased, the number of offenders age 55 and over has continued to steadily increase at a much greater rate.
- Consistent with the trend for the last several years, the number of offenders in the service population aged 55 or older has continued to rise at a much faster rate than the overall population. Through the first quarter of FY 2012, the average number of older offenders in the service population was 13,441. Through this same quarter a year ago (FY 2011), the average number of offenders age 55 and over was 12,410. This represents an increase of 1,031 or about 8.3% more older offenders than a year ago.
- Hospital Inpatient Census is a new statistical indicator established to reflect the health care dollars spent in the C.1.8 Strategy “Hospital and Clinic Costs”. The hospital inpatient average daily census (ADC) served through the first quarter of FY 2012 was 202 for both the Texas Tech and UTMB Sectors.
- Outpatient Clinic and ER Visits is another new statistical indicator established to reflect the health care dollars spent in the C.1.8 Strategy “Hospital and Clinic Costs”. The medical outpatient clinic and ER visits served through the first quarter of FY 2012 was 3,230 for both the Texas Tech and UTMB Sectors.
- The overall HIV+ population has remained relatively stable throughout the last few years and continued to remain so through this quarter, averaging 2,331 (or about 1.5% of the population served).
- Two mental health caseload measures have also remained relatively stable:
  - The average number of psychiatric inpatients within the system was 1,864 through the first quarter of FY 2012, as compared to 1,928 through the same quarter a year ago (FY 2011). The inpatient caseload is limited by the number of available inpatient beds in the system.
  - Through the first quarter of FY 2012, the average number of mental health outpatients was 18,204 representing 11.9% of the service population.

### Health Care Costs

- Overall health costs through the first quarter of FY 2012 totaled \$121.1M. This amount is above the overall revenues earned by the university providers by \$2.5M.
- UTMB's total revenue through the quarter was \$94.3M. Their expenditures totaled \$97.3M, resulting in a net loss of \$3.0M. On a per offender per day basis, UTMB earned \$8.51 in revenue and expended \$8.78 resulting in a loss of \$0.27 per offender per day.
- TTUHSC's total revenue through the first quarter was \$24.3M. Expenditures totaled \$23.8M, resulting in a net gain of \$512,579. On a per offender per day basis, TTUHSC earned \$8.44 in revenue, but expended \$8.26 resulting in a gain of \$0.18 per offender per day.
- Examining the health care costs in further detail indicates that of the \$121.1M in expenses reported through the first quarter of the year:
  - Onsite services (those medical services provided at the prison units) comprised \$55.7M representing about 46.0% of the total health care expenses:
    - Of this amount, 81.8% was for salaries and benefits and 18.2% for operating costs.
  - Pharmacy services totaled \$13.7M representing approximately 11.3% of the total expenses:
    - Of this amount 17.8% was for related salaries and benefits, 2.8% for operating costs and 79.4% for drug purchases.
  - Offsite services (services including hospitalization and specialty clinic care) accounted for \$37.9M or 31.3% of total expenses:
    - Of this amount 70.6% was for estimated university provider hospital, physician and professional services; and 29.4% for Freeworld (non-university) hospital, specialty and emergency care.
  - Mental health services totaled \$10.4M or 8.6% of the total costs:
    - Of this amount, 98.0% was for mental health staff salaries and benefits, with the remaining 2.0% for operating costs.
  - Indirect support expenses accounted for \$3.4M and represented 2.8% of the total costs.

- The total cost per offender per day for all health care services statewide through the first quarter of FY 2012 was \$8.68. However, when benchmarked against the average cost per offender per day for the prior four fiscal years of \$9.44, the decrease is at (8.1%). As a point of reference healthcare costs was \$7.64 per day in FY03. This would equate to a 13.6% increase since FY03 or approximately 1.6% increase per year average, well below the national average.
  - For UTMB, the cost per offender per day was \$8.78. This is lower than the average cost per offender per day for the last four fiscal years of \$9.50.
  - For TTUHSC, the cost per offender per day was \$8.26, lower than the average cost per offender per day for the last four fiscal years of \$9.21.
  - Differences in cost between UTMB and TTUHSC relate to the differences in mission, population assigned and the acuity level of the offender patients served.

### **Aging Offenders**

- As consistently noted in prior reports, the aging of the offender population has a demonstrated impact on the resources of the health care system. Offenders age 55 and older access the health care delivery system at a much higher level and frequency than younger offenders:
  - Encounter data through the first quarter of FY 2012 indicates that offenders aged 55 and over had a documented encounter with medical staff more than two and a half times as often as those under age 55.
  - An examination of hospital admissions by age category found that through this quarter of the fiscal year, hospital costs and outpatient clinic costs received to date for charges incurred this fiscal year for offenders over age 55 totaled approximately \$899 per offender. The same calculation for offenders under age 55 totaled about \$120. In terms of hospitalization and clinic costs, the older offenders were utilizing health care resources at a rate more than seven times higher than the younger offenders. While comprising about 8.7% of the overall service population, offenders age 55 and over account for 41.8% of the hospitalization costs received to date.
  - A third examination of dialysis costs found that, proportionately, older offenders are represented 4.6 times more often in the dialysis population than younger offenders. Dialysis costs continue to be significant, averaging \$20,147 per patient per year. Providing medically necessary dialysis treatment for an average of 219 patients through the first quarter of FY2012 cost \$1.1M.

### **Drug Costs**

- Total drug costs through the first quarter of FY 2012 totaled \$10.8M.
  - Pharmaceutical costs related to HIV care continue to be the largest single component of pharmacy expenses.
    - Through this quarter, \$4.9M in costs (or \$1.6M per month) for HIV antiretroviral medication costs were experienced. This represents 44.9% of the total drug cost during this time period.
    - Expenses for psychiatric drugs are also being tracked, with approximately \$638K being expended for psychiatric medications through the first quarter, representing 5.9% of the overall drug cost.
    - Another pharmacy indicator being tracked is the cost related to Hepatitis C therapies. These costs were \$872K and represented about 8.1% of the total drug cost.

