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Agency: University of Wisconsin System -- Energy cost supplement

Recommendations:

Agenda Item VII: Alternative 2

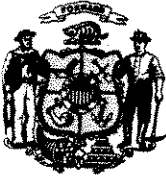
Comments: Increasing energy costs, and to a lesser extent expansion of facilities, have put UW System in a bind. Going into this budget, it was expected that investments in energy efficiency would offset rising costs. But, costs have risen faster than expected and front-end costs have limited the savings from energy efficiency programs.

Alternative 2 transfers enough GPR out of a flush fringe benefits fund to cover the shortfall.

NOTE: It might be worthwhile to make a brief statement about the importance of the UW being aggressive in seeking energy efficiency.

We expect the UW, with all the resources and expertise it has at hand, to be a leader in the state's efforts to achieve greater energy efficiency and independence. The committee will be looking for evidence of significant progress on this front in the future.

Prepared by: Bob



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

July 12, 2000

TO: Members,
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: University of Wisconsin System: Section 13.10 Request for Supplemental Funds --
Agenda Item VII

REQUEST

In a letter dated May 1, 2000, the University of Wisconsin (UW) System requested a supplement from the Committee's appropriation to cover an anticipated \$1.9 million shortfall in 1999-00 in the University's appropriation for energy costs. The additional funds needed would consist of \$1,436,500 GPR and \$457,900 PR derived from tuition. However, the most recent information available from University projects that the shortfall will be \$1,234,200, consisting of \$935,900 GPR and \$298,300 PR.

BACKGROUND

The UW System's fuel and utilities expenditures are funded with a combination of GPR and tuition revenues. Currently, the GPR component is equal to 75.83% of the total costs while tuition comprises 24.17%. The percentage allocated to tuition revenues is based on a calculation of the portion of University facilities related to instruction. Because the appropriation for tuition and fee revenues is continuing, the University does not require additional PR expenditure authority.

In 1998-99, \$42,267,000 GPR was appropriated to the UW System for expenses related to fuel, utilities, heating and air conditioning. In January 1999, UW System officials informed the Department of Administration (DOA) that the University would require an increase of \$2,531,400 GPR in this appropriation to meet projected energy costs in 1999-00. However, according to DOA staff, projections made by the Department at that time suggested that energy costs would actually decrease in the 1999-01 biennium. Therefore the 1999-01 budget act did not increase the

appropriation for fuel and utilities, and funding for the UW System's energy costs was maintained at the 1998-99 base level of \$42,267,000 GPR annually. Including approximately \$252,100 in encumbrances carried forward from 1998-99, a total of \$42,519,100 GPR is available for energy costs in 1999-00.

ANALYSIS

The current estimated shortfall in the UW System's appropriation for energy costs for 1999-00 is based on actual costs billed through the end of June and each campus' estimate of additional 1999-00 expenditures that will be posted prior to the July 10, 2000 cut-off. The following table indicates, for each campus, and for UW-Extension and System Administration, total 1998-99 energy costs, estimated total costs for 1999-00 and the amount and percentage of the estimated increase or decrease from 1998-99. As shown in the table, total energy costs for 1999-00, including expenses encumbered but not spent in 1998-99, are estimated at \$43,753,300. This represents an average increase of 5.04% systemwide over prior year expenditures. The estimated change in expenditures for individual institutions ranges from -1.58% at UW-Eau Claire to over 28.92% at UW-Parkside.

UW System Estimated GPR Energy Costs 1999-00

<u>Campus</u>	<u>Actual Costs 1998-99</u>	<u>Estimated Costs 1999-00</u>	<u>Estimated 1999-00 Chg. From 1998-99</u>	<u>% Change</u>
Madison	\$23,409,800	\$23,648,400	\$238,600	1.02%
Milwaukee	4,952,400	5,358,000	405,600	8.19
Eau Claire	1,523,700	1,499,700	-24,000	-1.58
Green Bay	806,500	857,100	50,600	6.27
LaCrosse	1,086,400	1,154,500	68,100	6.27
Oshkosh	1,162,200	1,208,400	46,200	3.98
Parkside	1,003,400	1,293,600	290,200	28.92
Platteville	947,800	952,900	5,100	0.54
River Falls	997,400	1,089,000	91,600	9.18
Stevens Point	1,189,700	1,382,100	192,400	16.17
Stout	1,084,100	1,267,200	183,100	16.89
Superior	743,000	842,000	99,000	13.32
Whitewater	971,600	1,131,400	159,800	16.45
Colleges	1,615,000	1,900,000	285,000	17.65
Extension	107,900	122,000	14,100	13.07
System Administration	<u>53,300</u>	<u>47,000</u>	<u>-6,300</u>	<u>-11.82</u>
System Total	\$41,654,200	\$43,753,300	\$2,099,100	5.04%

UW institutions reported a variety of factors contributing to the projected increase in energy costs in 1999-00. Seven of the campuses reported rate increases for water and sewer, electricity and gas as well as higher coal prices. However, the amount of the increases varied significantly from campus to campus. For example, UW-Madison reported an 8% increase in water rates while UW-Oshkosh reported an increase of 47%. DOA staff have indicated that at the time the 1999-01 budget was being developed, it was assumed that rate increases would be more than offset by savings from energy efficiency measures that were proposed or in the process of being undertaken at the campuses. It appears, however, that some of the actual rate increases were higher than anticipated. For example, according to DOA officials, natural gas prices have increased by almost 30% statewide over the past six months. UW-Green Bay reported that although the campus' gas consumption was 1% lower in 1999-00 than in 1998-99, costs were actually \$35,900 higher.

Many UW campuses cited payments under the Wisconsin Energy Initiative Phase III as reasons for higher energy costs in 1999-00. Systemwide, these payments were \$400,600 higher than in 1998-99. Under the program, the state contracted with two private corporations to design and implement energy efficiency projects whose entire cost would be paid from the resulting savings. While the contractor guarantees that the savings generated from the projects will be sufficient to cover the costs over the life of the project, in most cases, repayments begin before such savings have been realized. For 1999-00, payments ranged from \$30,200 at UW-Stevens Point to \$177,800 at UW-Parkside.

A portion of the increase in energy costs can be attributable to the addition of new facilities at a number of UW System institutions. In 1999-00, almost 600,000 square feet of additional space was added to UW System institutions, resulting in increased energy demands. Further, 1999-00 expenditures include the first full year of utility costs for facilities completed during the 1998-99 fiscal year. The impact of new space on utility costs can vary depending on the type of facilities involved. For example, UW-Madison noted that much of the 258,436 square feet of new space on that campus consists of research facilities which typically have higher utility costs than other types of facilities.

UW System staff indicate that at the end of the 1999-00 fiscal year, the University expects to lapse a significant amount of GPR funding for fringe benefits from the University's s. 20.285(1)(a) appropriation for general program operations for University education, research and public service. Although a precise estimate is not available, it is projected that at least \$1 million GPR of fringe benefits funding in that appropriation will remain unspent. Therefore, if the Committee wishes to provide additional funds to the University for energy costs, the Committee could transfer the necessary funds from the fringe benefits line of the s. 20.285(1)(a) appropriation, rather than provide a supplement from other unreserved or reserved monies in the Committee's appropriation. The net unreserved balance remaining in the Committee's appropriation is \$75,700. Therefore, if a supplement were to be provided for the University's energy expenses, an additional \$860,200 GPR from the Committee's reserved balance would need to be designated.

ALTERNATIVES

1. Approve the University's request revised request for a supplement of \$935,900 GPR in 1999-00 to the agency's s. 20.285(1)(c) appropriation for energy costs from the Joint Finance Committee's s. 20.865(4)(a) appropriation to cover an anticipated shortfall in funding for fuel and utilities.

2. Transfer \$935,900 GPR of fringe benefits funding from the University's s. 20.285(1)(a) appropriation for general program operations to the s. 20.285(1)(c) appropriation for energy costs.

3. Deny the request.

Prepared by: Merry Larsen

MO# Alt 2

1	BURKE	<input checked="" type="radio"/>	N	A
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	JAUCH	<input checked="" type="radio"/>	N	A
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	RILEY	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS _____

VII. University of Wisconsin System – Deborah Durcan, Acting Vice President for Finance

UW System requests a one-time supplement of \$843,000 GPR from the Committee's appropriation under s. 20.865(4)(a) to the agency's appropriation under s. 20.285(1)(c), to cover a fuel and utilities budget shortfall in fiscal year 1999-2000.

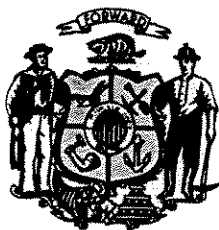
Governor's Recommendation

Deny the request. Instead, allow UW System to transfer \$936,000 GPR of fringe benefit funding in the appropriation for general program operations, under s. 20.285(1)(a), to the appropriation for energy costs, under s. 20.285(1)(c).

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY



Office of the Secretary
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Madison, WI 53707-7864
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Date: July 10, 2000

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration

Subject: Section 13.10 Request from the University of Wisconsin System for \$843,000 GPR in fiscal year 2000.

Request

UW System requests a one time supplement of \$843,000 GPR from the Committee's appropriation under s. 20.865(4)(a) to the agency's appropriation under s. 20.285(1)(c), to cover a fuel and utilities budget shortfall in fiscal year 1999-2000.

Background

System uses the funds in its appropriation under s. 20.285(1)(c) to pay for energy-related needs, including: utilities, fuel, heat and air conditioning costs; the costs incurred for energy conservation measures and for state-owned/operated heating, cooling or power plants; and to repay energy efficiency fund loans made to the Board of Regents under s. 16.847(6).

System provided information in the context of its 1999-01 biennial budget request. In the request, System suggested that fuel and utility expenditures would be higher as a result of inflation and new facilities becoming operational. However, the Department of Administration (DOA) did not increase the agency's energy appropriation, based on estimates that suggested energy conservation measures put in place would produce savings sufficient to offset the additional costs.

System Administration initially projected a shortfall in the energy costs appropriation of \$1,894,381. The estimates have been revised a number of times as actual expenditure data becomes available from the campuses. System Administration recently estimated a shortfall of \$1,111,700, of which \$843,000 would be supported by GPR (the "student share" of energy costs - 24.17% - is

supported with tuition revenue¹). Because this was the estimate that was available when requests were due to DOA from the agencies (June 21st), \$843,000 was the amount used as UW System's request. However, under the latest projections (July 5th), the shortfall is estimated at \$1,234,234. The student-supported share of energy costs would offset the shortfall by \$298,314, reducing UW System's need to \$935,920 GPR, or about 2% of System's \$42 million annual appropriation for fuel and utilities.

