



Correctional Managed Health Care

Quarterly Report FY 2012 Third Quarter

September 2011 – May 2012

Summary

This report is submitted in accordance with Rider 55; page V-24, House Bill 1, 82nd Legislature, and Regular Session 2011. The report summarizes activity through the third 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 third quarter of this fiscal year, the correctional health care program has slightly decreased in the overall offender population served. The average daily population served through the third quarter of FY 2012 was 152,571. Through this same quarter a year ago (FY 2011), the average daily population was 152,722, a decrease of 151 (0.10%). While overall growth has slightly decreased, 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 third quarter of FY 2012, the average number of older offenders in the service population was 13,625. Through this same quarter a year ago (FY 2011), the average number of offenders age 55 and over was 12,701. This represents an increase of 924 or about 7.3% 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 third quarter of FY 2012 was 206 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 third quarter of FY 2012 was 3,476 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 2,300 (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 1,803 through the third quarter of FY 2012, as compared to 1,941 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 third quarter of FY 2012, the average number of mental health outpatients was 18,490 representing 12.1% of the service population.

Health Care Costs

- Overall health costs through the third quarter of FY 2012 totaled \$368.7M. This amount is above the overall revenues earned by the university providers by \$11.8M.
- UTMB's total revenue through the third quarter was \$283.5M. Their expenditures totaled \$295.4M, resulting in a net loss of \$11.9M. On a per offender per day basis, UTMB earned \$8.55 in revenue and expended \$8.91 resulting in a loss of \$0.36 per offender per day.
- TTUHSC's total revenue through the third quarter was \$73.3M. Expenditures totaled \$73.2M, resulting in a net gain of \$59,264. On a per offender per day basis, TTUHSC earned \$8.49 in revenue, but expended \$8.48 resulting in a gain of \$0.01 per offender per day.
- Examining the health care costs in further detail indicates that of the \$368.7M in expenses reported through the third quarter of the year:
 - Onsite services (those medical services provided at the prison units) comprised \$168.4M representing about 45.7% of the total health care expenses:
 - Of this amount, 82.7% was for salaries and benefits and 17.3% for operating costs.
 - Pharmacy services totaled \$40.3M representing approximately 10.9% of the total expenses:
 - Of this amount 18.2% was for related salaries and benefits, 2.8% for operating costs and 79.0% for drug purchases.
 - Offsite services (services including hospitalization and specialty clinic care) accounted for \$118.9M or 32.3% 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 \$30.8M or 8.3% 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 \$10.3M and represented 2.8% of the total costs.

- The total cost per offender per day for all health care services statewide through the third quarter of FY 2012 was \$8.82. However, when benchmarked against the average cost per offender per day for the prior four fiscal years of \$9.44, the decrease is at (6.6%). As a point of reference healthcare costs was \$7.64 per day in FY03. This would equate to a 15.5% increase since FY03 or approximately 1.77% increase per year average, well below the national average.
 - For UTMB, the cost per offender per day was \$8.91. 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 \$8.48, 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 third quarter of FY 2012 indicates that offenders aged 55 and over had a documented encounter with medical staff a little more than 1.2 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 \$2,778 per offender. The same calculation for offenders under age 55 totaled about \$453. In terms of hospitalization and clinic costs, the older offenders were utilizing health care resources at a rate more than 6.1 times higher than the younger offenders. While comprising about 8.9% of the overall service population, offenders age 55 and over account for 37.6% of the hospitalization and clinic costs received to date.
 - A third examination of dialysis costs found that, proportionately, older offenders are represented 5.4 times more often in the dialysis population than younger offenders. Dialysis costs continue to be significant, averaging \$28,563 per patient per year. Providing medically necessary dialysis treatment for an average of 216 patients through the third quarter of FY2012 cost \$3.1M.

Drug Costs

- Total drug costs through the third quarter of FY 2012 totaled \$31.8M.
 - Pharmaceutical costs related to HIV care continue to be the largest single component of pharmacy expenses.
 - Through this quarter, \$14.98M in costs (or \$1.66M per month) for HIV antiretroviral medication costs were experienced. This represents 47.1% of the total drug cost during this time period.
 - Expenses for psychiatric drugs are also being tracked, with approximately \$2.0M being expended for psychiatric medications through the second quarter, representing 6.4% of the overall drug cost.
 - Another pharmacy indicator being tracked is the cost related to Hepatitis C therapies. These costs were \$2.2M and represented about 6.8% of the total drug cost.

Reporting of Fund Balances

- UTMB reports that they have a total loss of \$11,886,493 through this third quarter of this fiscal year. TTUHSC reports that they have a total gain of \$59,264 through this third 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 third quarter for the CMHCC account is included in this report. That summary indicates that the ending balance on the CMHCC account on May 31, 2012 was \$175,893.31. This is primarily 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 March 2012 through May 2012 found all tested transactions to be verified and found all back up detail to be validated, except for April 2012 with one classification error which was corrected.

The testing of detail transactions performed on UTMB's financial information for March 2012 through May 2012 found all tested transactions to be verified and found all back up detail to be validated, except for two transactions. One transaction in April 2012 with no back-up documentation and one transaction in March 2012 with a correction made for a Drug item which was overcharged.