### ***Reporting of Fund Balances***

- UTMB reports that they have a total loss of \$2,996,409 through this first quarter of this fiscal year. TTUHSC reports that they have a total gain of \$512,579 through this first quarter of this fiscal year. Please note Table 3 - All Health Care Summary of this financial report for the details of the Overall Revenue and Expense Summary by the Three Healthcare Strategies that we follow.
- A summary analysis of the ending balances, revenue and payments through the first quarter for the CMHCC account is included in this report. That summary indicates that the ending balance on the CMHCC account on November 30, 2011 was \$36,855.75. This is due to the vacancy of one employee in the Correctional Managed Health Care Committee.

### ***Financial Monitoring***

Detailed transaction level data from both university providers is being tested on a monthly basis to verify reasonableness, accuracy, and compliance with policies, procedures, and contractual requirements.

The testing of detail transactions performed on TTUHSC's financial information for June and July 2011 found all tested transactions to be verified and found all back up detail to be validated. August 2011 detailed audit is still in process and will be reported at a later date.

The testing of detail transactions performed on UTMB's financial information for June and July 2011 found all tested transactions to be verified and found all back up detail to be validated. August 2011 detailed audit is still in process and will be reported at a later date.

### ***Concluding Notes***

The combined operating loss for the university providers through the first quarter of FY 2012 is \$2.5 M. The university providers are continuing to monitor their expenditures closely, while seeking additional opportunities to reduce costs in order to minimize their operating losses.

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**Table 1**  
**Correctional Managed Health Care**  
**FY 2012 Budget Allocations**

**Distribution of Funds**

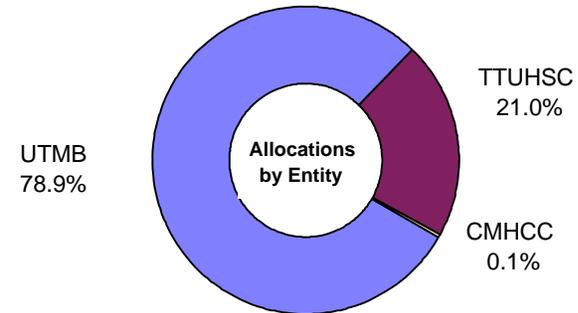
<b><u>Allocated to</u></b>	<b><u>FY 2012</u></b>
<b>University Providers</b>	
<b>The University of Texas Medical Branch</b>	
Unit and Psychiatric Care	\$187,310,012
Hospital and Clinic Care	\$110,016,885
Pharmacy Care	\$41,018,720
Subtotal UTMB	\$338,345,617
<b>Texas Tech University Health Sciences Center</b>	
Unit and Psychiatric Care	\$54,370,961
Hospital and Clinic Care	\$25,291,923
Pharmacy Care	\$10,481,279
Subtotal TTUHSC	\$90,144,163
<b>SUBTOTAL UNIVERSITY PROVIDERS</b>	
	\$428,489,780
<b>Correctional Managed Health Care Committee</b>	\$672,925
<b>TOTAL DISTRIBUTION</b>	
	<b>\$429,162,705</b>

**Source of Funds**

<b><u>Source</u></b>	<b><u>FY 2012</u></b>
<b>Legislative Appropriations</b>	
SB 1, Article V, TDCJ Appropriations	
Strategy C.1.7. Unit and Psychiatric Care	\$242,353,898
Strategy C.1.8. Hospital and Clinic Care	\$135,308,808
Strategy C.1.9 Pharmacy Care	\$51,499,999
<b>TOTAL</b>	
	<b>\$429,162,705</b>

**Note:** In addition to the amounts received and allocated by the CMHCC, the university providers receive partial reimbursement for employee benefit costs directly from other appropriations made for that purpose.