Analysis

System Administration suggests that the current budget shortfall is a result of two factors: 1) unanticipated and abnormal increases in fuel/utility rates; and 2) additional building space for which no new funding (for energy consumption costs) was provided in the last biennial budget.

Staff from the Division of Facilities Development (DFD) concurs with UW System on the cause of the budget shortfall. Cooling requirements (cooling degree days) in the summer of 1999 were substantially higher than normal, causing greater consumption of electricity. Furthermore, DFD suggests that if certain energy efficiency improvement projects had not been implemented in recent years, System would likely face an even greater shortfall. According to DFD staff, the lease payments made by System for equipment and services purchased under DOA's master lease program (for energy efficiency improvement projects) are not the cause of the System's current budget shortfall.

It appears that the budget shortfall is the result of factors beyond the control of System. Therefore, System's request for GPR funding to meet the shortfall does not seem unreasonable. However, the Committee currently has extremely limited resources to address agencies' funding needs. Given this limitation, DOA has discussed alternative solutions to the budget shortfall with staff from DFD and System Administration.

In its fiscal year 1999-2000 pay plan supplement analysis, System has identified a budget surplus on the fringe benefit line in its appropriation for General Program Operations (GPO), under w. 20.285 (1)(a). While the agency may need to request the variable costs of back pay fringes for classified staff that went into effect after the pay plan calculation, the fringe benefit surplus related to all other staff (estimated at \$1 million to \$3.5 million) would be available to meet this fuel and utility shortfall.

Normally, any such surplus would lapse to the general fund at the close of the

¹ The "student share" of energy costs is derived by applying the traditional GPR/Fee split (35% Fees) to the amount of physical plant space allotted to instruction (the teaching mission). Thus, the student share of energy costs will vary with the amount of physical plant space that is determined to be related to the teaching mission.

fiscal year. As a general rule, DOA policy does not allow agencies to move funds from the fringe benefit line to another expenditure line within an appropriation if there is any need for fringe supplement. However, given the special circumstances, the fringe benefit surplus in the GPO appropriation could be redeployed to the supplies and services line to meet the budget shortfall in the energy costs appropriation.

System would transfer funds from the fringe benefit line to the supplies and services line within the GPO appropriation (in WISMART). The expenditures for fuel and utilities that would not be covered under the energy costs appropriation would then be charged against the GPO appropriation (supplies and services line).

Alternately, the projected fringe surplus could be transferred on a one-time basis in fiscal year 1999-2000 from System's GPR appropriation under s. 20.295 (1)(a) to the appropriation for energy costs under s. 20.285 (1)(c).

System received no increase in funding for its energy costs appropriation for fiscal year 2000-01 (i.e., same level of funding as this fiscal year). Thus, if fuel and utility costs remain high, or if adverse weather conditions are again experienced, it is likely that System will experience a similar problem in fiscal year 2000-01. DOA and System will study this situation closely and work together to identify the magnitude of any problem as well as alternate funding sources.

Conclusion

Based on both DOA's and UW System's analysis, it is likely that UW System will experience a budget shortfall in its energy costs appropriation in fiscal year 1999-2000. According to System and DFD staff, the shortfall is a result of factors beyond the control of UW System. Due to the extremely limited resources available to the Committee in its supplemental appropriation, it would be prudent to find an alternative method to address System's budget shortfall. System Administration had identified a surplus of fringe benefit funds in the GPO pool that could be used to offset the shortfall. This could be accomplished with one-time line transfer or a transfer between appropriations.

Recommendation

Deny the request. Instead, allow UW System to transfer \$936,000 GPR of fringe benefit funding in the appropriation for general program operations, under s. 20.285(1)(a), to the appropriation for energy costs, under s. 20.285(1)(c).



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May 1, 2000

Senator Brian Burke
 Representative John Gard
 Co-Chairs, Joint Committee on Finance

George Lightbourn, Secretary
 Department of Administration

Dear Senator Burke, Representative Gard and Secretary Lightbourn:

This letter is to request supplemental funding in accordance with s. 13.10 *Wis. Stats.* to cover a shortfall in our GPR appropriation for utilities. We estimate this shortfall to be approximately \$1.9 million in 1999-2000.

Wisconsin Act 9 followed the Governor's recommendation and established the UW System's 1999-2000 budget for GPR-funded utilities under s. 20.285(1)(c) at \$42,267,000, the same amount as was provided for 1998-1999. The UW System's request for an additional \$2,531,400 in 1999-2000 was denied because the Department of Administration believed energy conservation measures would fully offset both rate increases and the additional costs associated with servicing additional space. This has proven not to be the case as shown below.

	<u>1998-1999</u>	<u>1999-2000</u>
Chapter 20 budget	42,267,000	42,267,000
Encumbrances carried forward	675,498	252,028
Total budget authority	42,942,498	42,519,028
Expended / Estimated expended:	41,654,059	44,413,409
Encumbered / Estimated encumbr:	252,028	0
Lapsed / (Shortfall)	1,036,411	(1,894,381)

Attachment 1 provides campus-by-campus detail on utility expenditures for 1998-99 and on our projection for 1999-2000. Two projections are shown for 1999-2000. The first is based on expenditures through the end of March in both 1999 and in 2000 and assumes that the ratio of end-of-March expenditures to end-of-year expenditures in 1999-2000 will be the same as in 1998-99. The second projection is a refinement of that initial projection based on campus knowledge of their own particular situation. It is that number which is used above. Overall, we are estimating current year expenditures to be 6.62% percent higher than in 1998-99.

As detailed on Attachment 2, the key factors that contribute to higher costs in 1999-2000 include:

- The UW System has added over 595,436 square feet of GPR space in 1999-2000. In addition, 1999-2000 includes the first full year of funding for servicing 612,419 square feet of GPR space added in 1998-99.
- A number of institutions have experienced significant rate increases for energy costs.
- In 1999-2000, UW System institutions have made payments totaling \$550,928 on Wisconsin Energy Initiative Phase 3 projects, an amount that is \$400,646 higher than similar payments made in 1998-99. Whatever costs savings may result from these projects will occur in future years; little if any savings have been realized to date.

Had the UW System's request for an additional \$2.5 million in funding been approved, the resulting budget would have been sufficient to cover costs in 1999-2000 as shown below:

1998-99 budget	40,267,000
Additional amount	2,531,400
Carryforward encumbrances	252,028
 Total budget authority	 45,050,428
 Estimated expenditures	 44,413,409
 Budget surplus	 637,019

The UW System's request for the 1999-2001 biennium included a request for an additional \$907,400 in 2000-2001 for a total 2000-01 authorization of \$45,705,800. This request was not approved. Therefore, since the budget for 2000-2001 is at the same level as for 1998-99 and for 1999-2000, we anticipate a budget shortfall of roughly a \$3.5 million in 2000-2001 unless corrective budgetary action is taken.

Thank you for your consideration of this request. If you have any questions please contact Doug Hendrix at 262-1803.

Sincerely,



Deborah A. Durcan
Acting Vice President for Finance

cc: President Lyall	Assistant Vice President Ives
Regent President Orr	Doug Hendrix
Regent Vice President Smith	Del Anderson
Regent Barry	Renee Stephenson
Regent Marcovich	Richard Panke
Chancellors	Bob Lang, Legislative Fiscal Bureau
Institution Business Representatives	Merry Larsen, Legislative Fiscal Bureau
Associate Vice President Sell	Bob Hanle, DOA
Assistant Vice President Harris	Dan Caucutt, DOA

University of Wisconsin System
 Fund 109 Expenditures
 March 2000 vs March 1999
 and Projected FY00 Total

	March 1999	FY 99 Total	Ratio	March 2000	FY 00 Projection: Using ratio	FY00 Projection: Campus estimate	Difference between FY00 campus est. and FY99 actual	Percent change
Madison	16,146,951	23,409,760	0.6898	16,165,018	23,435,954	24,190,994	781,234	3.34%
Milwaukee	3,451,851	4,952,387	0.6970	3,469,873	4,978,244	5,232,985	280,598	5.67%
Eau Claire	1,027,576	1,523,663	0.6744	1,121,810	1,663,414	1,565,000	41,317	2.71%
Green Bay	650,212	806,510	0.8062	707,085	877,055	874,885	68,375	8.48%
La Crosse	843,408	1,086,444	0.7764	1,065,149	1,371,983	1,371,983	285,539	26.28%
Oshkosh	822,894	1,162,187	0.7081	887,644	1,267,604	1,304,000	141,813	12.20%
Parkside	686,097	1,003,400	0.6838	915,029	1,338,207	1,388,200	384,800	38.35%
Platteville	669,103	947,787	0.7060	689,304	976,401	976,401	28,614	3.02%
River Falls	806,036	997,421	0.8081	845,582	1,046,356	1,056,356	58,935	5.91%
Stevens Point	1,289,224	1,189,670	1.0837	1,020,615	941,802	1,415,891	226,221	19.02%
Stout	844,407	1,084,081	0.7789	882,520	1,145,850	1,172,629	88,548	8.17%
Superior	510,511	743,038	0.6871	546,210	794,997	843,000	99,962	13.45%
Whitewater	610,557	971,585	0.6284	801,893	1,276,044	950,000	-21,585	-2.22%
Colleges	1,185,393	1,614,972	0.7340	1,402,031	1,910,119	1,900,000	285,028	17.65%
Extension	78,145	107,870	0.7244	88,275	121,853	121,853	13,984	12.66%
Unit Y	37,582	53,266	0.7066	34,736	49,232	49,232	-4,034	-7.57%
System Total		41,654,059			43,195,116	44,413,409	2,759,350	6.62%
Budget Authority						42,519,028		
Projected Shortfall						1,894,381		

