

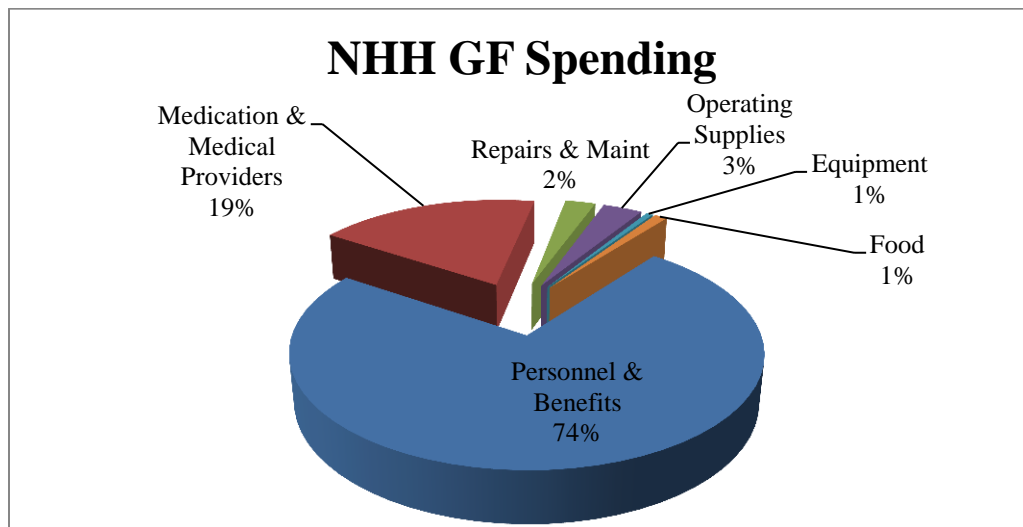
Department of Health & Human Services

Agency 094, New Hampshire Hospital

Senate Finance Presentation

Agency Overview:

New Hampshire Hospital provides acute, inpatient psychiatric services for children and adults needing active treatment and other essential supports within a continuum of community-based care. Core values of compassionate care, communication, collaboration, and high standards in business and clinical practice are the foundation for our vision of being recognized as a center of excellence. Our treatments are recovery oriented and patient centered. Our work includes evaluating innovative treatment methods and sharing outcomes that improve the mental health of individuals served.



	FY14	FY15	FY16	FY16	FY16	FY17	FY17	FY17
	Actual	Adj. Auth.	Agency	Governor	House	Agency	Governor	House
Total Funds	57,640,612	61,751,903	69,812,016	68,193,121	66,293,121	70,981,311	69,796,691	69,796,691
General Funds	21,233,565	23,313,697	28,622,926	26,752,285	24,852,285	29,102,337	27,681,164	27,681,164

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Date Presented: May 4, 2015

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Caseloads (Clients Served):

	FY 2014	FY 2015	FY 2016	FY2017
	Actual	Estimated	Projected	Projected
Adults:				
Admissions	1,556	1540	1560	1850
Discharges	1,559	1538	1540	1840
Ave. Daily Census	139	137	138	146
Median LOS	9 Days	10	8	8
Child/Adolescent				
Admissions	514	511	515	515
Discharges	514	511	515	515
Ave. Daily Census	18	18	18	18
Median LOS	10	10	10	10
Hospital Totals:				
Admissions	2,070	2,051	2365	2365
Discharges	2,073	2049	2355	2355
Ave. Daily Census	157	155	155	164
Median LOS	9	10	9	9
Total Patient Days	57,305	56,575	56,210	59,860
Total Fund Cost Per Patient Day	\$1007	\$1092	\$1179	\$1166
General Fund Cost Per Patient Day	\$371	\$412	\$442	\$462

Caseload Assumptions:

- SB235 mandated the NH Hospital to construct and open a 10 bed crisis unit increasing total maximum capacity to 168 beds. The growth predicted is based solely on full capacity of the new unit.
- Per House passed HB1, 10-Bed Crisis Unit opening delayed 1 year to July 1, 2016.