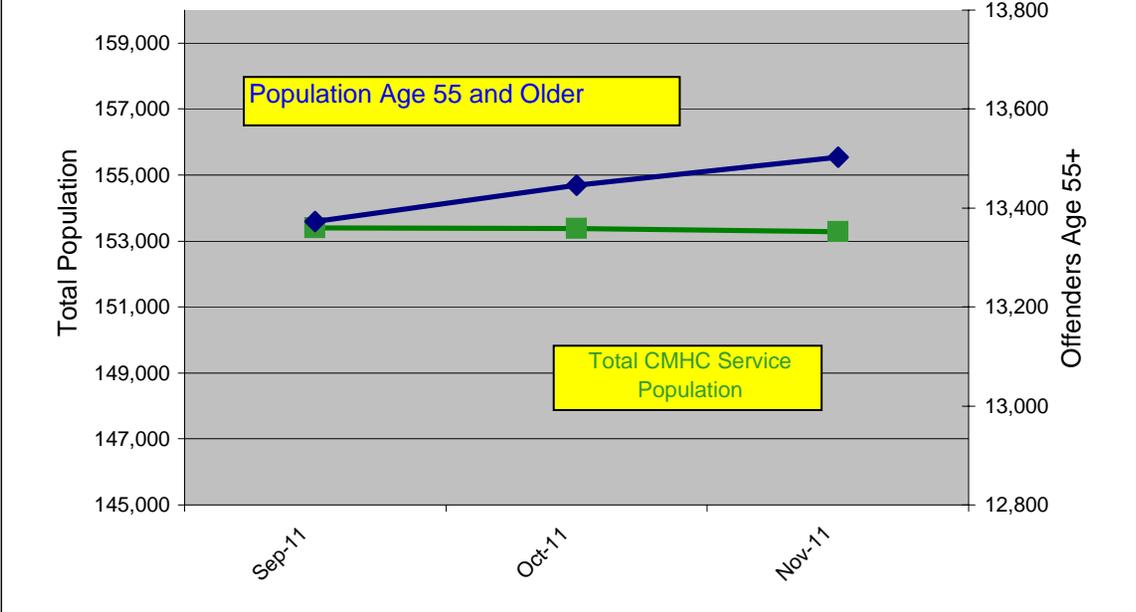
**Chart 1**



**Table 2**  
**FY 2012**  
**Key Population Indicators**  
**Correctional Health Care Program**

Indicator	Sep-11	Oct-11	Nov-11	Population Year to Date Avg.
<b>Avg. Population Served by CMHC:</b>				
UTMB State-Operated Population	109,767	109,780	109,834	109,794
UTMB Private Prison Population*	11,919	11,912	11,907	11,912
UTMB Total Service Population	121,686	121,692	121,740	121,706
TTUHSC Total Service Population	31,715	31,678	31,538	31,643
<b>CMHC Service Population Total</b>	<b>153,401</b>	<b>153,370</b>	<b>153,278</b>	<b>153,350</b>
<b>Population Age 55 and Over</b>				
UTMB Service Population Average	11,158	11,215	11,256	11,210
TTUHSC Service Population Average	2,215	2,231	2,247	2,231
<b>CMHC Service Population Average</b>	<b>13,373</b>	<b>13,446</b>	<b>13,503</b>	<b>13,441</b>
<b>Medical Health Inpatient Daily Census</b>				
UTMB Hospital Galveston Inpatient ADC	74	63	62	66
UTMB FreeWorld Hospital Inpatient ADC	17	13	15	15
TTUHSC RMF Inpatient ADC	112	111	111	111
TTUHSC FreeWorld Hospital Inpatient ADC	7	11	10	9
<b>CMHC Medical Inpatient Daily Census</b>	<b>210</b>	<b>197</b>	<b>198</b>	<b>202</b>
<b>Medical Health Outpatient Visits</b>				
UTMB Specialty Clinic & ER Visits	2,657	2,288	2,089	2,345
TTUHSC FreeWorld Outpatient & ER Visits	876	905	876	886
<b>CMHC Medical Outpatient Visits</b>	<b>3,533</b>	<b>3,193</b>	<b>2,965</b>	<b>3,230</b>
<b>HIV+ Population</b>	<b>2,324</b>	<b>2,352</b>	<b>2,318</b>	<b>2,331</b>
<b>Mental Health Inpatient Census</b>				
UTMB Psychiatric Inpatient Average	1,001	999	1,009	1,003
TTUHSC Psychiatric Inpatient Average	914	891	779	861
<b>CMHC Psychiatric Inpatient Average</b>	<b>1,915</b>	<b>1,890</b>	<b>1,788</b>	<b>1,864</b>
<b>Mental Health Outpatient Census</b>				
UTMB Psychiatric Outpatient Average	14,566	14,131	13,582	14,093
TTUHSC Psychiatric Outpatient Average	4,275	3,946	4,111	4,111
<b>CMHC Psychiatric Outpatient Average</b>	<b>18,841</b>	<b>18,077</b>	<b>17,693</b>	<b>18,204</b>

**Chart 2**  
**CMHC Service Population**



**Table 3**  
**Summary Financial Report: Unit and Mental Health Costs - C.1.7**  
**Fiscal Year 2012 - through November 30, 2011 (Sep 2011- Nov 2011)**

Days in Year: 91

	Unit and Mental Health Services Costs			Unit & Mental Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
<b>Population Served</b>	<b>121,706</b>	<b>31,643</b>	<b>153,350</b>			
<b>Revenue</b>						
Capitation Payments	\$46,571,615	\$12,894,292	\$59,465,907	\$4.21	\$4.48	\$4.26
State Reimbursement Benefits	\$9,930,703	\$1,485,917	\$11,416,620	\$0.90	\$0.52	\$0.82
Other Misc Revenue	\$189,571	\$572	\$190,143	\$0.02	\$0.00	\$0.01
<b>Total Revenue</b>	<b>\$56,691,889</b>	<b>\$14,380,781</b>	<b>\$71,072,670</b>	<b>\$5.12</b>	<b>\$4.99</b>	<b>\$5.09</b>
<b>Expenses</b>						
<b>Unit Services</b>						
Salaries	\$31,415,894	\$3,965,333	\$35,381,227	\$2.84	\$1.38	\$2.54
Benefits	\$9,198,759	\$966,797	\$10,165,556	\$0.83	\$0.34	\$0.73
Operating (M&O)	\$4,405,625	\$238,238	\$4,643,863	\$0.40	\$0.08	\$0.33
Professional Services	\$0	\$491,943	\$491,943	\$0.00	\$0.17	\$0.04
Contracted Units/Services	\$0	\$4,767,927	\$4,767,927	\$0.00	\$1.66	\$0.34
Travel	\$147,529	\$5,166	\$152,695	\$0.01	\$0.00	\$0.01
Electronic Medicine	\$0	\$71,953	\$71,953	\$0.00	\$0.02	\$0.01
Capitalized Equipment	(\$19,500)	\$0	(\$19,500)	(\$0.00)	\$0.00	(\$0.00)
<b>Subtotal Onsite Expenses</b>	<b>\$45,148,307</b>	<b>\$10,507,357</b>	<b>\$55,655,664</b>	<b>\$4.08</b>	<b>\$3.65</b>	<b>\$3.99</b>
<b>Mental Health Services</b>						
Salaries	\$5,572,222	\$2,636,684	\$8,208,906	\$0.50	\$0.92	\$0.59
Benefits	\$1,320,137	\$648,915	\$1,969,052	\$0.12	\$0.23	\$0.14
Operating (M&O)	\$111,224	\$5,877	\$117,101	\$0.01	\$0.00	\$0.01
Professional Services	\$0	\$81,305	\$81,305			
Contracted Units/Services	\$0	\$0	\$0			
Travel	\$7,399	\$1,605	\$9,004	\$0.00	\$0.00	\$0.00
Electronic Medicine	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
Capital Expenditures	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
<b>Subtotal Mental Health Expenses</b>	<b>\$7,010,982</b>	<b>\$3,374,386</b>	<b>\$10,385,368</b>	<b>\$0.63</b>	<b>\$1.14</b>	<b>\$0.74</b>
<b>Indirect Expenses</b>	<b>\$2,634,561</b>	<b>\$451,300</b>	<b>\$3,085,861</b>	<b>\$0.24</b>	<b>\$0.16</b>	<b>\$0.22</b>
<b>Total Unit and Mental Health Expenses</b>	<b>\$54,793,850</b>	<b>\$14,333,043</b>	<b>\$69,126,893</b>	<b>\$4.95</b>	<b>\$4.95</b>	<b>\$4.95</b>
<b>Operating Income (Loss)</b>	<b>\$1,898,039</b>	<b>\$47,738</b>	<b>\$1,945,777</b>	<b>\$0.17</b>	<b>\$0.04</b>	<b>\$0.15</b>