Concluding Notes

The combined operating loss for the university providers through the third quarter of FY 2012 is \$11.8 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

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

Source of Funds

<u>Source</u>	<u>FY 2012</u>
Legislative Appropriations	
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
TOTAL	\$429,162,705

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

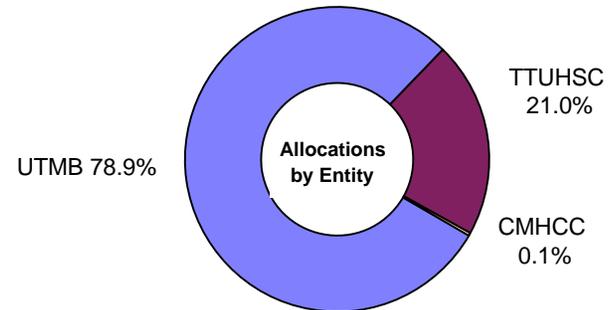


Table 2
FY 2012
Key Population Indicators
Correctional Health Care Program

Indicator	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Population Year to Date Avg.
Avg. Population Served by CMHC:										
UTMB State-Operated Population	109,767	109,780	109,834	109,611	109,222	108,806	108,715	108,421	108,035	109,132
UTMB Private Prison Population*	11,919	11,912	11,907	11,912	11,899	11,903	11,908	11,912	11,908	11,909
UTMB Total Service Population	121,686	121,692	121,740	121,523	121,121	120,709	120,623	120,334	119,943	121,041
TTUHSC Total Service Population	31,715	31,678	31,538	31,464	31,343	31,337	31,538	31,635	31,521	31,530
CMHC Service Population Total	153,401	153,370	153,278	152,987	152,464	152,046	152,161	151,969	151,464	152,571
Population Age 55 and Over										
UTMB Service Population Average	11,158	11,215	11,256	11,289	11,368	11,411	11,508	11,488	11,502	11,355
TTUHSC Service Population Average	2,215	2,231	2,247	2,260	2,256	2,295	2,311	2,308	2,309	2,270
CMHC Service Population Average	13,373	13,446	13,503	13,549	13,624	13,706	13,819	13,796	13,811	13,625
Medical Health Inpatient Daily Census										
UTMB Hospital Galveston Inpatient ADC	74	63	62	65	66	68	62	65	66	66
UTMB FreeWorld Hospital Inpatient ADC	17	13	15	20	20	21	23	28	26	20
TTUHSC RMF Inpatient ADC	112	111	111	111	116	114	114	112	109	112
TTUHSC FreeWorld Hospital Inpatient ADC	7	11	9	9	7	6	8	9	5	8
CMHC Medical Inpatient Daily Census	210	198	197	205	209	209	206	213	206	206
Medical Health Outpatient Visits										
UTMB Specialty Clinic & ER Visits	2,657	2,288	2,089	1,946	2,541	2,713	2,970	2,821	3,211	2,582
TTUHSC FreeWorld Outpatient & ER Visits	876	905	876	886	891	844	1,020	643	1,105	894
CMHC Medical Outpatient Visits	3,533	3,193	2,965	2,832	3,432	3,557	3,990	3,464	4,316	3,476
HIV+ Population	2,324	2,352	2,318	2,320	2,297	2,302	2,288	2,251	2,245	2,300
Mental Health Inpatient Census										
UTMB Psychiatric Inpatient Average	1,001	999	1,009	1,009	1,017	1,012	1,020	1,021	1,023	1,012
TTUHSC Psychiatric Inpatient Average	914	891	779	764	756	750	749	755	756	790
CMHC Psychiatric Inpatient Average	1,915	1,890	1,788	1,773	1,773	1,762	1,769	1,776	1,779	1,803
Mental Health Outpatient Census										
UTMB Psychiatric Outpatient Average	14,566	14,131	13,582	13,697	14,263	14,822	15,039	14,813	15,449	14,485
TTUHSC Psychiatric Outpatient Average	4,275	3,946	4,111	3,631	3,681	4,113	4,415	3,981	3,892	4,005
CMHC Psychiatric Outpatient Average	18,841	18,077	17,693	17,328	17,944	18,935	19,454	18,794	19,341	18,490