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Budget Reconciliation: (Agency Total to House HB1)

	SFY16				SFY17			
	Federal	General	Other	Total	Federal	General	Other	Total
Maintenance Request	\$ 13,657,679	\$ 34,312,746	\$ 20,210,317	\$ 68,180,742	\$ 14,292,422	\$ 34,796,261	\$ 20,723,332	\$ 69,812,015
Inpatient Stabilization Unit (SB235) rounding	\$ 239,048	\$ 926,043	\$ 1,744	\$ 1,166,835	\$ 416,326	\$ 627,191	\$ 1,861	\$ 1,045,378
				\$ 1				
Change Request	\$ 239,048	\$ 926,043	\$ 1,744	\$ 1,166,836	\$ 416,326	\$ 627,191	\$ 1,861	\$ 1,045,378
Total Agency Request	\$ 13,896,727	\$ 35,238,789	\$ 20,212,061	\$ 69,347,578	\$ 14,708,748	\$ 35,423,452	\$ 20,725,193	\$ 70,857,393
Salary and Benefit Reductions (7 positions abolished)	\$ 4,385,706	\$ (5,374,970)	\$ 258,083	\$ (731,181)	\$ 4,304,217	\$ (5,174,024)	\$ 160,960	\$ (708,849)
Overtime (Cls 018) Reductions	\$ 341,119	\$ (418,063)	\$ 20,074	\$ (56,871)	\$ 345,304	\$ (415,084)	\$ 12,913	\$ (56,867)
Removal of CPI / Contract Reductions	\$ 473,065	\$ (579,772)	\$ 27,838	\$ (78,869)	\$ (163,796)	\$ 196,896	\$ (6,125)	\$ 26,975
Administrative Reductions (020, 080)	\$ (83,572)	\$ 102,423	\$ (4,918)	\$ 13,933	\$ 201,006	\$ (241,626)	\$ 7,517	\$ (33,103)
Professional Library reductions	\$ 1,118,462	\$ (1,370,748)	\$ 65,817	\$ (186,469)	\$ 1,170,508	\$ (1,407,047)	\$ 43,772	\$ (192,767)
Reduction in Equipment & Maintenance	\$ 689,783	\$ (845,374)	\$ 40,591	\$ (115,000)	\$ 583,490	\$ (701,403)	\$ 21,820	\$ (96,093)
Governor Recommend	\$ 20,821,290	\$ 26,752,285	\$ 20,619,546	\$ 68,193,121	\$ 21,149,477	\$ 27,681,164	\$ 20,966,050	\$ 69,796,689
Delay Opening 10-Bed Unit One Year (7/1/2016)		\$ (1,900,000)		\$ (1,900,000)				
House Final	\$ 20,821,290	\$ 24,852,285	\$ 20,619,546	\$ 66,293,121	\$ 21,149,477	\$ 27,681,164	\$ 20,966,050	\$ 69,796,689
				\$ -				\$ -
Senate Final	\$ 20,821,290	\$ 24,852,285	\$ 20,619,546	\$ 66,293,121	\$ 21,149,477	\$ 27,681,164	\$ 20,966,050	\$ 69,796,691
Final Approved Budget	\$ 20,821,290	\$ 24,852,285	\$ 20,619,546	\$ 66,293,121	\$ 21,149,477	\$ 27,681,164	\$ 20,966,050	\$ 69,796,691

Date Presented: May 4, 2015

**Department of Health & Human Services
Agency 094, New Hampshire Hospital
House Finance – Division III Presentation**

Budget Review:

	New Hampshire Hospital Budget Summary	SFY 2014	SFY 2015	FY15 - 14	FY 15 - 14	SFY 16				SFY 17			
		Actual	Cur Adj Auth	\$ Change	% Change	Governor	House	House FY 16-15 Adj Auth \$	House FY16-15 Adj Auth %	Governor	House	House FY17-16 \$ Change	House FY 17-16 % Change
010	Personnel Services-Permanent	23,903,225	25,135,531	1,232,306	5%	28,303,653	27,128,274	1,992,743	8%	28,723,973	28,723,973	1,595,699	6%
011	Personnel Services-Unclassified	-	-	-	-	-	-	-	0%	-	-	-	0%
012	Personnel Services-Unclassified	1,448,009	1,761,112	313,103	22%	1,742,650	1,742,650	(18,462)	-1%	1,742,647	1,742,647	(3)	0%
017	Personnel Services-Wkend & Charge	137,530	382,097	244,567	178%	508,875	508,875	126,778	33%	508,875	508,875	-	0%
018	Overtime	1,171,622	716,194	(455,428)	-39%	716,191	716,191	(3)	0%	732,654	732,654	16,463	2%
019	Holiday Pay	466,383	527,925	61,542	13%	612,981	612,981	85,056	16%	623,904	623,904	10,923	2%
020	Current Expense	708,810	700,635	(8,175)	-1%	722,198	722,198	21,563	3%	703,412	703,412	(18,786)	-3%
021	Food Institutions	-	-	-	-	-	-	-	0%	-	-	-	0%
022	Rents & Leases Other than State	30,988	38,530	7,542	24%	264,469	264,469	225,939	586%	265,255	265,255	786	0%
023	Heat, Electricity & Water	876,634	805,797	(70,837)	-8%	805,797	805,797	-	0%	805,797	805,797	-	0%
024	Maintenance Other than B & G	63,910	63,000	(910)	-1%	63,000	63,000	-	0%	63,000	63,000	-	0%
026	Organizational Dues	2,944	3,003	59	2%	3,050	3,050	47	2%	3,111	3,111	61	2%
027	Transfer to OIT	-	-	-	-	-	-	-	0%	-	-	-	0%
028	Transfer to General Services	478,239	659,261	181,022	38%	-	-	(659,261)	-100%	-	-	-	0%
029	Transfers to Data Center	-	-	-	-	-	-	-	0%	-	-	-	0%
030	Equipment	86,463	125,000	38,537	45%	150,000	150,000	25,000	20%	130,000	130,000	(20,000)	-13%
039	Telecommunications	162,156	165,375	3,219	2%	165,375	165,375	-	0%	165,375	165,375	-	0%
040	Indirect costs	209,200	99,960	(109,240)	-52%	100,000	100,000	40	0%	102,000	102,000	2,000	2%
041	Audit Fund Set Aside	11,580	10,110	(1,470)	-13%	10,011	10,011	(99)	-1%	10,211	10,211	200	2%
042	Transfer to COLA	522,768	766,804	244,036	47%	766,522	766,522	(282)	0%	781,854	781,854	15,332	2%
047	Own Forces Maintenance - B & G	193,408	210,000	16,592	9%	220,500	220,500	10,500	5%	231,525	231,525	11,025	5%
048	Contractual Maintenance - B & G	367,475	308,700	(58,775)	-16%	360,000	360,000	51,300	17%	382,500	382,500	22,500	6%
049	Transfer to Other State Agencies	605,806	996,338	390,532	64%	1,198,433	1,198,433	202,095	20%	1,196,061	1,196,061	(2,372)	0%
050	Personal Services-Temporary	993,763	753,447	(240,316)	-24%	813,915	813,915	60,468	8%	829,292	829,292	15,377	2%
054	Trust Funds Expenditures	209,548	225,000	15,452	7%	260,752	260,752	35,752	16%	260,752	260,752	-	0%
057	Books, Periodicals and Subscriptions	63,650	62,805	(845)	-1%	230,018	230,018	167,213	266%	235,035	235,035	5,017	2%
060	Benefits	14,143,366	14,318,031	174,665	1%	16,611,395	15,911,683	1,593,652	11%	17,303,863	17,303,863	1,392,180	9%
061	Unemployment Compensation	16,928	95,482	78,554	464%	17,000	17,000	(78,482)	-82%	17,000	17,000	-	0%
062	Workers Compensation	875,691	1,105,703	230,012	26%	893,826	893,826	(211,877)	-19%	917,128	917,128	23,302	3%
066	Employee Training	6,300	25,000	18,700	297%	25,000	25,000	-	0%	25,000	25,000	-	0%
070	In-State Travel	1,000	3,060	2,060	206%	2,500	2,500	(560)	-18%	2,550	2,550	50	2%
080	Out-of-State Travel	4,728	6,120	1,392	29%	6,120	6,120	-	0%	6,323	6,323	203	3%
100	Prescription Drug Expenditures	1,290,060	1,540,675	250,615	19%	1,668,175	1,668,175	127,500	8%	1,797,565	1,797,565	129,390	8%
101	Medical Payments to Providers	608,534	741,575	133,041	22%	808,513	808,513	66,938	9%	870,960	870,960	62,447	8%
102	Contract for Program Services	7,935,465	9,336,619	1,401,154	18%	10,079,188	10,054,279	717,660	8%	10,295,963	10,295,963	241,684	2%
216	Revolving Funds	-	-	-	-	-	-	-	0%	-	-	-	0%
501	Payments to Clients	47,747	61,182	13,435	28%	61,182	61,182	-	0%	61,182	61,182	-	0%
512	Transportation of Clients	-	-	-	-	-	-	-	0%	-	-	-	0%
523	Client Benefits	591	1,832	1,241	210%	1,832	1,832	-	0%	1,924	1,924	92	5%
	Total Expense	57,640,612	61,751,903	4,111,291	7%	68,193,121	66,293,121	4,541,218	7%	69,796,691	69,796,691	3,503,570	5%
		-	-	-	-	-	-	-	-	-	-	-	-
	Federal	22,082,290	18,001,183	(4,081,107)	-18%	20,821,290	20,821,290	2,820,107	16%	21,149,477	21,149,477	328,187	2%
	Other	14,324,757	20,437,023	6,112,266	43%	20,619,546	20,619,546	182,523	1%	20,966,050	20,966,050	346,504	2%
	General	21,233,565	23,313,697	2,080,132	10%	26,752,285	24,852,285	1,538,588	7%	27,681,164	27,681,164	2,828,879	11%
	Total Revenue	57,640,612	61,751,903	4,111,291	7%	68,193,121	66,293,121	4,541,218	7%	69,796,691	69,796,691	3,503,570	5%