**Table 3 (Continued)**  
**Summary Financial Report: Hospital and Clinic Costs - C.1.8**  
**Fiscal Year 2012 - through November 30, 2011 (Sep 2011- Nov 2011)**

Days in Year: 91

	Hospital and Clinic Costs			Hospital & Clinic Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
<b>Population Served</b>	<b>121,706</b>	<b>31,643</b>	<b>153,350</b>			
<b>Revenue</b>						
Capitation Payments	\$27,353,925	\$6,980,531	\$34,334,456	\$2.47	\$2.42	\$2.46
State Reimbursement Benefits	\$0	\$396,670	\$396,670	\$0.00	\$0.14	\$0.03
Other Misc Revenue	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
<b>Total Revenue</b>	<b>\$27,353,925</b>	<b>\$7,377,201</b>	<b>\$34,731,126</b>	<b>\$2.47</b>	<b>\$2.56</b>	<b>\$2.49</b>
<b>Expenses</b>						
<b>Hospital and Clinic Services</b>						
University Professional Services	\$3,486,438	\$289,320	\$3,775,758	\$0.31	\$0.10	\$0.27
Freeworld Provider Services	\$1,741,611	\$3,079,145	\$4,820,756	\$0.16	\$1.07	\$0.35
UTMB or TTUHSC Hospital Cost	\$20,370,859	\$2,634,452	\$23,005,311	\$1.84	\$0.91	\$1.65
Estimated IBNR	\$6,132,781	\$214,810	\$6,347,591	\$0.55	\$0.07	\$0.45
<b>Subtotal Offsite Expenses</b>	<b>\$31,731,689</b>	<b>\$6,217,727</b>	<b>\$37,949,416</b>	<b>\$2.87</b>	<b>\$2.16</b>	<b>\$2.72</b>
<b>Indirect Expenses</b>	<b>\$0</b>	<b>\$244,319</b>	<b>\$244,319</b>	<b>\$0.00</b>	<b>\$0.08</b>	<b>\$0.02</b>
<b>Total Hospital and Clinic Expenses</b>	<b>\$31,731,689</b>	<b>\$6,462,046</b>	<b>\$38,193,735</b>	<b>\$2.87</b>	<b>\$2.24</b>	<b>\$2.74</b>
<b>Operating Income (Loss)</b>	<b>(\$4,377,764)</b>	<b>\$915,155</b>	<b>(\$3,462,609)</b>	<b>(\$0.40)</b>	<b>\$0.32</b>	<b>(\$0.25)</b>

**Table 3 (Continued)**  
**Summary Financial Report: Pharmacy Costs - C.1.9**  
**Fiscal Year 2012 through November 30, 2011 (Sep 2011- Nov 2011)**

Days in Year: 91

	Pharmacy Health Services Costs			Pharmacy Health Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
<b>Population Served</b>	121,706	31,643	153,350			
<b>Revenue</b>						
Capitation Payments	\$10,198,643	\$2,538,070	\$12,736,713	\$0.92	\$0.88	\$0.91
State Reimbursement Benefits	\$0	\$13,778	\$13,778	\$0.00	\$0.00	\$0.00
Other Misc Revenue	\$38,677	\$0	\$38,677	\$0.00	\$0.00	\$0.00
<b>Total Revenue</b>	<b>\$10,237,320</b>	<b>\$2,551,848</b>	<b>\$12,789,168</b>	<b>\$0.92</b>	<b>\$0.89</b>	<b>\$0.92</b>
<b>Expenses</b>						
<b>Pharmacy Services</b>						
Salaries	\$1,487,159	\$463,798	\$1,950,957	\$0.13	\$0.16	\$0.14
Benefits	\$469,427	\$15,264	\$484,691	\$0.04	\$0.01	\$0.03
Operating (M&O)	\$302,579	\$77,313	\$379,892	\$0.03	\$0.03	\$0.03
Pharmaceutical Purchases	\$8,493,022	\$2,355,558	\$10,848,580	\$0.77	\$0.82	\$0.78
Professional Services	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
Travel	\$1,817	\$1,585	\$3,402	\$0.00	\$0.00	\$0.00
<b>Subtotal Pharmacy Health Expenses</b>	<b>\$10,754,004</b>	<b>\$2,913,518</b>	<b>\$13,667,522</b>	<b>\$0.97</b>	<b>\$1.01</b>	<b>\$0.98</b>
<b>Indirect Expenses</b>	\$0	\$88,644	\$88,644	\$0.00	\$0.03	\$0.01
<b>Total Pharmacy Expenses</b>	<b>\$10,754,004</b>	<b>\$3,002,162</b>	<b>\$13,756,166</b>	<b>\$0.97</b>	<b>\$1.04</b>	<b>\$0.99</b>
<b>Operating Income (Loss)</b>	<b>(\$516,684)</b>	<b>(\$450,314)</b>	<b>(\$966,998)</b>	<b>(\$0.05)</b>	<b>(\$0.16)</b>	<b>(\$0.07)</b>