Chart 2 CMHC Service Population

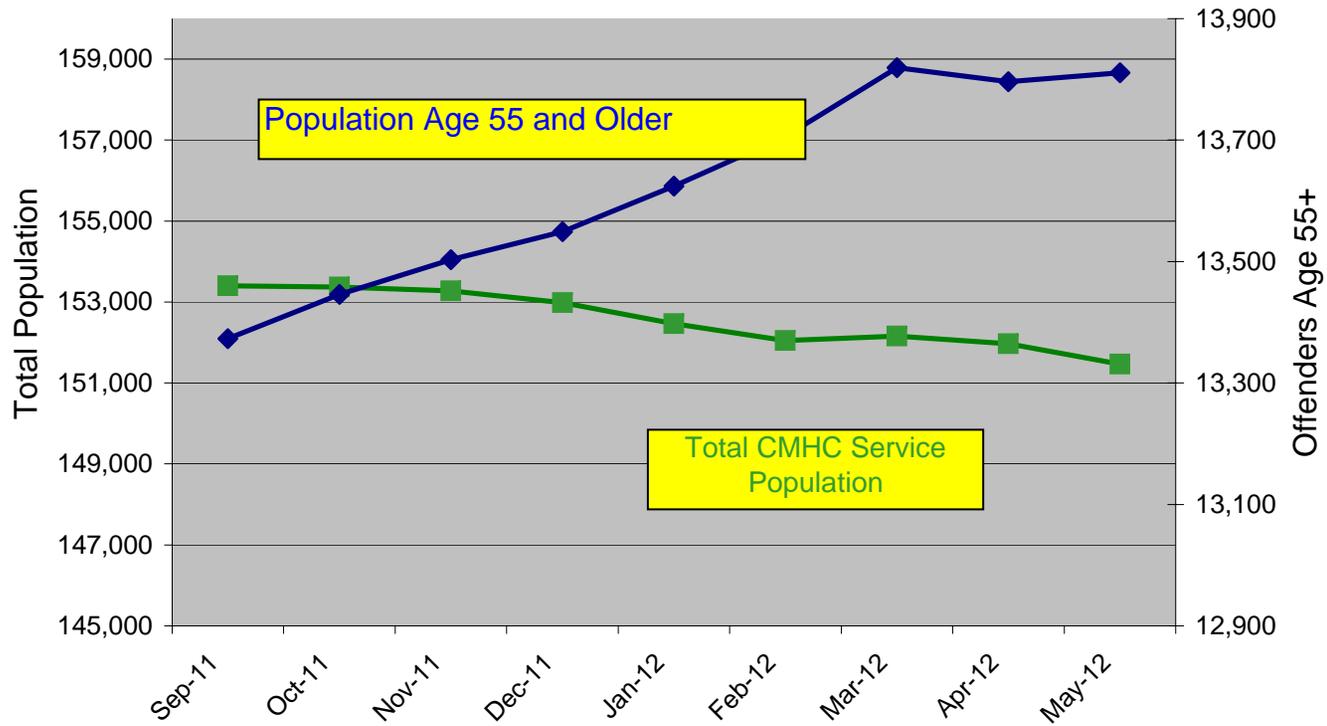


Table 3
Summary Financial Report: Unit and Mental Health Costs - C.1.7
Fiscal Year 2012 - through May 31, 2012 (Sep 2011- May 2012)

Days in Year: 274

	Unit and Mental Health Services Costs			Unit & Mental Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
Population Served	121,041	31,530	152,571			
Revenue						
Capitation Payments	\$140,226,624	\$40,703,943	\$180,930,567	\$4.23	\$4.71	\$4.33
State Reimbursement Benefits	\$30,067,903	\$4,660,985	\$34,728,888	\$0.91	\$0.54	\$0.83
Other Misc Revenue	\$40,597	\$1,961	\$42,558	\$0.00	\$0.00	\$0.00
Total Revenue	\$170,335,124	\$45,366,889	\$215,702,013	\$5.14	\$5.25	\$5.16
Expenses						
Unit Services						
Salaries	\$94,208,986	\$13,222,840	\$107,431,826	\$2.84	\$1.53	\$2.57
Benefits	\$28,648,717	\$3,202,265	\$31,850,982	\$0.86	\$0.37	\$0.76
Operating (M&O)	\$12,966,023	\$918,606	\$13,884,629	\$0.39	\$0.11	\$0.33
Professional Services	\$0	\$1,798,775	\$1,798,775	\$0.00	\$0.21	\$0.04
Contracted Units/Services	\$0	\$12,637,693	\$12,637,693	\$0.00	\$1.46	\$0.30
Travel	\$564,448	\$27,367	\$591,815	\$0.02	\$0.00	\$0.01
Electronic Medicine	\$0	\$161,216	\$161,216	\$0.00	\$0.02	\$0.00
Capitalized Equipment	\$27,854	\$0	\$27,854	\$0.00	\$0.00	\$0.00
Subtotal Onsite Expenses	\$136,416,028	\$31,968,762	\$168,384,790	\$4.11	\$3.70	\$4.03
Mental Health Services						
Salaries	\$16,540,746	\$7,703,520	\$24,244,266	\$0.50	\$0.89	\$0.58
Benefits	\$4,073,632	\$1,845,312	\$5,918,944	\$0.12	\$0.21	\$0.14
Operating (M&O)	\$288,638	\$48,976	\$337,614	\$0.01	\$0.01	\$0.01
Professional Services	\$0	\$244,119	\$244,119			
Contracted Units/Services	\$0	\$0	\$0			
Travel	\$28,566	\$4,911	\$33,477	\$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
Subtotal Mental Health Expenses	\$20,931,582	\$9,846,838	\$30,778,420	\$0.63	\$1.11	\$0.73
Indirect Expenses	\$7,956,740	\$1,358,860	\$9,315,600	\$0.24	\$0.16	\$0.22
Total Unit and Mental Health Expenses	\$165,304,350	\$43,174,460	\$208,478,810	\$4.98	\$4.97	\$4.98
Operating Income (Loss)	\$5,030,774	\$2,192,429	\$7,223,203	\$0.15	\$0.28	\$0.18

Table 3 (Continued)
Summary Financial Report: Hospital and Clinic Costs - C.1.8
Fiscal Year 2012 - through May 31, 2012 (Sep 2011- May 2012)

Days in Year: 274

	Hospital and Clinic Costs			Hospital & Clinic Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
Population Served	121,041	31,530	152,571			
Revenue						
Capitation Payments	\$82,362,367	\$18,934,391	\$101,296,758	\$2.48	\$2.19	\$2.42
State Reimbursement Benefits	\$0	\$1,114,094	\$1,114,094	\$0.00	\$0.13	\$0.03
Other Misc Revenue	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
Total Revenue	\$82,362,367	\$20,048,485	\$102,410,852	\$2.48	\$2.32	\$2.45
Expenses						
Hospital and Clinic Services						
University Professional Services	\$11,613,661	\$947,008	\$12,560,669	\$0.35	\$0.11	\$0.30
Freeworld Provider Services	\$15,967,193	\$11,575,855	\$27,543,048	\$0.48	\$1.34	\$0.66
UTMB or TTUHSC Hospital Cost	\$63,387,476	\$8,059,262	\$71,446,738	\$1.91	\$0.93	\$1.71
Estimated IBNR	\$7,306,710	\$41,777	\$7,348,487	\$0.22	\$0.00	\$0.18
Subtotal Offsite Expenses	\$98,275,040	\$20,623,902	\$118,898,942	\$2.96	\$2.39	\$2.84
Indirect Expenses	\$0	\$735,640	\$735,640	\$0.00	\$0.09	\$0.02
Total Hospital and Clinic Expenses	\$98,275,040	\$21,359,542	\$119,634,582	\$2.96	\$2.47	\$2.86
Operating Income (Loss)	(\$15,912,673)	(\$1,311,057)	(\$17,223,730)	(\$0.48)	(\$0.15)	(\$0.41)