Institution	Difference between FY00 estimate & FY99 actual	Comments
Madison	781,234	<ol style="list-style-type: none"> 258,436 gross square footage has been added during 99-00. In addition, 89-00 includes a full year of costs for 542,419 square feet added during 98-99. Construction is underway on 303,486 square feet in 00-01 and some utility costs are incurred during construction. Much of the square footage being added relates to research facilities that have a higher than average cost for utilities. Water and sewer rates increased 8%; MG&E increased rates 5% effective 1/1/2000. A rate surcharge was added to MG&E bills from August 1999 to January 2000 increasing costs by \$207,000. Another surcharge in effect from April to July 1999 increased FY0 costs by \$50,000. In July 1999 Madison experienced a significant heat wave -- total cooling degree days were 315 compared to a norm of 198; the July electrical bill was 11% higher than June despite energy conservation measures taken to lower the amount of electricity used on the hottest days. UW-Madison is making annual payments of \$500,000 to repay a loan from the Energy Efficiency Fund for the 1997-98 co-generation and electrical distribution project.
Milwaukee	280,598	Fuel usage is similar to FY99 but the cost per unit is higher. Water and sewer rates are also higher. Electrical usage is up.
Eau Claire	41,317	Includes WEI-3 payment in FY00 of \$150,282. (Same amount paid in FY99.)
Green Bay	68,375	Gas rates increased approximately 18% and electrical rates approximately 5% in FY00. Gas consumption is down by approximately 1% but costs are up by \$35,940. Electrical consumption is up 271,590 kwh through the end of March.
La Crosse	285,539	<ol style="list-style-type: none"> The UW-LaCrosse heating plant has supplied steam for and additional 168,000 square feet since 12/1/99 (the Health Sciences Center). Expenses were especially high while construction was in progress since the facility was not efficient with respect to heating costs. The UW-LaCrosse Student Center, involving 18,000 square feet in the Health Science Center Building came on line in mid-March. The cost of coal is up \$4.27 per ton for the 1999-2002 contract. The cost of gas is up \$.18 per million BTUs. Water and sewer expenses are higher due in part to start-up problems related to bringing the central chiller on-line.
Oshkosh	141,813	Water rates have gone up nearly 47% in the current fiscal year.
Parkside	384,800	<ol style="list-style-type: none"> 121,000 gross square feet have been added in FY00 (the Sports Activity Center). Includes WEI-3 payments through March totaling \$177,803. No WEI-3 payments in 99.
Platteville	28,614	
River Falls	58,935	<ol style="list-style-type: none"> 48,000 square feet have been added in FY00 (Teacher Education building). WEI-3 payments of \$64,615 will be made in FY00 (net of program revenue share). No WEI-3 payments were made in FY99. Water usage is up during landscaping the new Teacher Education building and the dry summer. A project to improve air quality in the Art Department studios converted the previous return air system to a once through air system resulting in higher energy costs to produce a sixfold increase in air exchanges. This project was implemented to address health and safety concerns.

Explanation of Projected FY00 Increases vs FY99

Institution	Difference between FY00 estimate & FY99 actual	Comments
Stevens Point	226,221	<ol style="list-style-type: none"> 1. In January 1999 electrical rates increased by 6.4% and gas rates by 5.3%. In January 2000 electrical rates increased by another 4%. 2. Only 11 months of gas and electric were charged to FY99 because the June bills were received too late in July to charge to the old year. FY00 will include 12 months (June - May). 3. WEI-3 payments for FY00 total \$30,228. No WEI-3 payments in FY99.
Stout	88,548	Water and sewer rates have increased by approximately 5%.
Superior	99,962	<ol style="list-style-type: none"> 1. Gas usage is up because of the need to switch from coal to gas on several occasions due to opacity reading this winter. 2. WEI-3 payments for FY00 are projected to total \$48,000. No WEI-3 payments in FY99.
Whitewater	-21,585	
Colleges	285,028	<ol style="list-style-type: none"> 1. Includes first full year of costs for 70,000 additional square feet (Baraboo, Marshfield). 2. First year for air conditioning 70,000 square feet at Barron County and Sheboygan campuses. 3. Rock County had sealed off their Science building for renovation in 1998-99 which lowered FY99 costs. 4. Includes WEI-3 payments of \$80,000 in FY00. No WEI-3 payments in FY99.
Extension	13,984	
Unit Y	-4,034	



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June 21, 2000

Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

George Lightbourn, Secretary
Department of Administration

Dear Senator Burke, Representative Gard and Secretary Lightbourn:

This is a follow-up to my May 1, 2000 letter requesting supplemental funding in accordance with s. 13.10 Wis. Stats. to cover a shortfall in our GPR appropriation for utilities. At that time we estimated the shortfall to be approximately \$1.9 million in 1999-2000. Our latest estimate is that our shortfall will be closer to \$1.0 million as shown in the table below. The student fee funded portion of this estimated shortfall is \$268,697 (24.17%) thus reducing the GPR funding needed to cover the shortfall to \$842,999.

	<u>1998-1999</u>	<u>1999-2000</u>
Chapter 20 budget	42,267,000	42,267,000
Encumbrances carried forward	675,498	252,028
Total budget authority	42,942,498	42,519,028
Expended / Estimated expended:	41,654,059	43,630,724
Encumbered/Estimated encumbered:	252,028	0
Lapsed / (Shortfall)	1,036,411	(1,111,696)

Attachment 1 provides campus-by-campus detail on utility expenditures for 1998-99 and projections for 1999-2000. Overall, we are estimating current year expenditures to be 4.5% higher than in 1998-99, of which 1% is attributable to increased payments for Wisconsin Energy Initiative Phase 3 projects. An attachment to the May 1st letter provided additional detail on other reasons for the increase including gross square footage added in 1999-2000 and on rate increases.

Thank you for your consideration of this request. If you have any questions, please contact Doug Hendrix at 262-1803.

Sincerely,



Deborah A. Durcan
Acting Vice President for Finance

cc: President Lyall
 Regent President Smith
 Regent Vice President Randall
 Regent Barry
 Regent Marcovich
 Chancellors
 Institution Business Representatives
 Kathi Sell
 Freda Harris
 Steve Agostini, DOA

 Nancy Ives
 Doug Hendrix
 Del Anderson
 Renee Stephenson
 Richard Panke
 Bob Lang, Legislative Fiscal Bureau
 Merry Larsen, Legislative Fiscal Bureau
 Bob Hanle, DOA
 Dan Caucutt, DOA

**University of Wisconsin System
Utility Expenditures
1998-99 Actual and 1999-2000 Estimate**

	FY99 expenditures	Estimated FY00 expenditures
Madison	23,409,760	23,405,010
Milwaukee	4,952,387	5,304,554
Eau Claire	1,523,683	1,560,000
Green Bay	806,510	1,021,807
LaCrosse	1,086,444	1,371,983
Oshkosh	1,162,187	1,250,000
Parkside	1,003,400	1,210,479
Platteville	947,787	973,000
River Falls	997,421	1,101,016
Stevens Point	1,189,670	1,409,810
Stout	1,084,081	1,182,407
Superior	743,038	836,715
Whitewater	971,585	936,507
Colleges	1,614,972	1,900,000
Extension	107,870	118,204
Unit Y	53,266	49,232
System Total	41,654,059	43,630,724
Authorized budget		42,519,028
FY0 estimated shortfall		-1,111,696

July 12, 2000
s. 13.10 Meeting
AGENDA ITEM VIII

Health and Family Services: Funding and Positions for the Mental Health Institutes

Summary:

On 7/2/99 the feds came up with new standards for the use of seclusion and restraint to manage patient behavior in hospitals. These new standards must be met in order to continue participation in the Medicare and MA programs.

DHFS operates 2 residential mental health facilities, Mendota Mental Health Institute in Madison & Winnebago Mental Health Institute in Winnebago. They are requesting 51.75 additional positions funded through GPR and PR in order to meet the requirements of these new standards. Of these, 34.15 could be reallocated from the 3 state Centers for the Developmentally Disabled through attrition as their residents are placed in the community.

The GPR funding for these positions will come from DHFS appropriations that will lapse funds in 99-00.

DHFS (Kevin Lewis in his parting duty) called to plead for all the positions saying they were critical. However, LFB points out that neither facility has been surveyed under the new standards & neither has been found to be out of compliance under their current staffing levels. They do point out that these new regulations will require a lot more staff time and responsibility and additional staff will be needed.

Staff Recommendation:

A2, B1(A2)

A2 gives them most of the positions they're requesting and the funding mechanism in B1 (A2) makes sure the counties don't take a hit in paying for this in years to come. If you use the funding mechanism in B2 and recalculate the split for indirect costs at the MHIs, the burden will eventually shift to these counties in the daily rate charged to them for patients served by the MHIs. Given all the cuts in Community Aids they've had to swallow, I don't think yet another hit would go over too well.

Prepared by: Cindy



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

July 12, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Health and Family Services: Section 13.10 Request for Funding and Positions for the Mental Health Institutes -- Agenda Item VIII

The Department of Health and Family Services (DHFS) requests a transfer of \$425,000 GPR from the 1999-00 appropriation for the Wisconsin Resource Center (WRC) and \$42,400 GPR from the 1999-00 appropriation for secured facilities for sexually violent persons (SVPs) to the 2000-01 GPR appropriation for the state Mental Health Institutes (MHIs) to fund 17.6 GPR positions to meet new federal requirements relating to the use of seclusion and restraints in psychiatric hospitals. In addition, DHFS requests \$883,900 PR in 2000-01 and the authority to reallocate 34.15 PR positions from the three state Centers for the Developmentally Disabled to the MHIs to meet these new requirements.

Finally, the Department requests the transfer of \$32,600 GPR from the 1999-00 appropriation for secured facilities for SVPs and \$150,000 GPR from the 1999-00 appropriation for energy costs at the MHIs, state Centers and WRC to the 2000-01 medical assistance (MA) GPR benefits appropriation to support a portion of the PR increase requested for the MHIs.

In summary, the Department's request would transfer \$650,000 GPR from funds that would otherwise lapse to the general fund at the end of the 1999-00 fiscal year to support new, ongoing staff costs at the MHIs.

BACKGROUND

New Rules Regarding the Use of Seclusion and Restraint. On July 2, 1999, the Health Care Financing Administration (HCFA) published interim final rules that included new standards regarding the use of seclusion and restraint to manage patient behavior in hospitals. Hospitals

must meet these new standards in order to be approved for, or continue to participate in, the Medicare and MA programs. The requirements under the interim final rule took effect on August 2, 1999, and will be in effect until a final rule is issued.

The rules specify that a patient has a right to be free from the use of seclusion or restraint, of any form, including drugs, as a means of coercion, discipline, convenience, or retaliation by staff. The use of seclusion or restraints to manage behavior is only allowed in an emergency situation when an unanticipated, severely aggressive or destructive behavior places the patient or others in imminent danger. Seclusion or restraints may only be used when less restrictive alternatives have been tried and found to be ineffective.

In addition, the rules establish new procedural requirements hospitals must meet when a patient is secluded or restrained. The rules require that a physician or licensed independent practitioner see the patient face-to-face within one hour of the application of the restraint or the use of seclusion. Further, the rules specify the maximum amount of time a patient may be secluded or restrained under a written order so that, under each order, restraint or seclusion is limited to four hours for adults, two hours for children and adolescents ages 9 to 17, or one hour for patients under the age of nine. While the patient is being restrained or secluded, his or her status must be continually monitored, assessed, and reevaluated, with an eye toward releasing him or her from the restraint or seclusion at the earliest possible time. Orders for seclusion or restraint may be renewed for the increments listed above for up to a total of 24 hours. At that point, the physician or licensed practitioner must reevaluate the patient face-to-face before writing a new order.