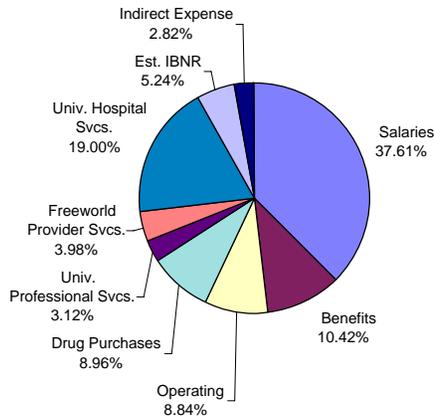
**All Health Care Summary**

	All Health Care Services			Cost Per Offender Per Day		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
Unit & Mental Health Services	\$56,691,889	\$14,380,781	\$71,072,670	\$5.12	\$4.99	\$5.09
Hospital & Clinic Services	\$27,353,925	\$7,377,201	\$34,731,126	\$2.47	\$2.56	\$2.49
Pharmacy Health Services	\$10,237,320	\$2,551,848	\$12,789,168	\$0.92	\$0.89	\$0.92
<b>Total Revenue</b>	<b>\$94,283,134</b>	<b>\$24,309,830</b>	<b>\$118,592,964</b>	<b>\$8.51</b>	<b>\$8.44</b>	<b>\$8.50</b>
Unit & Mental Health Services	\$54,793,850	\$14,333,043	\$69,126,893	\$4.95	\$4.98	\$4.95
Hospital & Clinic Services	\$31,731,689	\$6,462,046	\$38,193,735	\$2.87	\$2.24	\$2.74
Pharmacy Health Services	\$10,754,004	\$3,002,162	\$13,756,166	\$0.97	\$1.04	\$0.99
<b>Total Expenses</b>	<b>\$97,279,543</b>	<b>\$23,797,251</b>	<b>\$121,076,794</b>	<b>\$8.78</b>	<b>\$8.26</b>	<b>\$8.68</b>
<b>Operating Income (Loss)</b>	<b>(\$2,996,409)</b>	<b>\$512,579</b>	<b>(\$2,483,830)</b>	<b>(\$0.27)</b>	<b>\$0.18</b>	<b>(\$0.18)</b>

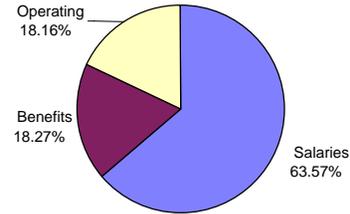
**Table 4  
FY 2012 1st Quarter  
UTMB/TTUHSC EXPENSE SUMMARY**

Category	Expense	Percent of Total
<b>Onsite Services</b>	<b>\$55,655,664</b>	<b>45.97%</b>
Salaries	\$35,381,227	
Benefits	\$10,165,556	
Operating	\$10,108,881	
<b>Pharmacy Services</b>	<b>\$13,667,522</b>	<b>11.29%</b>
Salaries	\$1,950,957	
Benefits	\$484,691	
Operating	\$383,294	
Drug Purchases	\$10,848,580	
<b>Offsite Services</b>	<b>\$37,949,416</b>	<b>31.34%</b>
Univ. Professional Svcs.	\$3,775,758	
Freeworld Provider Svcs.	\$4,820,756	
Univ. Hospital Svcs.	\$23,005,311	
Est. IBNR	\$6,347,591	
<b>Mental Health Services</b>	<b>\$10,385,368</b>	<b>8.58%</b>
Salaries	\$8,208,906	
Benefits	\$1,969,052	
Operating	\$207,410	
<b>Indirect Expense</b>	<b>\$3,418,824</b>	<b>2.82%</b>
<b>Total Expenses</b>	<b>\$121,076,794</b>	<b>100.00%</b>

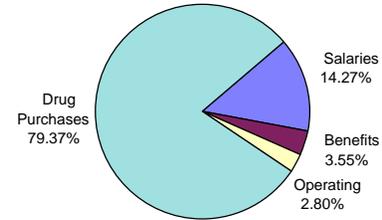
**Chart 3: Total Health Care by Category**