Table 3 (Continued)
Summary Financial Report: Pharmacy Costs - C.1.9
Fiscal Year 2012 through May 31, 2012 (Sep 2011- May 2012)

Days in Year: 274

	Pharmacy Health Services Costs			Pharmacy Health Cost Per Day Calculations		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
Population Served	121,041	31,530	152,571			
Revenue						
Capitation Payments	\$30,708,003	\$7,846,641	\$38,554,644	\$0.93	\$0.91	\$0.92
State Reimbursement Benefits	\$0	\$42,510	\$42,510	\$0.00	\$0.00	\$0.00
Other Misc Revenue	\$128,748	\$0	\$128,748	\$0.00	\$0.00	\$0.00
Total Revenue	\$30,836,751	\$7,889,151	\$38,725,902	\$0.93	\$0.91	\$0.93
Expenses						
Pharmacy Services						
Salaries	\$4,493,844	\$1,379,551	\$5,873,395	\$0.14	\$0.16	\$0.14
Benefits	\$1,410,052	\$47,438	\$1,457,490	\$0.04	\$0.01	\$0.03
Operating (M&O)	\$903,423	\$220,420	\$1,123,843	\$0.03	\$0.03	\$0.03
Pharmaceutical Purchases	\$25,019,486	\$6,793,107	\$31,812,593	\$0.75	\$0.79	\$0.76
Professional Services	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
Travel	\$14,540	\$5,112	\$19,652	\$0.00	\$0.00	\$0.00
Subtotal Pharmacy Health Expenses	\$31,841,345	\$8,445,628	\$40,286,973	\$0.96	\$0.98	\$0.96
Indirect Expenses	\$0	\$265,631	\$265,631	\$0.00	\$0.03	\$0.01
Total Pharmacy Expenses	\$31,841,345	\$8,711,259	\$40,552,604	\$0.96	\$1.01	\$0.97
Operating Income (Loss)	(\$1,004,594)	(\$822,108)	(\$1,826,702)	(\$0.03)	(\$0.10)	(\$0.04)

All Health Care Summary

	All Health Care Services			Cost Per Offender Per Day		
	UTMB	TTUHSC	TOTAL	UTMB	TTUHSC	TOTAL
Unit & Mental Health Services	\$170,335,124	\$45,366,889	\$215,702,013	\$5.14	\$5.25	\$5.16
Hospital & Clinic Services	\$82,362,367	\$20,048,485	\$102,410,852	\$2.48	\$2.32	\$2.45
Pharmacy Health Services	\$30,836,751	\$7,889,151	\$38,725,902	\$0.93	\$0.91	\$0.93
Total Revenue	\$283,534,242	\$73,304,525	\$356,838,767	\$8.55	\$8.49	\$8.54
Unit & Mental Health Services	\$165,304,350	\$43,174,460	\$208,478,810	\$4.98	\$5.00	\$4.99
Hospital & Clinic Services	\$98,275,040	\$21,359,542	\$119,634,582	\$2.96	\$2.47	\$2.86
Pharmacy Health Services	\$31,841,345	\$8,711,259	\$40,552,604	\$0.96	\$1.01	\$0.97
Total Expenses	\$295,420,735	\$73,245,261	\$368,665,996	\$8.91	\$8.48	\$8.82
Operating Income (Loss)	(\$11,886,493)	\$59,264	(\$11,827,229)	(\$0.36)	\$0.01	(\$0.28)

Table 4
FY 2012 3rd Quarter
UTMB/TTUHSC EXPENSE SUMMARY

Category	Expense	Percent of Total
Onsite Services	\$168,384,790	45.67%
Salaries	\$107,431,826	
Benefits	\$31,850,982	
Operating	\$29,101,982	
Pharmacy Services	\$40,286,973	10.93%
Salaries	\$5,873,395	
Benefits	\$1,457,490	
Operating	\$1,143,495	
Drug Purchases	\$31,812,593	
Offsite Services	\$118,898,942	32.25%
Univ. Professional Svcs.	\$12,560,669	
Freeworld Provider Svcs.	\$27,543,048	
Univ. Hospital Svcs.	\$71,446,738	
Est. IBNR	\$7,348,487	
Mental Health Services	\$30,778,420	8.35%
Salaries	\$24,244,266	
Benefits	\$5,918,944	
Operating	\$615,210	
Indirect Expense	\$10,316,871	2.80%
Total Expenses	\$368,665,996	100.00%

