

The South Carolina Department of Mental Health

South Carolina House of Representatives
Ways and Means
Healthcare Subcommittee

FY2014 Budget Discussions – Overview

January 23, 2013

Presented by John H. Magill, State Director
South Carolina Department of Mental Health

FY2014 Budget Requests

The Department has requested the following amounts to maintain its operations and to continue its mission to support the recovery of people with mental illnesses –

- Operating Budget Programs

Sustainability of Mental Health System	\$9,416,420
Sexually Violent Predator Program	1,406,533
Forensic Inpatient Services	1,200,000
Telepsychiatry Consultation Program	500,000

- Non-Recurring Requests

Inpatient Electronic Medical Record	\$4,905,000
Pharmaceutical Automated Dispensing Machine	1,000,000
Law Enforcement Vehicles (5 New)	126,005
Physical Plant Vehicles for Patient Transport	556,391

FY2014 Budget Requests

The Department has also requested the following amounts to maintain its operations and to continue its mission to support the recovery of people with mental illnesses –

- Capital Budget Requests

Santee-Wateree MHC Construction	\$ 9,856,000
Anderson-Oconee-Pickens MHC Construction	9,592,000
Catawba MHC Construction	10,580,000
Community Buildings Deferred Maintenance	3,393,630
Harris HVAC Renovations	7,100,000
Inpatient & Support Buildings Deferred Maint.	9,049,000
Roddey Nursing Home FRTW Roof Replacement	3,700,000
Columbia Area MHC Carter Street Renovations	2,500,000

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- 35.1 (Medicare Revenue)

Summary: FY2013 Proviso 23.1 requires SCDMH to remit \$290,963 to the General Fund on an annual basis to support the administrative cost for the collection of Medicare benefits.

Action: Amend

Reason: This proviso would be combined with Proviso 23.2.

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- 35.2 (Patient Fee Account)

Summary: Proviso 23.2. considers from revenue earned and collected from various sources, the Department is authorized to expend \$6,214,911 for operations and in addition, all fees collected at Campbell Veterans Nursing Home and all other veterans facilities, which are also used for operations. This proviso further requires the agency transfer from these revenues \$400,000 for the Continuum of Care, \$50,000 for the Alliance for the Mentally Ill, \$250,000 for S.C. Share.

Action: Delete

Reason: This proviso would be combined with Proviso 23.1.

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- 35.7 (Crisis Stabilization)

Summary: During the current fiscal year, the Department must expend for crisis stabilization program not less than \$2 million. Funds expended by the Department for crisis stabilization must be used to implement and maintain a crisis stabilization program, or to provide access to a crisis stabilization program through the purchase of local psychiatric beds, in each community mental health center catchment area.

Action: Delete

Reason: This proviso is no longer relevant as the Department consistently expends more than \$2 million.

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- 35.12 (Medicaid Beneficiary Choice)

Summary: For Medicaid covered community based paraprofessional rehabilitative behavioral health services for which the Department of Mental Health provides state identified matching funds, the Department must allow a Medicaid beneficiary to receive medically necessary community based paraprofessional rehabilitative behavioral health services from any qualified Medicaid provider enrolled by DHHS as of July 1, 2011.

Action: Delete

Reason: This proviso is no longer relevant as SCDHHS is now responsible for this program.

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- 35.13 (Sexually Violent Predator Program)

Summary: The South Carolina Department of Mental Health and the South Carolina Department of Corrections are directed to prepare a report evaluating the feasibility and desirability of transferring the SVP Program to the Department of Corrections.

Action: Delete

Reason: This proviso is no longer relevant as the deliverable mentioned in this proviso is due May 1, 2013 and falls outside the scope of FY2014.

FY2014 Budget Requests

The Department has also requested the following considerations to certain provisos –

- New #1 (Deferred Maintenance, Capital Projects, Ordinary Repair and Maintenance)

Summary: Based on a request to identify deferred maintenance funding sources, SCDMH would establish a fund to be utilized for deferred maintenance, capital projects and ordinary repair and maintenance.

Action: Add

Reason: This proviso is necessary to address the concerns identified above.

FY2014 Budget Requests

Related to deferred maintenance, capital projects, ordinary repair and maintenance :

- SCDMH deferred maintenance needs now total almost \$55 million;
- Absent earmarked funding by the General Assembly for a capital or deferred maintenance request, SCDMH uses one-time funds from sales of land or legal settlements for urgent repairs and/or renovations;
- SCDMH is requesting a proviso authorizing an account for deferred maintenance, capital projects and repairs and maintenance that may be carried forward;
- Bull Street Property sale proceeds (\$15 million) may be used for such needs;
- Contract for sale of the property is not yet final;

FY2014 Budget Requests

Related to deferred maintenance, capital projects, ordinary repair and maintenance :

- Per terms, when the contract is final, the property will be divided into parcels;
- SCDMH will receive any proceeds as the parcels sell;
- It is expected that amounts will be received over a 7 to 10 year period;
- Proceeds will help with, but not eliminate, need for additional capital funds.

FY2014 Budget Requests

South Carolina Department of Mental Health FY 2014 BUDGET REQUEST

	DMH Budget Request	Governor's Recommendation
OPERATING REQUEST		
Sustainability	\$ 9,416,420	\$ 8,256,420
Sexually Violent Predator Treatment Program	\$ 1,406,533	\$ 1,406,533
Forensics Inpatient Services	\$ 1,200,000	\$ 1,200,000
Telepsychiatry Program Sustainability	\$ 500,000	\$ 500,000
OPERATING REQUEST TOTAL	\$ 12,522,953	\$ 11,362,953
CAPITAL REQUEST		
Santee-Wateree MHC Construction	\$ 9,856,000	\$ -
Anderson-Oconee-Pickens MHC Construction	\$ 9,592,000	\$ -
Catawba MHC Construction	\$ 10,580,000	\$ -
Community Buildings Deferred Maintenance	\$ 3,393,630	\$ 500,000
Harris HVAC Renovations	\$ 7,100,000	\$ -
Inpatient and Support Buildings Deferred Maintenance	\$ 9,049,000	\$ 1,000,000
Roddey Nursing Home FRTW Roof Replacement	\$ 3,700,000	\$ -
Columbia Area MHC Carter Street Renovations	\$ 2,500,000	\$ -
CAPITAL REQUEST TOTAL	\$ 55,770,630	\$ 1,500,000
ONE-TIME FUNDING REQUEST		
Inpatient Electronic Medical Record	\$ 4,905,000	\$ -
Pharmaceutical Automated Dispensing Machine	\$ 1,000,000	\$ 1,000,000
Law Enforcement Vehicles, 5 new	\$ 126,005	\$ -
Physical Plant vehicles for patient transport	\$ 556,391	\$ 556,391
ONE-TIME FUNDING REQUEST TOTAL	\$ 6,587,396	\$ 1,556,391
GRAND TOTAL REQUEST	\$ 74,880,979	\$ 14,419,344

SCDMH Tomorrow: With Approval of Budget Requests

With approval of its FY2014 Budget Requests, the Department will be able to maintain its clinical programs at current levels, capitalize on current technological advances, and be positioned to manage the increased demand for its services.