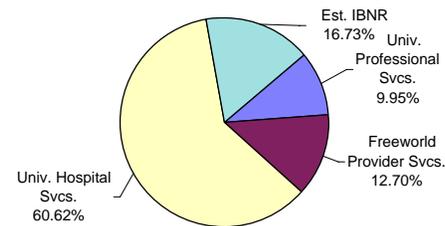
**Chart 4: Onsite Services**



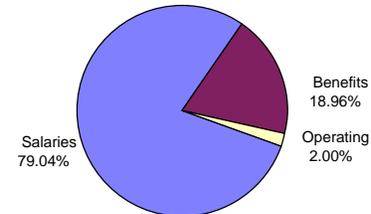
**Chart 5: Pharmacy Services**



**Chart 6: Offsite Services**



**Chart 7: Mental Health Services**



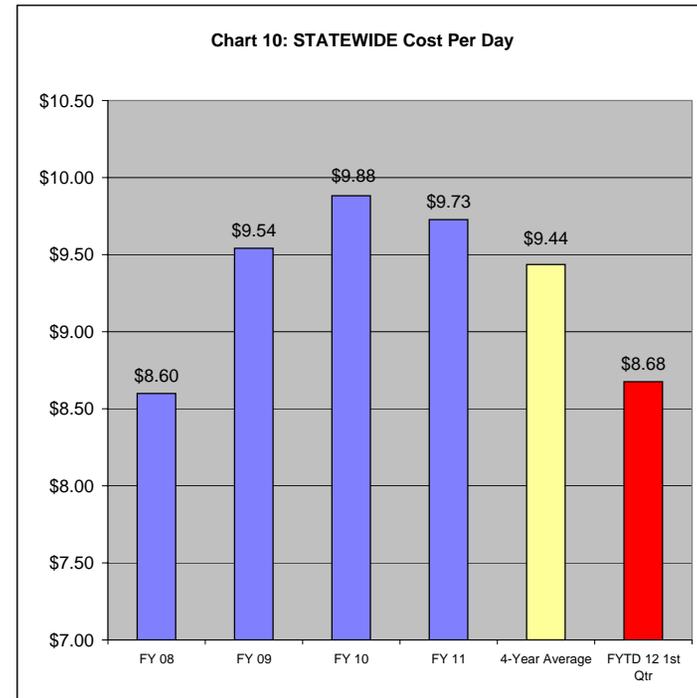
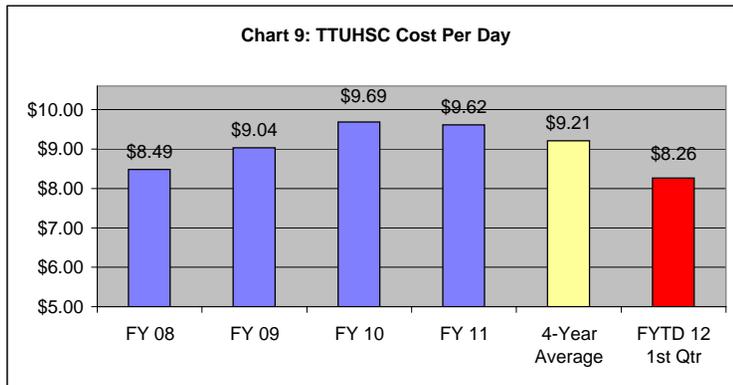
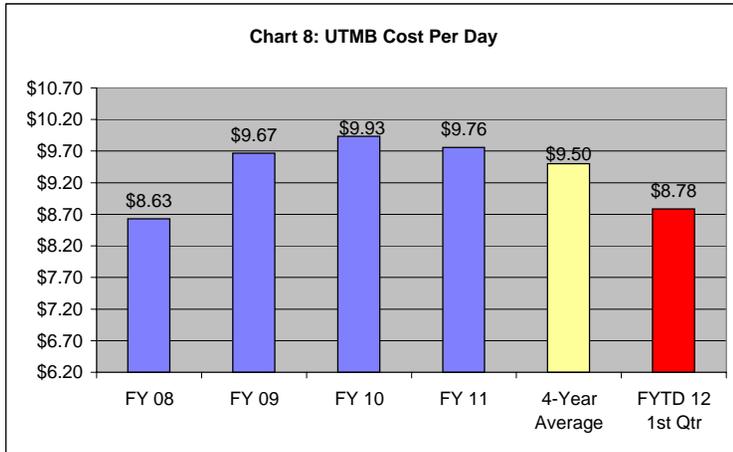
**Table 4a**  
**FY 2012 1st Quarter**  
**UTMB/TTUHSC EXPENSE SUMMARY**

<b>Category</b>	<b>Total Expense</b>	<b>UTMB</b>	<b>TTUHSC</b>	<b>% UTMB</b>
<b>Onsite Services</b>	<b>\$55,655,664</b>	<b>\$45,148,307</b>	<b>\$10,507,357</b>	<b>81.12%</b>
Salaries	\$35,381,227	\$31,415,894	\$3,965,333	
Benefits	\$10,165,556	\$9,198,759	\$966,797	
Operating	\$10,108,881	\$4,533,654	\$5,575,227	
<b>Pharmacy Services</b>	<b>\$13,667,522</b>	<b>\$10,754,004</b>	<b>\$2,913,518</b>	<b>78.68%</b>
Salaries	\$1,950,957	\$1,487,159	\$463,798	
Benefits	\$484,691	\$469,427	\$15,264	
Operating	\$383,294	\$304,396	\$78,898	
Drug Purchases	\$10,848,580	\$8,493,022	\$2,355,558	
<b>Offsite Services</b>	<b>\$37,949,416</b>	<b>\$31,731,689</b>	<b>\$6,217,727</b>	<b>83.62%</b>
Univ. Professional Svcs.	\$3,775,758	\$3,486,438	\$289,320	
Freeworld Provider Svcs.	\$4,820,756	\$1,741,611	\$3,079,145	
Univ. Hospital Svcs.	\$23,005,311	\$20,370,859	\$2,634,452	
Est. IBNR	\$6,347,591	\$6,132,781	\$214,810	
<b>Mental Health Services</b>	<b>\$10,385,368</b>	<b>\$7,010,982</b>	<b>\$3,374,386</b>	<b>67.51%</b>
Salaries	\$8,208,906	\$5,572,222	\$2,636,684	
Benefits	\$1,969,052	\$1,320,137	\$648,915	
Operating	\$207,410	\$118,623	\$88,787	
<b>Indirect Expense</b>	<b>\$3,418,824</b>	<b>\$2,634,561</b>	<b>\$784,263</b>	<b>77.06%</b>
<b>Total Expenses</b>	<b>\$121,076,794</b>	<b>\$97,279,543</b>	<b>\$23,797,251</b>	<b>80.35%</b>

**Table 5  
Comparison of Total Health Care Costs**

	FY 08	FY 09	FY 10	FY 11	4-Year Average	FYTD 12 1st Qtr
<b>Population</b>						
UTMB	120,648	119,952	120,177	121,417	120,548	121,706
TTUHSC	31,064	30,616	31,048	31,419	31,037	31,643
Total	151,712	150,568	151,225	152,836	151,585	153,350
<b>Expenses</b>						
UTMB	381,036,398	423,338,812	435,710,000	\$432,371,801	418,114,253	97,279,543
TTUHSC	96,482,145	100,980,726	109,767,882	\$110,272,668	104,375,855	23,797,251
Total	477,518,543	524,319,538	545,477,882	\$542,644,469	522,490,108	121,076,794
<b>Cost/Day</b>						
UTMB	\$8.63	\$9.67	\$9.93	\$9.76	\$9.50	\$8.78
TTUHSC	\$8.49	\$9.04	\$9.69	\$9.62	\$9.21	\$8.26
<b>Total</b>	<b>\$8.60</b>	<b>\$9.54</b>	<b>\$9.88</b>	<b>\$9.73</b>	<b>\$9.44</b>	<b>\$8.68</b>

\* Expenses include all health care costs, including medical, mental health, and benefit costs.  
NOTE: The FY08 calculation has been adjusted from previous reports to correctly account for leap year