The rules require that if restraints are used in combination with seclusion, the patient must be continually monitored, either face-to-face by an assigned staff member, or by staff using both video and audio equipment. This monitoring must be in close proximity to the patient. Hospitals must report to HCFA any death that occurs while a patient is restrained or in seclusion, or where it is reasonable to assume that a patient's death is a result of restraint or seclusion. Finally, the rules require that, as part of ongoing training, staff who have direct patient contact are trained in the proper and safe use of seclusion and restraints, as well as in techniques and alternatives to seclusion or restraints.

DHFS Mental Health Institutes. DHFS operates two residential mental health facilities, Mendota Mental Health Institute (MMHI) and Winnebago Mental Health Institute (WMHI), which are licensed hospitals and subject to the new rules on seclusion and restraint because both institutions are certified under both Medicare and MA. Medicare and MA account for over one-third of the revenues received by these facilities. The costs of caring for persons referred to the MHIs under court orders relating to criminal charges (forensic patients) are supported by GPR. The costs of caring for persons referred to MHIs by community mental health boards (civil commitments) are supported by program revenue paid by counties and third-party payers, including Medicare and MA, based on rates established annually by DHFS. The costs of providing care for adults who are over the age of 65 and children who have been committed under civil procedures are typically supported by MA, while the costs of providing services to adults who are between the ages

of 21 to 65 years old who are committed under civil procedures are supported by charges levied on the patient's county of residence. The current daily rate for adult psychiatric services is \$576 per day at MMHI and \$513 per day at WMHI.

DHFS Request. The DHFS identifies a need for 51.75 additional positions and \$1,360,500 (17.60 GPR positions and \$476,500 GPR and 34.15 PR positions and \$883,900 PR) in 2000-01 to help the MHIs meet the new federal standards. The GPR-supported positions would work in the forensic units, while the PR-supported positions would work in the units for civil patients. Of the 51.75 positions, 22.80 positions (9.25 GPR positions and 13.55 PR positions) would be provided at MMHI and the remaining 28.95 positions (8.35 GPR positions and 20.60 PR positions) would be provided at WMHI. These positions are budgeted to begin on October 1, 2000, and would require nine months of funding in 2000-01. Since the requested PR staff would be partly supported by MA, MA benefits costs would increase by \$182,600 GPR in 2000-01. In total, DHFS has identified staff costs totaling \$659,100 GPR in 2000-01 relating to this request. Because DHFS requests a transfer of a total of \$650,000 GPR from funds that would otherwise lapse at the end of the 2000-01 fiscal year, DHFS would absorb GPR costs totaling \$9,100 in 2000-01.

Rather than requesting new PR positions, DHFS requests that 34.15 current PR positions be reallocated from the three state Centers for the Developmentally Disabled. Under current law, funding for the Centers is reduced as residents are placed in the community under the community integration program (CIP IA). DHFS meets this requirement by not filling some positions at the Centers as they become vacant during the course of the biennium. These vacant positions are then deleted as part of the following biennial budget act. It is anticipated that the Centers would have staff reductions equal to or in excess of the 34.15 requested positions by the end of 1999-00. The PR positions at the Centers are funded by the same appropriation as the PR positions at the MHIs. Consequently, it is possible to reallocate the Department's existing PR position authority from the Centers to the MHIs. However, this reallocation would reduce the number of PR positions that would otherwise be deleted as part of the 2001-03 biennial budget act.

The MMHI consists of eight forensic units, two adult civil units and four child/adolescent units. Each unit typically has a population of 15 to 20 patients and is generally staffed by four psychiatric or residential care technicians (PCTs/RCTs) and one or two nurses, depending on the unit, for each day or early evening shift. Each unit also has access to one psychiatrist, one social worker, one half-time psychologist, and one half-time therapist position. Fewer staff work the night shifts (typically one or two psychiatric care technicians and 0.25 to 1.0 nurse position). The DHFS request would increase staffing in seven of the 14 units at MMHI by one post on the first shift and by one post on the second shift (either a PCT, RCT or nurse, depending on the unit). The request also would provide one post for the night shift on the geriatric unit, and 3.0 certified occupational therapists to provide programming for these units. Each post requires 1.65 positions to cover weekends, vacations and sick time.

The WMHI has six forensic units that vary in size from 12 beds to 50 beds. Also, there are eight civil units at WMHI that range in size from 10 to 20 beds. DHFS requests additional staff for

six of the 14 units at Winnebago -- two medium security forensic units and four civil units. The two forensic units each have a capacity of 30 beds and each unit is currently staffed with four RCTs and two nurses on the first shift and four RCTs and one nurse on the second shift. Each forensic unit has access to the services of three therapists, one psychiatrist, two social workers and 1.5 psychologist positions. DHFS requests an additional 1.5 RCT posts for each of the two forensic units. The three adult civil units for which staffing is requested currently have three RCT posts and two nurse posts on the first shift and three RCT posts and one nurse post on the second shift. DHFS requests one RCT post for the first shift and one RCT post for the second shift and one nurse clinician position for each of the adult civil units. The same staffing increase is requested for the two adolescent units, each of which are currently staffed by two RCTs and two nurses on the first shift and two RCTs and one or two nurses on the second shift. DHFS is also requesting 2.5 nurse practitioner positions for services to all units. The nurse practitioner positions are intended to provide the face-to-face evaluation that is required within one hour of any use of seclusion or restraints. A nurse practitioner can substitute for a physician in this function. WMHI currently employs a physician only during the first shift.

The GPR funding to support these new staff positions would be derived from three DHFS appropriations that will lapse funds in 1999-00. First, \$425,000 GPR would be derived from the appropriation for the Wisconsin Resource Center, which provides mental health services to prison inmates transferred from state correctional institutions and to persons committed as sexually violent persons. Second, \$150,000 GPR would be derived from the appropriation that supports for energy costs at the six state institutions operated by the Division of Care and Treatment Facilities. Finally, \$75,000 GPR would be transferred from the 1999-00 appropriation for secured facilities for SVPs.

ANALYSIS

One of the major factors cited by HCFA for establishing the new restrictions on seclusion and restraints is a concern about reports of deaths and injuries resulting from the inappropriate use of seclusion and restraints in mental health facilities. HCFA references a series of articles that appeared in October, 1998, in the Hartford Courant, a Connecticut newspaper, that cited the results of a study that identified 142 deaths from seclusion or restraint use in behavioral health treatment facilities over the past 10 years. In remarks before Congress, HCFA staff pointed to the success of states, such as Pennsylvania and New York, in dramatically reducing the use of seclusion and restraints in mental health facilities. HCFA staff also pointed to the reduction in the use of seclusion and restraints in nursing homes that was brought about by regulatory change in the late 1980's and early 1990's. Since January 1, 1995, one patient has died (in 1996) and one patient has been seriously injured (a head fracture in 1999) while in seclusion at Wisconsin's MHIs.

On July 13, 1999, the National Association of State Mental Health Program Directors (NASMHPD) approved a position statement on seclusion and restraint that mirrored the new HCFA regulations. The association stated that "seclusion and restraint should never be used for the purposes of discipline, coercion, or staff convenience, or as a replacement for adequate levels of

staff or active treatment." The statement also expressed the view that "the use of seclusion and restraint creates significant risks for people with psychiatric disabilities. These risks include serious injury or death, retraumatization of people who have a history of trauma, and loss of dignity and other psychological harm." Administrators at Wisconsin's MHIs have expressed the view that a reduction in the use of seclusion and restraints is good treatment policy, as well as a requirement under the new rules.

HCFA does not routinely survey hospitals for compliance with federal regulations if the hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). JCAHO has not yet adopted the new HCFA standards on seclusion and restraint, but is expected to adopt these standards, beginning January 1, 2001. MMHI is scheduled to be surveyed by JCAHO in the fall of 2001, while WMHI's next survey is scheduled for early in 2002. It is possible that one or both of the MHIs could be surveyed earlier if patients or advocacy groups file complaints about the facilities' use of seclusion or restraints or if a death occurs while a patient was in seclusion or restraints. HCFA also does some random surveys, but most of these efforts would be directed at facilities where there is some indication of problems.

If one of the MHIs were found deficient in its seclusion and restraint procedures, it is likely that the facility would have 90 days to correct the problem. Although regulators have the option of disallowing past Medicare and MA payments and/or immediately terminating certification for Medicare and MA, regulators prefer to have the facility correct the problem to avoid the disruption that might occur if a major funding source was terminated for a facility. If corrections were not made within 90 days, termination of Medicare and MA would occur at that point.

Colorado. Colorado's mental health facility at Pueblo was surveyed by HCFA and found to be deficient in its procedures for the use of seclusion and restraints. This facility houses all of the state's forensic patients (approximately 300 persons) and treats approximately 200 civil commitments. The size of the civil commitment population suggests that the facility at Pueblo serves a broader group of commitments than Wisconsin's MHIs, to which only the most difficult cases are referred.

Because of the deficiency findings, the facility at Pueblo was required to make corrections to its seclusion and restraint procedures. The corrections were only required for the civil commitment program, since its forensic units are not Medicare or MA certified. However, the facility chose to apply the same corrections to its forensic units. The facility was not provided any additional staff to implement the new requirements. During the first several months, the facility's staff worked overtime to address the problem, but once the facility's overtime budget was expended, staff implemented the new requirements without working additional hours. The facility at Pueblo was able to pass the resurvey in December, 1999, by modifying its procedures with existing staff. The facility was also able to significantly reduce its use of seclusion and restraints. The number of hours of seclusion and restraint per 1,000 patient hours declined from 14.58 to 1.04 hours for the entire hospital, and from 10.41 to 0.62 hours for forensic units only. Although initially the number

of injuries to workers increased, there are now fewer injuries under the new seclusion and restraint procedures.

The facility was surveyed by JCAHO in May 2000, and although it passed the survey, employees expressed a concern about the adequacy of staffing. Although the facility was able to meet the new seclusion and restraint regulation with existing staff, the Department indicates that the working conditions are very taxing for staff, and that it plans to request 177 additional staff to meet this additional workload as part of its next budget request. The Department's currently operates the facility with approximately 900 full-time equivalent (FTE) positions.

Use of Seclusion & Restraint at MMHI and WMHI. Table 1 provides comparative information on the use of seclusion and restraints at MMHI and WMHI and other mental health facilities nationwide as reported to the NASMHPD Research Institute.