Chart 3: Total Health Care by Category

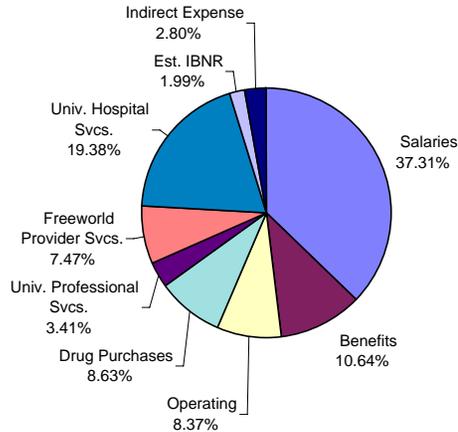


Chart 4: Onsite Services

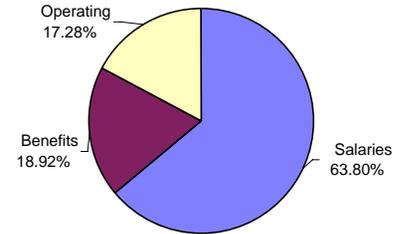


Chart 5: Pharmacy Services

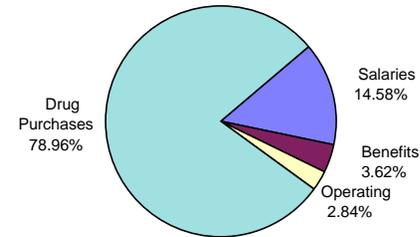


Chart 6: Offsite Services

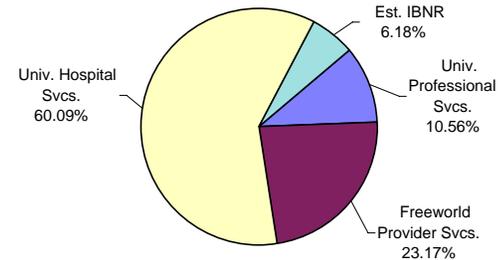


Chart 7: Mental Health Services

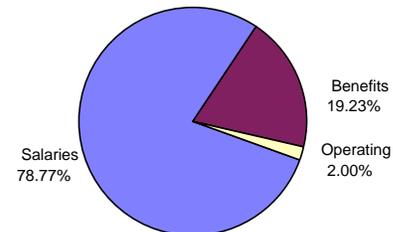


Table 4a
FY 2012 3rd Quarter
UTMB/TTUHSC EXPENSE SUMMARY

Category	Total Expense	UTMB	TTUHSC	% UTMB
Onsite Services	\$168,384,790	\$136,416,028	\$31,968,762	81.01%
Salaries	\$107,431,826	\$94,208,986	\$13,222,840	
Benefits	\$31,850,982	\$28,648,717	\$3,202,265	
Operating	\$29,101,982	\$13,558,325	\$15,543,657	
Pharmacy Services	\$40,286,973	\$31,841,345	\$8,445,628	79.04%
Salaries	\$5,873,395	\$4,493,844	\$1,379,551	
Benefits	\$1,457,490	\$1,410,052	\$47,438	
Operating	\$1,143,495	\$917,963	\$225,532	
Drug Purchases	\$31,812,593	\$25,019,486	\$6,793,107	
Offsite Services	\$118,898,942	\$98,275,040	\$20,623,902	82.65%
Univ. Professional Svcs.	\$12,560,669	\$11,613,661	\$947,008	
Freeworld Provider Svcs.	\$27,543,048	\$15,967,193	\$11,575,855	
Univ. Hospital Svcs.	\$71,446,738	\$63,387,476	\$8,059,262	
Est. IBNR	\$7,348,487	\$7,306,710	\$41,777	
Mental Health Services	\$30,778,420	\$20,931,582	\$9,846,838	68.01%
Salaries	\$24,244,266	\$16,540,746	\$7,703,520	
Benefits	\$5,918,944	\$4,073,632	\$1,845,312	
Operating	\$615,210	\$317,204	\$298,006	
Indirect Expense	\$10,316,871	\$7,956,740	\$2,360,131	77.12%
Total Expenses	\$368,665,996	\$295,420,735	\$73,245,261	80.13%

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

	FY 08	FY 09	FY 10	FY 11	4-Year Average	FYTD 12 1st Qtr	FYTD 12 2nd Qtr	FYTD 12 3rd Qtr
Population								
UTMB	120,648	119,952	120,177	121,417	120,548	121,706	121,412	121,041
TTUHSC	31,064	30,616	31,048	31,419	31,037	31,643	31,512	31,530
Total	151,712	150,568	151,225	152,836	151,585	153,350	152,924	152,571
Expenses								
UTMB	381,036,398	423,338,812	435,710,000	\$432,371,801	418,114,253	97,279,543	196,347,076	\$295,420,735
TTUHSC	96,482,145	100,980,726	109,767,882	\$110,272,668	104,375,855	23,797,251	47,993,851	\$73,245,261
Total	477,518,543	524,319,538	545,477,882	\$542,644,469	522,490,108	121,076,794	244,340,927	\$368,665,996
Cost/Day								
UTMB	\$8.63	\$9.67	\$9.93	\$9.76	\$9.50	\$8.78	\$8.89	\$8.91
TTUHSC	\$8.49	\$9.04	\$9.69	\$9.62	\$9.21	\$8.26	\$8.37	\$8.48
Total	\$8.60	\$9.54	\$9.88	\$9.73	\$9.44	\$8.68	\$8.78	\$8.82