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Department of Health & Human Services

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Senate Finance Presentation

Narratives:

9410-ALL-NEW HAMPSHIRE HOSPITAL

PURPOSE

New Hampshire Hospital provides acute, inpatient psychiatric services for children and adults needing active treatment and other essential supports within a continuum of community-based care. Core values of compassionate care, communication, collaboration, and high standards in business and clinical practice are the foundation for our vision of being recognized as a center of excellence. Our treatments are recovery oriented and patient centered. Our work includes evaluating innovative treatment methods and sharing outcomes that improve the mental health of individuals served.

CLIENT PROFILE

The Hospital accepts people for admission on both a voluntary and involuntary basis, caring for children, adolescents, adults and the elderly. Services are provided for individuals with major mental illnesses related to thoughts, moods and behaviors (such as schizophrenia, bipolar, anxiety and adjustment disorders). Most of the Hospital's admissions are patients who have been found by the courts to be dangerous to themselves or others and for whom care is mandated. Many of the remaining voluntary cases meet that criteria, but were willing and able to recognize their need for treatment and agree to admission.

<u>FINANCIAL HISTORY</u>						
Rounded to \$000 except cost per case, caseload & Per Diem Rate	SFY14	SFY15	SFY16	SFY16	SFY17	SFY17
	Actual	Adj Auth	Gov	House	Gov	House
TOTAL FUNDS	\$57,641	\$61,752	\$69,193	\$66,293	\$69,797	\$69,797
GENERAL FUNDS	\$21,234	\$23,314	\$26,821	\$24,852	\$27,681	\$27,681
ANNUAL COST PER CASE-TOTAL	\$367,555	\$398,580	\$421,909	\$427,697	\$425,591	\$425,591
CASELOAD (AVERAGE DAILY CENSUS)	157	155	164	155	164	164
PER DIEM RATE	\$1346	\$1346	\$1413	\$1413	\$1413	\$1413

Department of Health & Human Services

Agency 094, New Hampshire Hospital

Senate Finance Presentation

FUNDING SOURCE

The Hospital's budget is comprised of three separate organizational branches: Administration, Facility Support & Acute Psychiatric Services. Although each has their own funding mechanisms, total Hospital operations are funded by 38% General Funds, 29% Federal Funds and 33% Agency Income. Federal funds are received for Disproportionate Share (DSH) which reimburses the Hospital 50% of uncompensated care costs. Agency Income consists of Room & Board billing, Medicare Part A & B, Medicaid, cafeteria revenue, catering revenue and automotive repair revenue from other state agencies for services performed at our Transportation Garage.