TABLE 1

**Use of Seclusion and Restraint
As Reported to NASMHPD Research Institute
Mendota and Winnebago Mental Health Institutes and National Average
February through April, 2000**

	<u>Mendota</u>	<u>Winnebago</u>	<u>National Average</u>
Seclusion Hours Per 1,000 Patient Hours			
February, 2000	7.92	1.91	1.24
March, 2000	8.98	1.27	1.73
April, 2000	<u>8.53</u>	<u>0.79</u>	<u>1.12</u>
Three-Month Average	8.48	1.32	1.36
Percent of Clients Secluded			
February, 2000	16.87	13.60	5.80
March, 2000	15.88	8.51	6.74
April, 2000	<u>19.35</u>	<u>11.59</u>	<u>6.46</u>
Three-Month Average	17.37	11.23	6.33
Restraint Hours Per 1,000 Patient Hours			
February, 2000	7.92	1.10	1.27
March, 2000	6.40	2.31	1.41
April, 2000	<u>5.31</u>	<u>1.41</u>	<u>1.40</u>
Three-Month Average	6.54	1.61	1.36
Percent of Clients Restrained			
February, 2000	6.13	9.07	5.46
March, 2000	5.00	10.64	5.56
April, 2000	<u>6.16</u>	<u>11.86</u>	<u>6.14</u>
Three-Month Average	5.76	10.52	5.72

With regard to seclusion, Table 1 indicates that, between February and April, WMHI had a level of seclusion hours per 1,000 patient hours that was about equal to the national average (1.32 hours), while MMHI had a level over six times the national average (8.48 hours). Both MMHI and WMHI secluded a greater percentage of patients (17.4% and 11.2%, respectively), compared to the national average (6.3%).

MMHI also has a much higher level of restraint hours per 1,000 patient hours (6.54 hours) than the national average of 1.36 hours. However, MMHI was near the national average of 5.7% for the percentage of patients who were restrained during this time period. The situation was the opposite at WMHI -- close to the national average for restraint hours per 1,000 patient hours (1.61 hours), but significantly above the national average for percentage of patients who were restrained (10.5%, compared to the national average of 5.7%).

Table 2 provides information on the total hours of seclusion and restraints per 1,000 patient hours by individual units at the two MHIs. Table 2 shows that the primary source of the high seclusion and restraint numbers at MMHI is due to the MTU maximum security forensic unit. The MTU unit at MMHI had an average of 212.58 hours of seclusion and restraint per 1,000 patient hours, while the next highest level is 16.90 hours at the AMTU adolescent civil unit at MMHI. A number of units for which DHFS is requesting additional staff had levels of seclusion and restraints that were below the national average.

The use of seclusion and restraints can vary significantly in each unit because of the changing populations served by each unit. A single patient with particularly difficult behaviors can increase a unit's total seclusion/restraint rates above the national average. For example, in July, 1999, the AFTU unit had seclusion/restraint hours per 1,000 patient hours equal to almost 9.0 due to one patient, even though this unit's average during the period from February, 2000 through April, 2000 was 0.77 hours per 1,000 patient hours.

TABLE 2

**Total Hours of Seclusion and Restraint
Selected Units at the Winnebago and Mendota Mental Health Institutes
January through April, 2000**

Unit Name	Type	ADP	TOTAL HOURS				HOURS PER 1,000 PATIENT HOURS				
			January	February	March	April	January	February	March	April	Average
WINNEBAGO											
Petersik North	Forensic-Med.	28	112.83	14.58	43.67	31.25	5.23	0.68	2.15	1.47	2.38
Petersik South	Forensic-Med.	29	2.00	31.33	2.25	19.67	0.09	1.44	0.11	0.90	0.64
Sherman 6	Adoles. Civil	15	41.50	10.83	43.30	64.17	4.29	1.00	3.96	5.49	3.69
Sherman 8	Adoles. Civil	15	6.33	27.68	20.50	23.50	0.71	2.76	1.78	1.88	1.78
Sherman 3	Adult Civil	18	136.58	116.90	90.92	47.17	10.20	8.68	6.83	3.75	7.36
Sherman 4	Adult Civil	16	31.62	30.67	102.95	60.60	2.66	2.56	8.49	5.03	4.68
Sherman 7	Adult Civil	20	60.63	302.83	358.92	141.75	11.36	20.25	25.13	9.07	16.45
All Units*		268	526.24	569.04	736.24	441.79	2.58	3.21	3.70	2.22	2.93
MENDOTA											
SATU	Forensic-Max.	19	57.40	98.70	61.20	78.40	4.06	7.46	4.33	5.73	5.40
MTU	Forensic-Max.	14	2,140.70	2,099.00	2,351.50	2,052.40	205.52	215.41	225.76	203.61	212.58
ITU	Forensic-Med.	21	14.00	37.00	3.20	4.50	0.90	2.53	0.20	0.30	0.98
AFTU	Adoles. Civil	13	0.00	1.83	0.67	31.92	0.00	0.24	0.06	2.79	0.77
AMTU	Adoles. Civil	13	161.90	94.70	180.80	197.50	20.72	14.14	17.11	15.62	16.90
AATU	Adult Civil	16	25.80	15.20	17.20	3.80	2.19	1.52	1.53	0.29	1.38
GTU	Elderly Civil	16	0.80	0.00	3.50	5.40	0.07	0.00	0.31	0.45	0.21
All Units*		225	2,467.86	2,374.81	2,671.71	2,494.25	15.01	16.12	15.59	14.53	15.31

*The total for all units exceeds the sum of hours for individual units listed since some individuals units are not listed in Table 2.

Injury Rates. In the 1998-99 fiscal year, there were 330 incidents at MMHI involving patient aggressive or assaultive behavior directed toward the staff. Of these incidents, 57 required medical expenses or resulted in staff missing at least three days of work. There were 90 incidents of patient-to-patient aggression, of which 48 required some sort of treatment for the patient or patients. At WMHI, during the same period, there were 402 incidents involving patient aggressive/assaultive behavior directed toward staff and 228 incidents of patient-to-patient aggressive/assaultive behavior. There were 135 recorded staff injuries at WMHI with medical expense or absence from work for at least three days.

Overall Population Levels at the MHIs. One factor that may make it more difficult for WMHI to absorb the workload associated with the new federal rules regarding the use of seclusion and restraints is that, during the past several years, WMHI has experienced a growth in its population without any increase in staffing. In 1994-95, WMHI had an average daily patient population (ADP) of 253. The 1995-97 biennial budget act provided WMHI an additional 31 positions, beginning on August 1, 1995, to address deficiencies found as a result of a HCFA survey at the facility on May 24, 1995. Since 1994-95, there have not been any other increases in staffing at WMHI, but the ADP has grown to 274 in the first eleven months of 1999-00, an increase of 8.3% from the 1994-95 ADP. In May 2000, the ADP at WMHI was 285. MMHI's adult resident populations have remained relatively constant during this time period.

Varied Fiscal Effect of Adding Staff. The fiscal effect of adding staff at the MHIs depends upon the type of unit for which additional staffing is provided. Since support for forensic patients are the responsibility of the state, additional staff to these units would be 100% GPR-funded. In contrast, the costs of supporting additional staff for the adolescent units or the elderly unit would likely be supported by MA, and thus, 59% of the costs would be supported by federal matching funds under MA. Finally, the costs of adding staff to the adult units that serve patients between the ages of 21 and 65 under civil commitments would be funded by counties through increased daily rates. DHFS adjusts billing rates for services provided at the MHIs based on projected populations and the MHIs authorized funding level.

The current billing rates for adult psychiatric services are \$576 per day at MMHI and \$538 per day at WMHI. Although it varies by unit, the Department's request would increase daily rates by approximately a 5%, or \$25 per patient day. For adult civil units, counties would fund this cost increase. The recent elimination of past accumulated deficits at the MHIs may allow a portion of these cost increases to be absorbed in the coming year.

Summary and Description of Alternatives. It is not known how many additional staff, if any, would be needed to ensure that the MHIs are able to comply with the new federal rules regarding the use of seclusion and restraints. If the DHFS request is approved, DHFS staff believe that the MHIs will be able to comply with the new federal requirements, but the Committee's approval of the DHFS request does not provide that guarantee.

The DHFS request does not reflect wage increases resulting from the recent state employ contract settlement. Consequently, if the Committee approves the DHFS request, the Department would be required to absorb the costs of these wage increases within its current budget, or slightly delay the start date for these positions.

The Committee could consider alternatives to provide fewer additional staff than DHFS requests, based on the following arguments. First, DHFS has been able to significantly reduce the amount of time patients at the MHIs spend in seclusion and restraints since the new rules took effect without new staff. Between July, 1999 and April, 2000, the total hours of seclusion and restraint per 1,000 patient hours at MMHI decreased from 30.78 in July 1999, to 14.53 in April, 2000. During that time period, the total hours of seclusion and restraint at MMHI decreased from 5,015 in July, 1999, to 2,494 in April, 2000. Further, Colorado's experience indicates that staff at these facilities may have some capacity to change the way they manage patients in a manner that is more consistent with the new regulations. Finally, neither MHI has been surveyed under the new standards and neither facility has been found to be out of compliance with the new standards.

However, notwithstanding the MHIs efforts to date to reduce the use of seclusion and restraints, both MHIs still exceed the national average in a number of measures relating to the use of seclusion and restraints, as shown in Table 1. Further, it is clear that requiring staff to more closely monitor patients following incidents of aggressive behavior as an alternative to using seclusion and restraints requires more staff time and therefore reduces the amount of time staff have to perform their other responsibilities.

Three staffing alternatives to the Department's request are presented for the Committee's consideration.

First, the Committee could modify the DHFS request to provide additional staff in the units that had seclusion and restraint hours, as shown in Table 2, that significantly exceeded the national average for psychiatric hospitals. Under this alternative, MMHI would be authorized 7.60 GPR and 5.30 PR positions for three units and occupational therapist positions that serve the entire facility and WMHI would be authorized 2.10 GPR positions and 17.60 PR positions for four units and nurse practitioners that serve the entire facility. The positions that would be provided under this alternative are identified in the attachment to this memorandum.

Second, the Committee could modify the DHFS request to provide additional staff in the units that had seclusion and restraint hours above 10 hours per 1,000 patient hours, as shown in Table 2. Under this alternative, MMHI would be authorized 4.30 GPR and 4.30 PR positions to staff two units and provide occupational therapists that serve the entire facility and WMHI would be authorized 2.10 GPR and 4.70 PR positions to staff one unit and provide nurse practitioners that would serve the entire facility. The positions that would be provided under this alternative are identified in the attachment to this memorandum.

Under these two alternatives to the DHFS request, additional staff would be provided only for units that have recently experienced high rates of seclusion and restraint for patients. However, DHFS staff argue that authorizing additional staff for other units would allow DHFS to provide more appropriate treatment for some of the MHIs' more aggressive patients. Under current practice, due to staffing limitations, some patients with aggressive behaviors are placed for short periods (up to several days), at the most secure units, such as MMHI's MTU unit, which may not meet the treatment needs of these patients. Moreover, providing additional staff for these other units provides DHFS greater flexibility to shift staff between units on an "as needed" basis as patient populations change, or to address individual incidences of aggressive behavior.