* 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

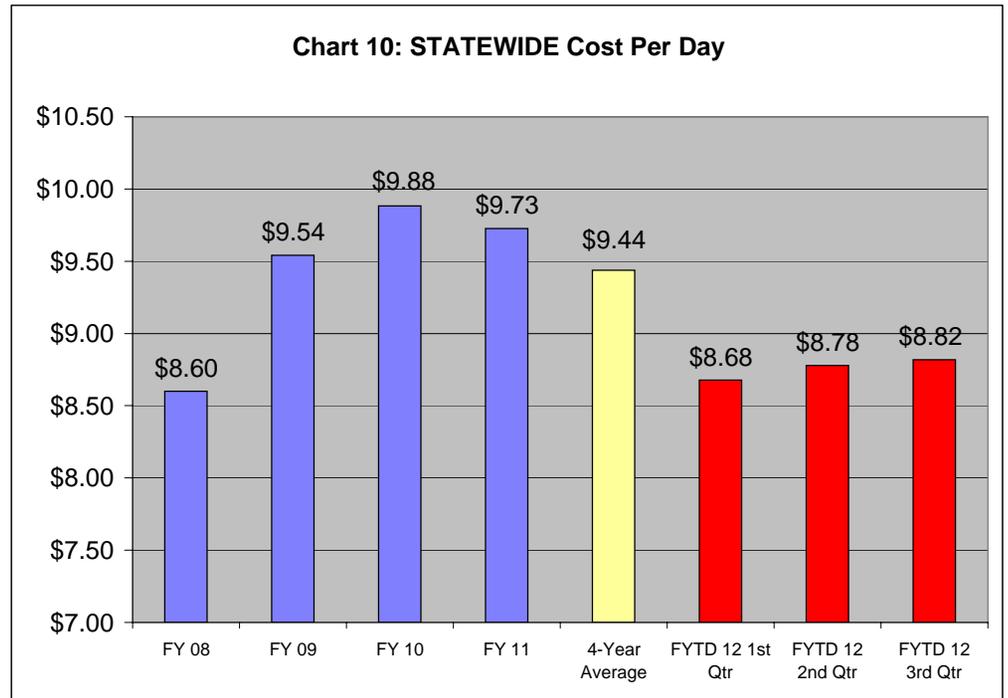
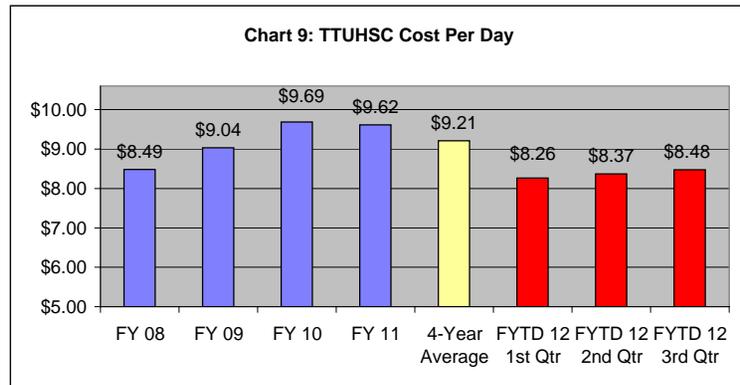
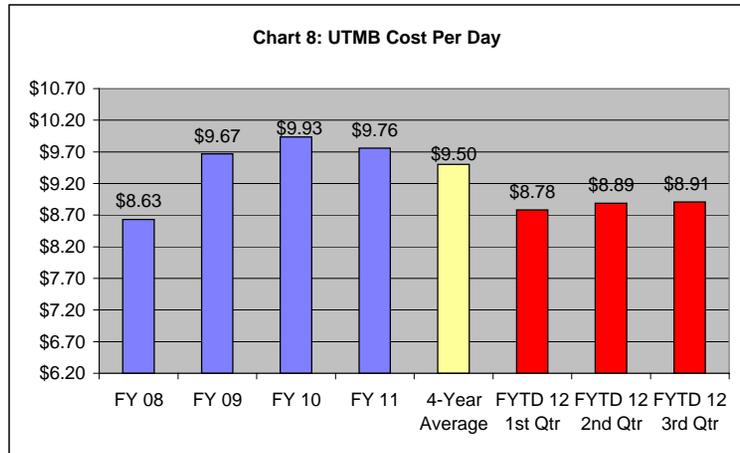


Table 6
Medical Encounter Statistics* by Age Grouping

9

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	15,511	120,032	135,543	11,158	110,528	121,686	1.39	1.09	1.11
Oct-11	15,492	134,907	150,399	11,215	110,477	121,692	1.38	1.22	1.24
Nov-11	13,052	98,434	111,486	11,256	110,484	121,740	1.16	0.89	0.92
Dec-11	13,275	99,072	112,347	11,289	110,234	121,523	1.18	0.90	0.92
Jan-12	13,732	107,848	121,580	11,368	109,753	121,121	1.21	0.98	1.00
Feb-12	14,203	110,117	124,320	11,411	109,298	120,709	1.24	1.01	1.03
Mar-12	14,748	117,977	132,725	11,508	109,115	120,623	1.28	1.08	1.10
Apr-12	14,522	118,814	133,336	11,488	108,846	120,334	1.26	1.09	1.11
May-12	14,996	125,525	140,521	11,502	108,441	119,943	1.30	1.16	1.17
Average	14,392	114,747	129,140	11,355	109,686	121,041	1.27	1.05	1.07

*Detailed data available for **UTMB** Sector only (representing approx. 79% of total population). Includes all medical and dental onsite visits. Excludes mental health visits.
Note: Previous calculations of Age 55 and Over Encounters were incorrect using 50 and older stats as well as Texas Tech encounter data