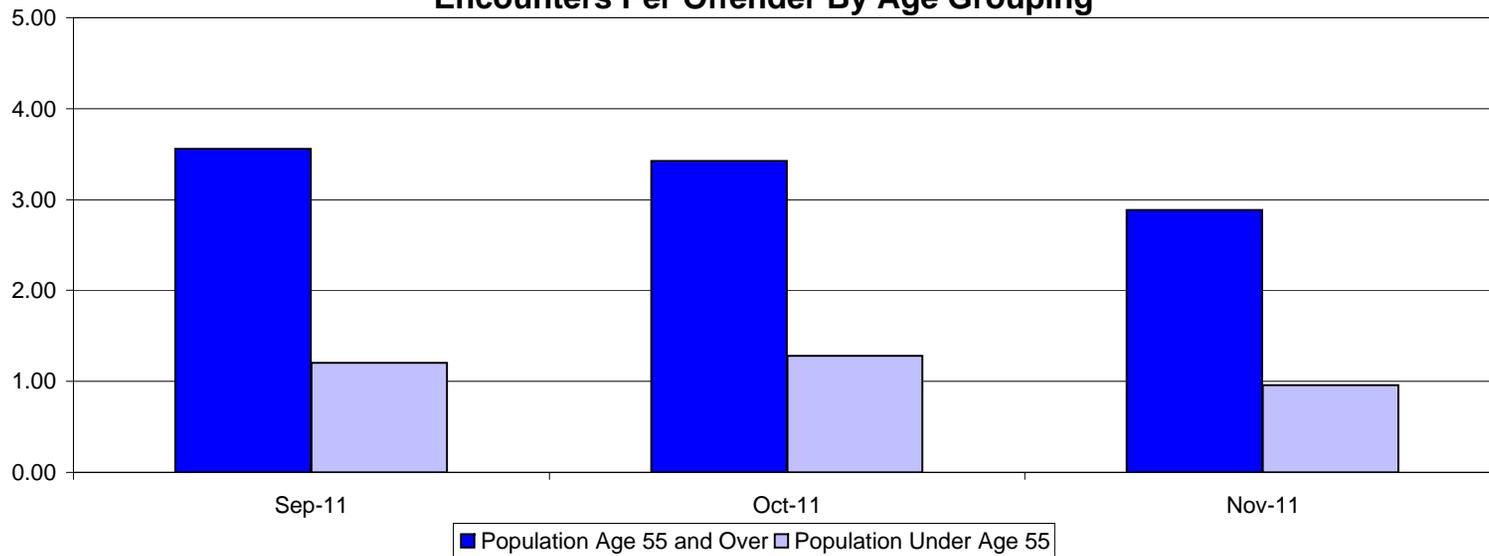
**Table 6**  
**Medical Encounter Statistics\* by Age Grouping**

3

Month	Encounters			Population			Encounters Per Offender		
	Age 55 and Over	Under Age 55	Total	Age 55 and Over	Under Age 55	Total	Age 55 and Over	Under Age 55	Total
Sep-11	39,671	132,934	172,605	11,158	110,528	121,686	3.56	1.20	1.42
Oct-11	38,366	141,450	179,816	11,215	110,477	121,692	3.42	1.28	1.48
Nov-11	32,438	105,823	138,261	11,256	110,484	121,740	2.88	0.96	1.14
Average	36,825	126,736	163,561	11,210	110,496	121,706	3.29	1.15	1.34

\*Detailed data available for **UTMB** Sector only (representing approx. 79% of total population). Includes all medical and dental onsite visits. Excludes mental health visits.

**Chart 11**  
**Encounters Per Offender By Age Grouping**

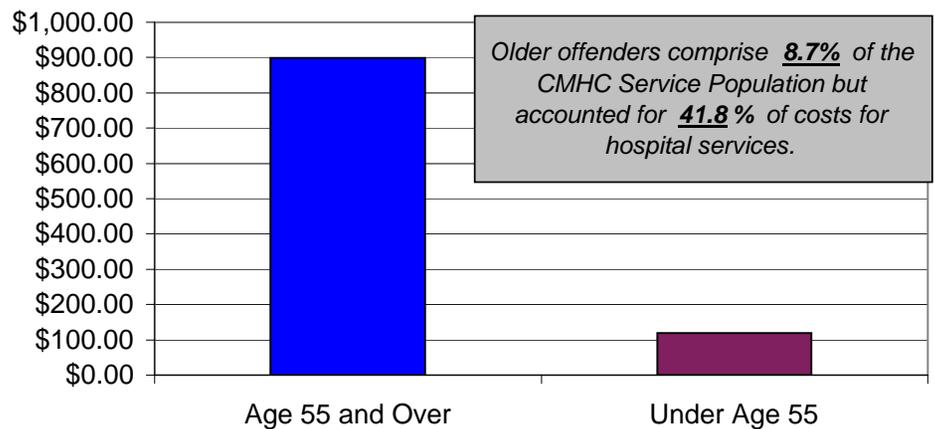


**Table 7**  
**FY 2012 1st Quarter**  
**Offsite Costs\* To Date by Age Grouping**

Age Grouping	Cost Data	Total Population	Total Cost Per Offender
Age 55 and Over	\$12,085,016	13,441	\$899.14
Under Age 55	\$16,792,233	139,909	\$120.02
<b>Total</b>	<b>\$28,877,249</b>	<b>153,350</b>	<b>\$188.31</b>

*\*Figures represent repricing of customary billed charges received to date for services to institution's actual cost, which includes any discounts and/or capitation arrangements. Repriced charges are compared against entire population to illustrate and compare relative difference in utilization of off site services. Billings have a 60-90 day time lag.*