In December 2013, the State of NH contracted Medicaid management to three Managed Care Organizations (MCO's), of which two remain. After a steep learning curve understanding new reporting requirements in the areas of clinical documentation, utilization review, health information, billing and reimbursements, the Hospital is working collaboratively with the MCO's to ensure all requirements are met while continuing to provide a high level of clinical care.

SERVICES PROVIDED

The Hospital admits over 2000 patients per year into 158 beds and remains at 100% occupancy. Half of hospital patients are discharged within nine days.

To meet patient needs, the Hospital provides a wide range of support services and specialized therapies. A team of mental health professionals works with the patient, members of the patient's family and community treatment team to design a unique, flexible treatment plan. In collaboration with community mental health centers, a comprehensive, individualized discharge plan is developed for each patient.

Regulatory authority includes RSA 135-C: *New Hampshire Mental Health System*, He-M 311: *Rights of Persons in State Mental Health Facilities*, and He-M 613: *Admission to and Discharge from New Hampshire Hospital*. The Hospital is certified by the Centers for Medicare and Medicaid Services and has deemed status from accreditation by The Joint Commission, the nation's oldest and largest surveyor of healthcare organizations.

SERVICE DELIVERY SYSTEM

The Hospital has 598 authorized positions providing 24 hours of service and care each day. Specialized psychiatric, general medical, nursing, psychology, social work, rehabilitation, and clinical consultation services are supported by an infrastructure of administrative supports that include Financial Services, Health Information and Technology, Quality and Risk Management, Legal Services, Infection Prevention, Staff Development, Food and Nutrition, Laundry, Environmental Services, Maintenance, Engineering, Transportation, Safety/Police, Pastoral Care, Volunteers, and an active outcomes management function

providing information for staff, professional organizations and the larger mental health provider community.

Department of Health & Human Services

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House Finance – Division III Presentation

A full staff of Board Certified Psychiatrists work onsite through a long-standing contractual agreement with the Department of Psychiatry, Dartmouth Geisel School of Medicine. As part of the teaching component of this contract, Dartmouth provides Residents and Fellows who are 3rd and 4th year students for both daily and on-call coverage. The contract also has a Research Coordinator who assists in the development of scholarly reviews and the assessment of best practices. Other contracts include those for laboratory services, employee health, and mobile X-Ray services; radiology imaging, HVAC services, kitchen equipment services and life safety/fire alarm services.

EXPECTED OUTCOMES/PRIORITIES/IMPROVEMENTS

Hospitalized patients need a smooth access to services; safety, sensitivity, and compassion in daily care; skill and attentiveness from physicians/residents and nurses; timely, helpful therapies; accommodation of family needs and visits; a clean, restful environment; adequate food and nutrition; timely, clear aftercare planning and an overall feeling of improvement on discharge.

Current Hospital priorities include:

- Using enabling technology for better service including implementing an Electronic Health Record and Computerized Provider Order Entry system.
- Enhanced documentation of services, coding, billing, and collections for optimized reimbursement.
- Construction of new staff and program space allowing for a new 10-bed inpatient stabilization unit and architectural enhancements for Hospital access security.
- A responsible, prioritized capital budget.
- Pharmacy machines for safely dispensing medication after hours.
- Using telemedicine, optimize consultation and assessment for the mental health system.
- New avenues for funding staff education.
- Implementing an improved time and attendance system.
- Enhanced staff identification badges.

Current performance improvement initiatives include:

- Fall prevention.
- Suicide prevention.
- Timely, efficient, and complete exchange of information at shift changes and transfers.
- Reducing the risk of weight gain and obesity associated with certain anti-psychotic medications.
- Peer Support Specialist integration into clinical programming.
- Substance abuse education and programs.

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- Patient aftercare planning and outreach to reduce readmissions and improve outcomes.
- Providing outreach after discharge for youth and their families to reduce the risk of suicide.
- Mitigating risks for drug diversion.
- Creating a culture of safety