Chart 11
Encounters Per Offender By Age Grouping

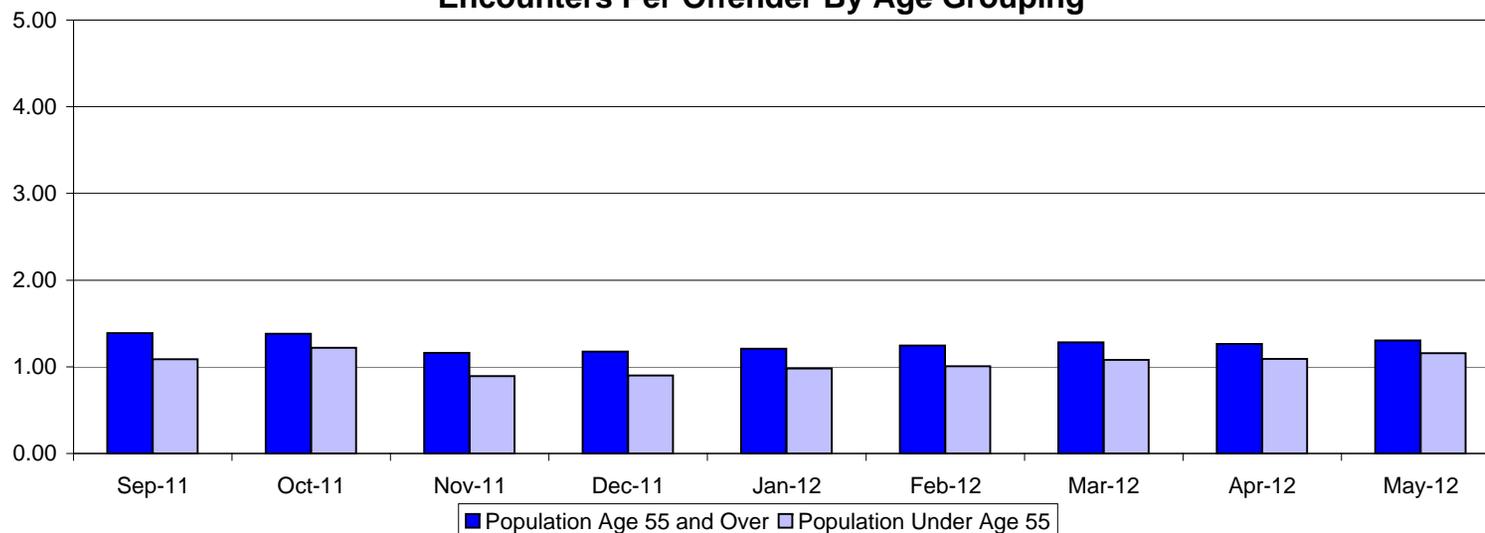


Table 7
FY 2012 3rd Quarter
Offsite Costs* To Date by Age Grouping

Age Grouping	Cost Data	Total Population	Total Cost Per Offender
Age 55 and Over	\$37,849,661	13,625	\$2,777.91
Under Age 55	\$62,929,830	138,946	\$452.91
Total	\$100,779,491	152,571	\$660.54

**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

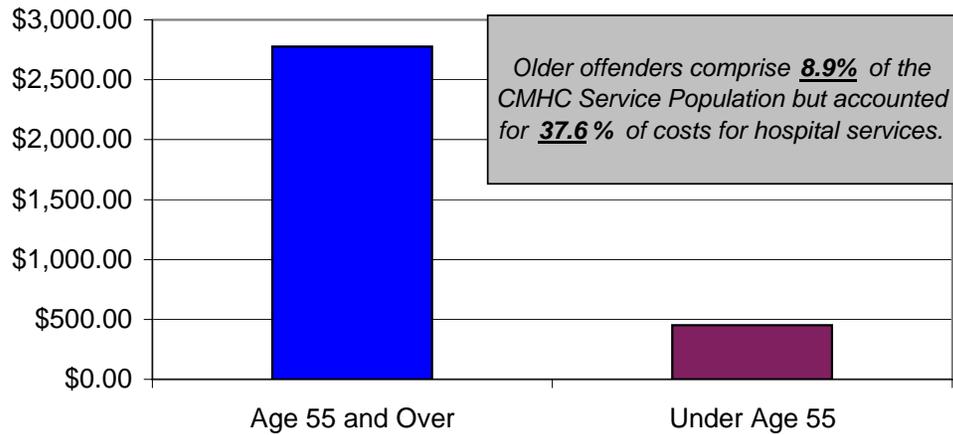


Table 8
Through FY 2012 3rd Quarter
Dialysis Costs by Age Grouping

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	\$1,286,848	41.63%	13,625	8.93%	73	0.54%
Under Age 55	\$1,804,367	58.37%	138,946	91.07%	143	0.10%
Total	\$3,091,215	100.00%	152,571	100.00%	216	0.14%

Projected Avg Cost Per Dialysis Patient Per Year:

\$28,563

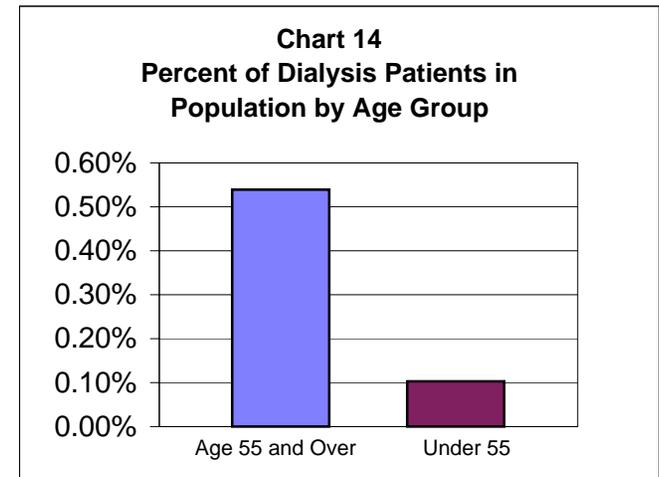
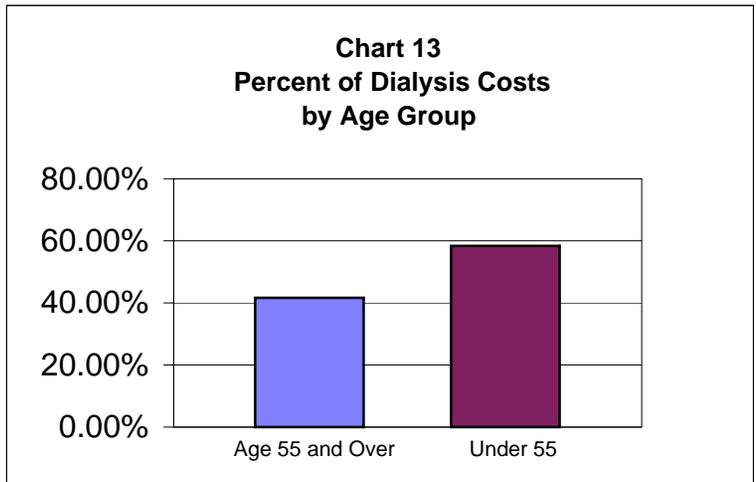
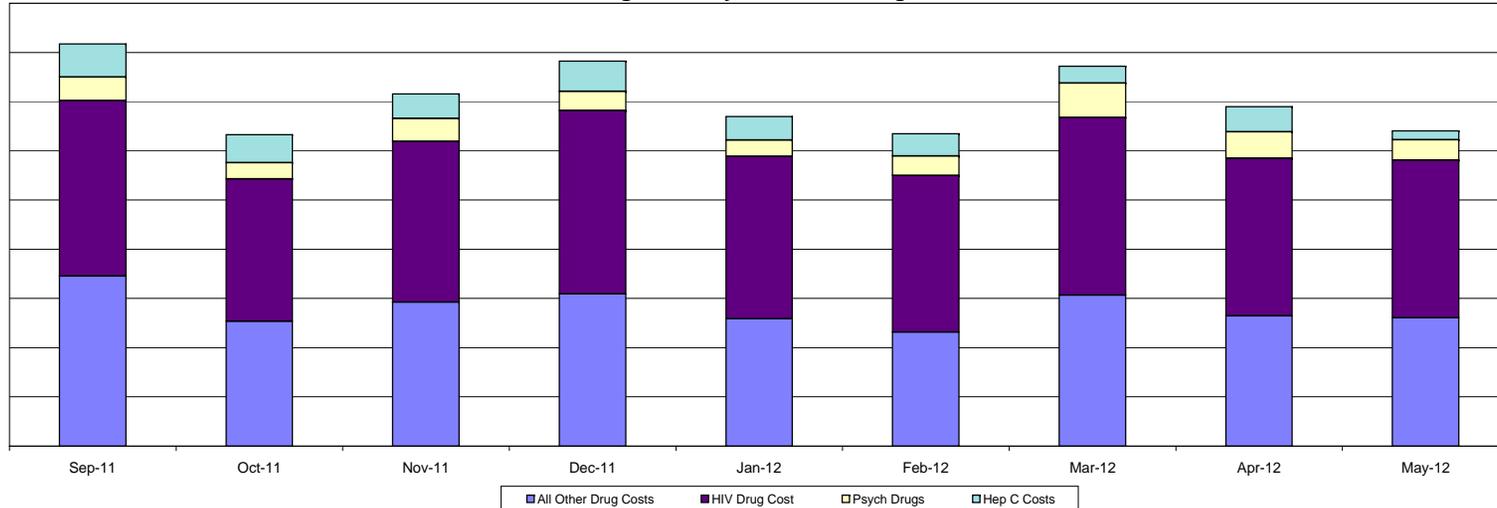


Table 9
Selected Drug Costs FY 2012

Category	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Total Year-to-Date
<i>Total Drug Costs</i>	\$4,086,218	\$3,164,390	\$3,577,783	\$3,912,301	\$3,347,709	\$3,174,211	\$3,860,258	\$3,448,249	\$3,203,420	\$31,774,538
<i>HIV Medications</i>										
HIV Drug Cost	\$1,781,207	\$1,444,984	\$1,631,976	\$1,866,294	\$1,651,365	\$1,592,168	\$1,804,922	\$1,601,149	\$1,603,394	\$14,977,459
HIV Percent of Cost	43.59%	45.66%	45.61%	47.70%	49.33%	50.16%	46.76%	46.43%	50.05%	47.14%
<i>Psychiatric Medications</i>										
Psych Drug Cost	\$241,957	\$163,901	\$232,635	\$192,113	\$163,877	\$198,561	\$350,169	\$268,762	\$205,034	\$2,017,009
Psych Percent of Cost	5.92%	5.18%	6.50%	4.91%	4.90%	6.26%	9.07%	7.79%	6.40%	6.35%
<i>Hepatitis C Medications</i>										
Hep C Drug Cost	\$335,560	\$286,440	\$250,374	\$308,821	\$239,032	\$226,026	\$171,647	\$253,727	\$91,918	\$2,163,545
Hep C Percent of Cost	8.21%	9.05%	7.00%	7.89%	7.14%	7.12%	4.45%	7.36%	2.87%	6.81%
<i>All Other Drug Costs</i>	\$1,727,494	\$1,269,064	\$1,462,798	\$1,545,073	\$1,293,435	\$1,157,456	\$1,533,520	\$1,324,611	\$1,303,075	\$12,616,526

Chart 15
Drug Costs by Selected Categories



**Table 10
Ending Balances 3rd Qtr FY 2012**

	Beginning Balance September 1, 2011	Net Activity FY 2012	Ending Balance May 31, 2012
CMHCC Operating Funds	\$30,582.32	\$145,310.99	\$175,893.31
CMHCC Unit & Mental Health Services	\$3,505.81		Balances Maintained by TDCJ
CMHCC Hospital & Clinic Services	\$447.88		Balances Maintained by TDCJ
CMHCC Pharmacy Health	\$0.00		Balances Maintained by TDCJ
Ending Balance All Funds	\$34,536.01	\$145,310.99	\$175,893.31

SUPPORTING DETAIL

CMHCC Operating Account	
Beginning Balance	\$30,582.32
FY 2011 Funds Lapsed to State Treasury	(\$30,582.32)
Revenue Received	
1st Qtr Payment	\$167,312.00
2nd Qtr Payment	\$169,150.00
3rd Qtr Payment	\$167,312.00
Interest Earned	\$35.92
Subtotal Revenue	\$503,809.92
Expenses	
Salary & Benefits	(\$267,520.05)
Operating Expenses	(\$60,396.56)
Subtotal Expenses	(\$327,916.61)
Net Activity thru this Qtr	\$145,310.99
Total Fund Balance CMHCC Operating	\$175,893.31