Finally, the Committee could defer the request and consider the issue as part of the 2001-03 biennial deliberations or following a determination, through a survey, that the MHIs are out of compliance with the new federal rules.

Alternative Funding Source for Requested Positions. Each biennial budget act adjusts funding for the MHIs to reflect the most recent population census of GPR-supported and PR-supported patients. If the percentage of patients that are GPR-supported increases, additional GPR funding is budgeted to support an equivalent percentage of the indirect costs at the MHIs, while PR funding is reduced by a corresponding amount. This adjustment does not affect total funding, but rather the split between GPR and PR funding for the MHIs.

The 1999-01 budget was based on projections that the percentage of the populations at the two MHIs that would be GPR-supported would be 72.8% at MMHI and 56.5% at WMHI. For the first 11 months of the 1999-00 fiscal year, the actual percentages have been 68% at MMHI and 54% at WMHI. As a result, GPR funding of indirect costs at the MHIs could be replaced by PR funding. A recalculation of the split between GPR and PR could free up to \$1,020,200 GPR (\$663,200 for MMHI and \$357,000 for WMHI) in 2000-01.

The advantage of recalculating the split as a funding mechanism rather than utilizing expected lapses for 1999-00 is that it would result in a larger GPR balance at the end of the current biennium. Recalculating the split would eventually shift the burden to counties in the daily rate charged to them for patients served by the MHIs. Although recalculating the split would increase costs for counties, this recalculation would reflect the appropriate share of indirect costs of the MHIs that counties should support.

ALTERNATIVES

A. Staffing for Meeting New Seclusion/Restraint Regulations

1. Approve the Department's requested funding and for additional staffing for the MHIs, using one of the funding mechanisms specified under Part B, by: (a) transferring \$467,500 GPR to the 2000-01 appropriation for the MHIs to support an additional 17.60 GPR positions; (b) providing

\$883,900 PR in 2000-01 for the two MHIs to support the reallocation of 34.15 PR positions from the Centers to the MHIs; and (c) transferring \$182,600 GPR to the 2000-01 appropriation for MA benefits. The attachment details the staffing increases by individual units at the two MHIs.

2. Modify the Department's request to provide staffing in the units that had seclusion/restraint hours that significantly exceeded the national average for psychiatric hospitals, using one of the funding mechanism specified in Part B, by: (a) transferring \$335,100 GPR to the 2000-01 appropriation for the MHIs to fund an additional 9.70 GPR positions; (b) providing \$634,100 PR in 2000-01 for the the two MHIs to support the reallocation of 22.90 PR positions from the Centers to the MHIs; and (c) transferring \$113,300 GPR to the 2000-01 appropriation for MA benefits. The attachment shows the staffing increases by individual units at the MHIs.

3. Modify the Department's request to provide staffing in the units that had seclusion/restraint hours above 10 hours per 1,000 patient-hours by using one of the funding mechanism specified in Part B, by: (a) transferring \$211,100 GPR to the 2000-01 appropriation for the MHIs to fund an additional 6.40 GPR positions; (b) providing \$267,900 PR in 2000-01 for the the two MHIs to support the reallocation of 9.00 PR positions from the Centers to the MHIs; and (c) transferring \$52,700 GPR to the 2000-01 appropriation for MA benefits. The attachment shows the staffing increases by individual units at the MHIs.

4. Deny the request.

B. Funding Mechanism for Transfer of GPR Funds

1. Approve the Department's requested funding mechanism to transfer GPR funds from anticipated lapses in the following 1999-00 appropriations, up to the amounts specified in the chosen alternative under Part A: (a) a maximum of \$425,000 GPR from the 1999-00 appropriation for the Wisconsin Resource Center; (b) a maximum of \$75,000 GPR from the 1999-00 appropriation for secured facilities for sexually violent persons; and (c) a maximum of \$150,000 GPR from the 1999-00 appropriation for the energy costs at the MHIs, Centers and WRC. The needed transfers under each alternative in Part A are as follows:

<u>Alternative</u>	<u>WRC</u>	<u>SVP</u>	<u>Energy</u>	<u>Total</u>
A.1.	\$425,000	\$75,000	\$150,000	\$650,000
A.2.	293,200	51,700	103,500	448,400
A.3.	172,500	30,400	60,900	263,800

2. Modify the Department's requested funding mechanism by using a recalculation of the GPR/PR funding split for indirect costs at the MHIs, which would eliminate any net increase in the use of GPR funds in this biennium. The net impact on GPR and PR funding and positions for each alternative chosen in Part A are as follows:

<u>Alternative</u>	<u>GPR Funding</u>	<u>GPR Positions</u>	<u>PR Funding</u>	<u>PR Positions</u>
A.1.	-\$182,600	-2.53	\$1,543,100	54.28
A.2.	-\$113,300	-1.55	\$1,082,500	34.15
A.3.	-\$52,700	-0.69	\$531,600	16.09

Prepared by: Richard Megna

MO# A1, B2

BURKE	Y	<u>N</u>	A
DECKER	Y	<u>N</u>	A
JAUCH	Y	<u>N</u>	A
MOORE	Y	<u>N</u>	A
SHIBILSKI	Y	<u>N</u>	A
PLACHE	Y	<u>N</u>	A
COWLES	<u>Y</u>	<u>N</u>	A
PANZER	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
PORTER	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
ALBERS	<u>Y</u>	<u>N</u>	A
DUFF	Y	<u>N</u>	A
WARD	<u>Y</u>	N	A
HUBER	Y	<u>N</u>	A
RILEY	Y	<u>N</u>	A

AYE 6 NO 10 ABS _____

MO# A-2, B1(A2)

BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
MOORE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
PLACHE	<u>Y</u>	N	A
COWLES	Y	<u>N</u>	A
PANZER	Y	<u>N</u>	A
GARD	Y	<u>N</u>	A
PORTER	Y	<u>N</u>	A
KAUFERT	Y	<u>N</u>	A
ALBERS	Y	<u>N</u>	A
DUFF	Y	<u>N</u>	A
WARD	Y	<u>N</u>	A
HUBER	<u>Y</u>	N	A
RILEY	<u>Y</u>	N	A

AYE 8 NO 8 ABS _____

ATTACHMENT

Staffing Under Different Alternatives Winnebago and Mendota Mental Health Institutes

Unit Name	ADP	Mo. Ave.	PCTs/ RCT	Department Request			Alternative 2			Alternative 3							
				Nurses	Thera- pists	Nurse Prac.	Total	PCTs/ RCT	Nurses	Thera- pists	Nurse Prac.	Total	PCTs/ RCT	Nurses	Thera- pists	Nurse Prac.	Total
WINNEBAGO																	
Petersik N. (Forensic)	28	2.29	2.30	--	--	--	2.30	--	--	--	--	--	--	--	--	--	
Petersik S. (Forensic)	29	0.65	2.65	--	--	--	2.65	--	--	--	--	--	--	--	--	--	
Sherman 6 (Adoles. Civ.)	15	3.42	3.30	1.00	1.00	1.00	4.30	3.30	1.00	1.00	4.30	--	--	--	--	--	
Sherman 8 (Adoles. Civ.)	15	1.70	3.30	1.00	1.00	1.00	4.30	--	--	--	4.30	--	--	--	--	--	
Sherman 3 (Adult Civil)	18	6.74	3.30	1.00	1.00	1.00	4.30	3.30	1.00	1.00	4.30	--	--	--	--	--	
Sherman 4 (Adult Civil)	16	4.29	3.30	1.00	1.00	1.00	4.30	3.30	1.00	1.00	4.30	--	--	--	--	--	
Sherman 7 (Adult Civil)	20	15.84	3.30	1.00	1.00	1.00	4.30	3.30	1.00	1.00	4.30	3.30	1.00	--	--	4.30	
All Units			--	--	--	2.50	2.50	--	--	--	2.50	--	--	--	--	2.50	2.50
TOTAL			21.45	5.00	--	2.50	28.95	13.20	4.00	--	2.50	19.70	3.30	1.00	--	2.50	6.80
MENDOTA																	
SATU (Forensic)	19	5.40	--	3.30	--	--	3.30	--	3.30	--	--	3.30	--	--	--	--	--
MTU (Forensic)	14	212.58	3.30	--	--	--	3.30	3.30	--	--	3.30	3.30	3.3	--	--	--	3.30
ITU (Forensic)	21	0.98	1.65	--	--	--	1.65	--	--	--	--	--	--	--	--	--	--
AFTU (Adoles. Civ.)	13	0.80	1.65	--	--	--	1.65	--	--	--	--	--	--	--	--	--	--
AMTU (Adoles. Civ.)	13	14.52	1.65	--	--	--	1.65	3.30	--	--	3.30	3.30	3.30	--	--	--	3.30
AATU (Adult Civ.)	16	1.42	--	3.30	--	--	3.30	--	--	--	--	--	--	--	--	--	--
GTU (Elderly Civ.)	16	0.22	4.95	--	--	--	4.95	--	--	--	--	--	--	--	--	--	--
All Units			--	--	3.00	--	3.00	--	--	3.00	--	3.00	--	--	2.00	--	2.00
TOTAL			13.20	6.60	3.00	--	22.80	6.60	3.30	3.00	--	12.90	6.60	--	2.00	--	8.60
Winnebago and Mendota																	
GPR			17.60				\$476,500			9.70		\$335,100			6.40		\$211,100
PR			34.15				883,900			22.90		639,100			9.00		267,900
Total			51.75				1,360,400			32.60		\$969,200			15.40		\$478,900
MA - GPR							\$182,600					\$113,300					\$52,700
TOTAL GPR							\$659,100					\$448,400					\$263,800

HEALTH AND FAMILY SERVICES

Mental Health Institutes Staff

Motion:

Move to: (a) provide \$425,900 GPR and 14.0 GPR positions and \$792,700 PR and 27.85 PR positions to the state Mental Health Institutes and increase MA benefits funding by \$127,500 GPR in 2000-01 to meet new federal requirements relating to the use of seclusion and restraints in psychiatric hospitals; and (b) make funding and position adjustments to the 1999-00 and 2000-01 DHFS Division of Care and Treatment Facilities and MA benefits appropriations to reflect the Committee's intent to fund one-half of the additional costs of these positions with PR revenues available as a result of higher estimated PR populations at the state Mental Health Institutes and one-half of the additional costs of these positions with GPR funds budgeted for the Division of Care and Treatment Facilities that would otherwise lapse to the general fund at the end of the 1999-00 fiscal year.