**Chart 12**  
**Hospital Costs to Date Per Offender**  
**by Age Grouping**

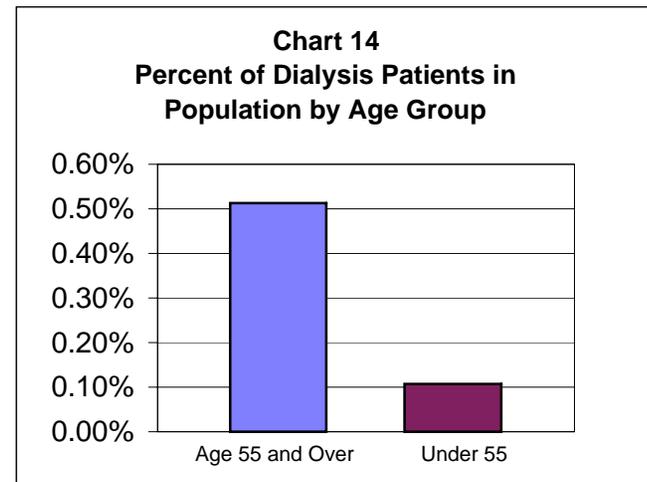
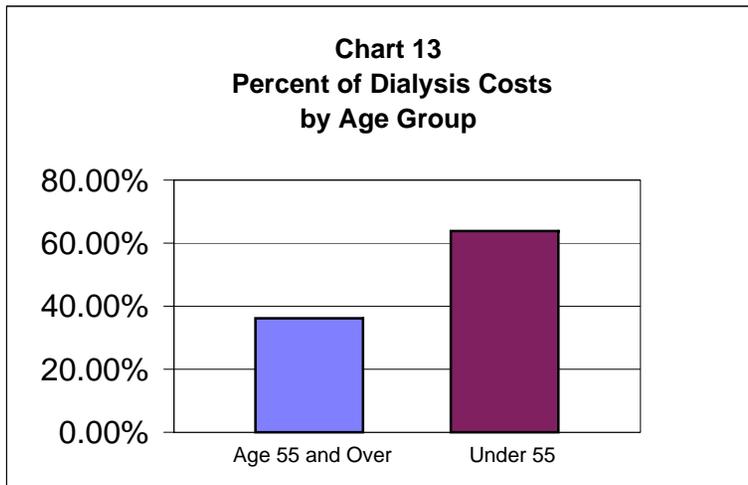


**Table 8**  
**Through FY 2012 1st Quarter**  
**Dialysis Costs by Age Grouping**

Age Group	Dialysis Costs	Percent of Costs	Average Population	Percent of Population	Avg Number of Dialysis Patients	Percent of Dialysis Patients in Population
Age 55 and Over	\$399,277	36.20%	13,441	8.76%	69	0.51%
Under Age 55	\$703,747	63.80%	139,909	91.24%	150	0.11%
<b>Total</b>	<b>\$1,103,024</b>	<b>100.00%</b>	<b>153,350</b>	<b>100.00%</b>	<b>219</b>	<b>0.14%</b>

**Projected Avg Cost Per Dialysis Patient Per Year:**

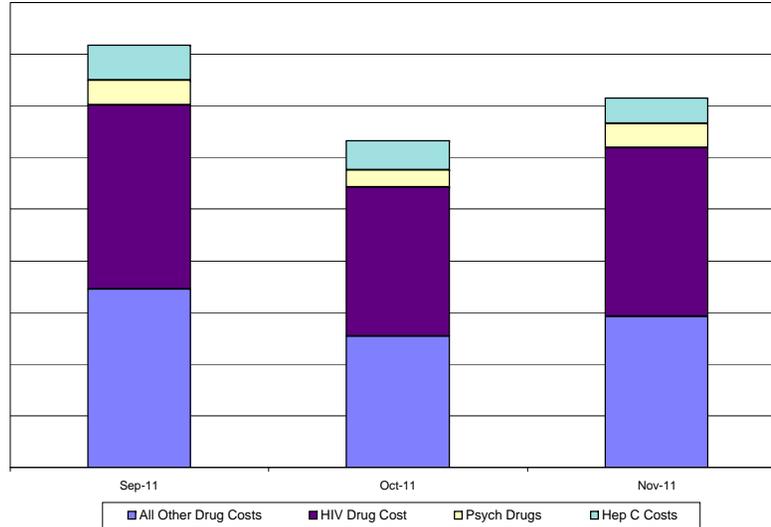
\$20,147



**Table 9  
Selected Drug Costs FY 2012**

<b>Category</b>	<b>Sep-11</b>	<b>Oct-11</b>	<b>Nov-11</b>	<b>Total Year-to-Date</b>
<b><i>Total Drug Costs</i></b>	\$4,086,218	\$3,164,390	\$3,577,783	\$10,828,390
<b><i>HIV Medications</i></b>				
HIV Drug Cost	\$1,781,207	\$1,444,984	\$1,631,976	\$4,858,167
HIV Percent of Cost	43.59%	45.66%	45.61%	44.87%
<b><i>Psychiatric Medications</i></b>				
Psych Drug Cost	\$241,957	\$163,901	\$232,635	\$638,493
Psych Percent of Cost	5.92%	5.18%	6.50%	5.90%
<b><i>Hepatitis C Medications</i></b>				
Hep C Drug Cost	\$335,560	\$286,440	\$250,374	\$872,374
Hep C Percent of Cost	8.21%	9.05%	7.00%	8.06%
<b><i>All Other Drug Costs</i></b>	\$1,727,494	\$1,269,064	\$1,462,798	\$4,459,356

**Chart 15  
Drug Costs by Selected Categories**



**Table 10  
Ending Balances 1st Qtr FY 2012**

	Beginning Balance September 1, 2011	Net Activity FY 2012	Ending Balance November 30, 2011
CMHCC Operating Funds	\$30,582.32	\$6,273.43	\$36,855.75
CMHCC Unit & Mental Health :	\$3,505.81		Balances Maintained by TDCJ
CMHCC Hospital & Clinic Serv	\$447.88		Balances Maintained by TDCJ
CMHCC Pharmacy Health	\$0.00		Balances Maintained by TDCJ
<b>Ending Balance All Funds</b>	<b>\$34,536.01</b>	<b>\$6,273.43</b>	<b>\$36,855.75</b>

**SUPPORTING DETAIL**

<b>CMHCC Operating Account</b>	
Beginning Balance	\$30,582.32
<b>FY 2011 Funds Lapsed to State Treasury</b>	(\$30,582.32)
<b>Revenue Received</b>	
1st Qtr Payment	\$166,823.71
Interest Earned	\$12.46
<b>Subtotal Revenue</b>	<b>\$166,836.17</b>
<b>Expenses</b>	
Salary & Benefits	(\$88,220.65)
Operating Expenses	(\$41,759.77)
<b>Subtotal Expenses</b>	<b>(\$129,980.42)</b>
<b>Net Activity thru this Qtr</b>	<b>\$6,273.43</b>
<b>Total Fund Balance CMHCC Operating</b>	<b>\$36,855.75</b>