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
DARLING	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE 13 NO _____ ABS 3

VIII. Department of Health and Family Services – Tom Alt, Deputy Secretary

The department requests the transfer from fiscal year 1999-2000 to fiscal year 2000-01 of \$650,000 GPR from a variety of appropriations to s. 20.435(2)(a) and s. 20.435(4)(b), as well as the creation of 17.6 FTE GPR positions in s. 20.435(2)(a) and an increase in expenditure authority of \$883,900 PR in s. 20.435(2)(gk) in fiscal year 2000-01, to fund staff at the mental health institutes to comply with the new federal regulations on the use of restraint and seclusion.

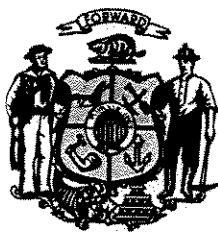
Governor's Recommendation

Approve the request as amended to account for the union contract raises. Approve \$705,800 GPR, 17.6 FTE GPR, the use of 34.15 FTE PR transferred from the Centers and \$941,900 PR.

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY



Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: July 10, 2000

To: Members, Joint Committee on Finance

From: George Lightbourn, Secretary
Department of Administration

Subject: Section 13.10 Request from the Department of Health and Family Services for Staff at the Mental Health Institutes.

Request

The department requests the transfer from fiscal year 1999-2000 to fiscal year 2000-01 of \$650,000 GPR from a variety of appropriations to s. 20.435(2)(a) and s. 20.435(4)(b), as well as the creation of 17.6 FTE GPR positions in s. 20.435(2)(a) and an increase in expenditure authority of \$883,900 PR in s. 20.435(2)(gk) in fiscal year 2000-01, to fund staff at the mental health institutes to comply with new federal regulations on the use of restraint and seclusion.

Background

The Department of Health and Family Services (DHFS) is requesting staff at Mendota and Winnebago Mental Health Institutes (MHIs) in order to comply with new regulations issued last summer by the federal Health Care Financing Administration (HCFA) on the use of restraint and seclusion in such treatment facilities. While the Division of Care and Treatment Facilities (DCTF) staff at the institutes try to minimize the use of such techniques, they are unable, with the current staffing level, to meet the new HCFA standards without additional staff.

During the last legislative session, DHFS submitted a proposal similar to this request to the Department of Administration (DOA) as a potential item to be included in a DHFS budget adjustment bill. DCTF staff believed that they could not put this issue off until the 2001-2003 biennial budget because advocacy groups are following this issue intently and, if no action is taken, the groups could file a complaint with HCFA. A subsequent HCFA review finding the state not in compliance could result in decertification for the medical assistance (MA) program and the loss of accreditation from the Joint Commission for the Accreditation of Health Care Organizations.

The DHFS budget adjustment request would have added staff in fiscal year 1999-

2000. The State Budget Office modified the proposal to begin the new staff in fiscal year 2000-2001, reduced the number of positions and reduced the supplies and services costs associated with each position. DOA then indicated DHFS could include this item in the budget adjustment bill and seek legislative support for the proposal. The bill was never taken up. The department has now revised the proposal to provide staff for nine months in fiscal year 2000-2001 and has submitted this item under s. 13.10. DHFS staff have identified a potential \$650,000 GPR fiscal year 1999-2000 lapse and ask that the funds be transferred into fiscal year 2000-2001 to support the GPR costs of this request.

Analysis

In August 1999, new HCFA rules went into effect to lessen the use of restraints and the use of seclusion in mental health facilities. Under the new rules, these techniques can only be used if "less restrictive measures have been found to be ineffective to protect the patient or others from harm." This reflects a new perspective in mental health treatment that views these interventions as very intrusive to the patient's well-being. However, alternatives to restraint or seclusion are very labor-intensive using one-on-one staffing or team intervention. The purpose is to keep the patient occupied to prevent uncontrolled or violent behavior which can result in injuries to the patient, the staff or other patients.

Case documentation shows that one-to-one monitoring is effective in lessening the need for restraint or seclusion. For example, a teenage patient at one of the institutes has brain damage due to significant drug abuse. He is paranoid and believes others are staring at him. He becomes highly agitated, shouts obscenities, yells at other patients and breaks furniture. During an eight day period without one-to-one monitoring, he spent 67 hours in restraints and/or seclusion. When he was supervised one-on-one, he was restrained and/or secluded for only 11 hours. When the direct supervision was eliminated, the number of hours in seclusion or restraint went back up to 33 hours. More intensive supervision appears to be beneficial but is very staff-intensive and thus expensive.

While DCTF staff try to use these techniques as little as possible, national statistics show that the incidence of the use of restraint and seclusion at the MHIs is much higher than national norms. For example, for one month in 1999, one of the MHIs had 7.8 hours of seclusion per 1,000 patient hours whereas the national average was 1.5 hours. Even with such a high rate of restraint and seclusion, the incidence of assaultive or aggressive behavior directed at staff by patients has been high. For example, in FY99 there were 330 such incidents at Mendota. Of those, 57 required medical treatment or at least three days off of work. The situation is similar at Winnebago which had 228 incidents of patient-to-patient aggression and 402 incidents of patient-to-staff aggression. Since the regulations

became effective, staff have tried to reduce the use of these interventions to the extent possible, but it is difficult to maintain a safe, controlled environment without more staff to directly monitor each patient. With decreased usage of restraint and seclusion techniques, it is likely that the incidence of injuries will increase.

Because HCFA did not identify specific staff ratios which would be considered appropriate, DCTF staff contacted other states to see how they were implementing the rules. In conjunction with those discussions, the MHIs evaluated each unit's staffing pattern, the types of patients housed in each unit and the number of staff injuries occurring in each unit to determine the number of staff needed and where they should be placed.

Generally, the units are staffed by nurses, psychiatric or resident care technicians, social workers, occupational therapists, psychiatrists and psychologists. The request focuses primarily on the addition of nurses, psychiatric care technicians, and resident care technicians. The need for each certain type of classification is tied to the types of patients on the unit. For example, a nurse would be more effective in dealing with a psychotic person in a maximum security forensic unit than a resident care technician, who does not have diagnostic abilities. Adding two posts on almost all of the 14 individual units for the day and evening shifts and adding minimal staff on the night shift results in the need for 51.75 FTE positions (17.6 FTE GPR and 34.15 FTE PR). This represents a total that is 5.7 FTE positions lower than the original DHFS budget adjustment bill request.

DHFS is now requesting the creation of 17.6 GPR positions and the transfer of 34.15 FTE PR from the Centers for the Developmentally Disabled to the MHIs. As residents are moved out of the Centers to the community under the Community Integration Program (CIP) 1-A program, the budget for the Centers is reduced by a fixed amount per day. These savings are met by holding positions vacant and, at the end of each biennium, position and expenditure authority are deleted. DCTF would transfer the position authority from the Centers to the MHIs. Both the Centers and the MHIs are funded out of the same alpha appropriation but maintain separate numerics. Since DHFS is only statutorily required to reduce the dollars but not position authority, they would retain the PR positions at the MHIs in the next biennium. DHFS currently projects that at the end of fiscal year 1999-2000, 69.34 positions from all three Centers will be vacant.

In analyzing the need for such a large number of positions, vacancy rates were examined. It could be argued that fewer staff should be provided if existing vacancies are not filled. Turnover is fairly high for the nurses, psychiatric care technicians and resident care technicians--about 5% at Mendota and 7% at Winnebago for these types of positions. However, the MHIs use 46 surplus positions, positions which are created on a temporary basis, for these classifications to ensure that positions are filled quickly. Groups of 10-12 persons

are hired and initially assigned to training. When a vacancy is available after training is complete, the person is moved into a permanent position. Training classes operate continuously to ensure that new staff are available on an ongoing basis.

DHFS requested \$1,543,100 AF (\$659,200 GPR and \$883,900 PR) for staff for nine months in fiscal year 2000-2001. Because the MHIs receive a substantial amount of revenue from MA, the additional GPR for MA is included in the total.

However, the request did not account for salary increases provided in the Wisconsin State Employees Union contract which went into effect in May 2000. As a result, DHFS updated the cost projections to account for the raises given to nurses, psychiatric care technicians and resident care technicians. The hourly rate for nurses increased from \$16.518 to \$17.165; the rate for psychiatric care technicians increased from \$10.207 to \$11.041; and the rate for resident care technicians increased from \$9.14 to \$9.81. As a result, nine months funding for the staff and MA expenditures total \$1,647,700 AF (\$705,800 GPR and \$941,900 PR).

Based on budget projections through the end of May, DHFS staff have identified a potential lapse of \$705,800 GPR in fiscal year 1999-2000 in appropriations that fund the MHIs, the Wisconsin Resource Center and fuel costs. They propose transferring these balances to fiscal year 2000-2001 to support the cost of this request. Funds will be transferred to s. 20.435(2)(a), which is the general program operations appropriation for the MHIs, and to s. 20.435(4)(b), which is the MA benefits appropriation.

FY00 Transfer From	Appropriation	Amount	FY01 Transfer To
s. 20.435(2)(b) FY00	Wisconsin Resource Center	\$500,000 GPR	s. 20.435(2)(a) FY01
s. 20.435(2)(f) FY00	Fuel and Utilities	\$11,200 GPR	s. 20.435(2)(a) FY01
s. 20.435(2)(a) FY00	MHIs	\$55,800 GPR	s. 20.435(4)(b) FY01
s. 20.435(2)(f) FY00	Fuel and Utilities	\$138,800 GPR	s. 20.435(4)(b) FY01

Members, Joint Committee on Finance
Page 5
July 10, 2000

Recommendation

Approve the request as amended to account for the union contract raises.
Approve \$705,800 GPR, 17.6 FTE GPR, the use of 34.15 FTE PR transferred from
the Centers and \$941,900 PR.

Prepared by: Susan Jablonsky
267-9546

OSF

Department of Health and Family Services
Office of Strategic Finance

PO Box 7850
Madison WI 53707-7850
Phone (608) 266-3816
Fax (608) 267-0358

Date: June 16, 2000

To: Dan Caucutt
Secretary, Joint Finance Committee

From: Fredi Bove *F.B.*
Budget Section

Subject: DHFS June s.13.10 Request regarding the Mental Health Institutes

Attached is a corrected version of the June 15 s.13.10 request submitted by DHFS regarding funding and positions at the Mental Health Institutes. The original submission inadvertently contained a typographical error in the first paragraph with respect to one of the appropriation statutory references. Please replace the original version with the attached, corrected version. There is no substantive change in the request. Thank you.

Cc: Bob Lang
Charlie Morgan



State of Wisconsin
Department of Health and Family Services

Tommy G. Thompson, Governor
Joe Lecaan, Secretary

June 15, 2000

The Honorable Brian Burke
Senate Co-Chair, Joint Committee on Finance
Room 316 S, State Capitol
Madison, WI 53702

The Honorable John Gard
Assembly Co-Chair, Joint Committee on Finance
Room 315 N, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

The Department of Health and Family Services requests that the Committee, acting under s.13.10, transfer \$425,000 from s.20.435 (2) (b) and \$42,400 from s.20.435 (2)(bm) in FY 00 to s.20.435 (2)(a) in FY 01 to allow the Department to hire staff to meet new federal guidelines regarding restraint and seclusion at the Mental Health Institutes. In addition, the Department requests 17.6 GPR FTE in appropriation 20.435 (2) (a) and \$883,900 PR in FY 01. Finally, the Department requests the transfer of \$32,600 from s.20.435 (2)(bm) and \$150,000 from s.20.435 (2) (f) in FY 00 to s.20.435 (4)(b) in FY 01 for Medical Assistance costs associated with this request.

The Health Care Financing Administration (HCFA) has recently promulgated new rules governing the use of restraint and seclusion in hospitals. These regulations took effect in August 1999. Under these new regulations, restraint and seclusion of individuals in mental health institutions will be a much more tightly regulated activity. Underlying these new rules is a fundamental policy perspective that views restraint and seclusion as a highly intrusive, high-risk intervention with patients that may be used only as a last resort.

The HCFA regulations are a part of a national movement on the issue of restraint and seclusion. The Joint Commission for the Accreditation of Health Care Organizations (JCAHO), the mental health hospital accrediting organization, is developing standards for restraint and seclusion which are expected to be similar to HCFA standards. These new regulations reflect the increasing effort to involve mental health consumers in their own treatment and also reflect an emerging professional standard of practice for mental health clinicians.

Under the new federal regulations, restraint and seclusion may be used only when "less restrictive measures have been found to be ineffective to protect the patient or others from harm." It is current practice at the MHIs to use seclusion or restraint only as a last resort and to work towards the elimination of these techniques as much as possible. If restraint and seclusion are used, current guidelines specify that they may be used only for the shortest time possible.

To meet their guidelines, the MHIs employ a number of measures, which are alternatives to restraint and seclusion, such as one-on-one staffing for a patient, team intervention to prevent crises and active treatment. These measures have been judged to be legally sound and protect the rights of patients and staff as well as assuring their safety. However, current staffing levels at the Institutes will not allow the MHIs to rely solely on these alternative measures. If this request is approved, the increased staff will allow the Institutes to rely more exclusively on team intervention and one-on-one staffing, with restraint and seclusion used only when all other methods have been exhausted. Increased staffing will also reduce the potential for aggressive incidents against both staff and other patients at the Institutes.

The Department estimates that it will need 51.75 FTE to meet the new federal standards. Of these, 34.15 would be program revenue (PR) funded. Rather than requesting new PR positions, the Department requests the reallocation to the MHIs of PR positions from the Centers for the Developmentally Disabled that are vacant because of CIP reductions. As residents are transferred from the DD Centers to community placement, the budget for the Centers is reduced by a fixed amount per day. The budget reduction is met primarily by holding staff vacancies at the Centers and eliminating the vacant positions at the end of each biennium. As a result, there will be at least 35 vacant PR positions by the end of FY 00 which could be transferred to the MHIs, thus reducing the Department's request for new position authority. Both Center and MHI PR funding is in the same alpha appropriation, but different numeric appropriations (app. 228 and 229, respectively). Attached is a detailed table showing the position and funding request.

Program revenue costs at the MHIs are paid in part by the Medical Assistance program. Approximately 50% of MHI program revenue costs are charged back to Medicaid. If this request is approved, therefore, it will be necessary to increase Medicaid GPR funding by \$182,600 in FY 01. This request is not expected to have an adverse affect on MHI program revenue funding, because it is anticipated that there will be a PR balance at the end of FY 00.

The Department has identified a potential lapse of \$650,000 GPR in appropriations s.20.435 (2) (b), s.20.435 (2) (bm) and s.20.435 (2)(f) from salary and supplies and services, due to higher than anticipated vacancy rates and lower than anticipated fuel expenses. The Department requests the transfer of \$467,400 from these appropriations to s.20.435 (2) (a) to fund salary costs of the requested GPR positions, which would start in October 2000. In addition, the Department requests the transfer of \$182,600 from these appropriations to s.20.435 (4)(b), to pay for increased Medicaid costs associated with this request.

This request meets the criterion of being an "unforeseen emergency" under s.13.101 (3)(a). The new federal requirements were implemented in August 1999, which was after the Joint

Finance Committee consideration of the 1999-2001 biennial budget. Therefore, the need for these positions and this funding could not be foreseen at the time the Committee was considering position and funding levels at the MHIs for the 1999-2001 biennium. DHFS risks federal disallowances and loss of federal Medicaid funding if the federal government surveys the MHIs and finds them out of compliance with the new regulations. The federal government can initiate a survey of the DCTF institutions at any time. For these reasons, the request meets the "emergency" criterion.

The Department is prepared to move forward immediately upon JFC approval to implement the new regulations and thus decrease the chance of a federal disallowance. Tom Alt, the Deputy Secretary of the Department, will represent the Department on this request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe Lekan", written in black ink.

Joe Lekan
Secretary

Attachment

MMH/MMH Restraint and Seclusion Request

Mendota Mental Health Institute

Position	FTE	Min Hourly	Monthly Salary	01 Months	01 Salary	01 Fringe	01 S&S	1-Time	01 Total
Night Add 1 RCT Post to Adult/Gert									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
RCT 1	1.65				\$ 23,617	\$ 8,360	\$ 522	\$ 870	\$33,369
AM/PM									
SATU - Max Forensic - 2 RN Posts AM and PM - GPR									
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	0.30	16.518	\$862	9	\$7,760	\$2,747	\$918	\$75	\$11,500
	3.30				\$85,362	\$30,218	\$3,672	\$300	\$119,552
MTU - Max Forensic 2 PCT Posts AM and PM - GPR									
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	0.30	10.207	\$533	9	\$4,795	\$1,699	\$261	\$435	\$7,189
	3.30				\$52,748	\$18,673	\$1,044	\$1,740	\$74,204
ITU Med Forensic 1 RCT Post - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
AATU Adult Civil 2 RN Posts AM and PM - PR									
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	0.30	16.518	\$862	9	\$7,760	\$2,747	\$918	\$75	\$11,500
	3.30				\$85,362	\$30,218	\$3,672	\$300	\$119,552
GTU Geriatric 2 RCT Posts AM and PM - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
AFTU/AMTU (Adolescent) 2 RCT Posts AM and PM - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
Certified Occupational Therapists									
Forensic - GPR	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
Civil - PR	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
Civil - PR	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
	2.00				\$53,491	\$18,936	\$1,836	\$150	\$74,413
Mendota Total	22.80				\$ 445,409	\$157,675	\$ 14,274	\$ 7,785	\$625,143
Mendota GPR	9.25				\$ 188,472	\$ 66,719	\$ 6,156	\$ 2,985	\$264,332
Mendota PR	13.55				\$ 256,937	\$ 90,956	\$ 8,118	\$ 4,800	\$ 360,811

Winnepago Mental Health Institute

	FILE	Min Hourly	Monthly Salary	01 Months	01 Salary	01 Finise	01 S&S	1-Time	01 Total
PHN Forensic - add 1.5 posts - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	2.30				\$32,920	\$11,654	\$783	\$1,305	\$46,662
PHS Forensic - add 1.5 posts - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	2.65				\$37,930	\$13,427	\$783	\$1,305	\$53,445
SH7 - Forensic and Civil add 2 posts 1 for am, 1 for pm - Funding is split - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
SH7 - Forensic and Civil add 2 posts 1 for am, 1 for pm - Funding is split - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
SH4 Civil add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH3 Civil add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH6 Children add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH8 Adolescent add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738

Forensic RN Posts 5 - GPR

Nurse Clinician 2	0.50	16,518	\$1,437	9	\$12,934	\$4,578	\$918	\$75	\$18,505
	0.50				\$12,934	\$4,578	\$918	\$75	\$18,505

Civil RN Posts 5.5 - PR

Nurse Clinician 2	0.50	16,518	\$1,437	9	\$12,934	\$4,578	\$918	\$75	\$18,505
Nurse Clinician 2	1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
	4.50				\$116,402	\$41,206	\$4,590	\$375	\$162,574

Additional Staff

APNP - GPR	1.00	21,975	\$3,824	9	\$34,413	\$12,182	\$918	\$75	\$47,598
APNP - GPR	0.25	21,975	\$956	9	\$8,603	\$3,046	\$918	\$75	\$12,642
	1.25				\$43,016	\$15,228	\$1,836	\$150	\$60,230

APNP - PR	1.00	21,975	\$3,824	9	\$34,413	\$12,182	\$918	\$75	\$47,598
APNP - PR	0.25	21,975	\$956	9	\$8,603	\$3,046	\$918	\$75	\$12,642
	1.25				\$43,016	\$15,228	\$1,836	\$150	\$60,230

Winnabago Total

Winnabago GPR	28.95				\$522,387	\$184,925	\$15,966	\$12,060	\$735,338
Winnabago PR	8.35				\$150,417	\$53,248	\$4,842	\$3,705	\$212,212
	20.60				\$671,970	\$238,173	\$20,808	\$15,765	\$947,550

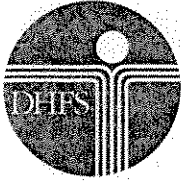
Request Total

GPR Total	51.75				\$987,796	\$342,600	\$30,240	\$19,845	\$1,360,481
PR Total	17.60				\$336,889	\$119,967	\$10,998	\$6,690	\$478,544
	34.15				\$628,907	\$222,633	\$19,242	\$13,155	\$883,938

	Position Request FTE	FY 01 Staff \$	MA \$	FY 01 Total
Mendota				
GPR	9.25	\$264,332	74,555	\$338,887
PR	13.55	\$360,811		\$360,811
Total	22.80	\$625,143	74,555	\$699,698
Winnebago				
GPR	8.35	\$212,212	108,094	\$320,306
PR	20.60	\$523,126		\$523,126
Total	28.95	\$735,338	108,094	\$843,432
Total MHI				
GPR	17.60	\$476,544	182,649	\$659,193
PR	34.15	\$883,938		\$883,938
Total	51.75	\$1,360,481	182,649	\$1,543,131

\$1,543,131 chk

f:r&s request, later start

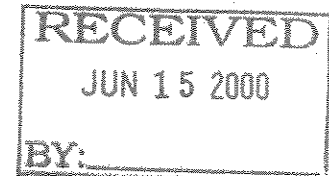


State of Wisconsin
Department of Health and Family Services

Tommy G. Thompson, Governor
Joe Leean, Secretary

VIII

June 15, 2000



✓ The Honorable Brian Burke
Senate Co-Chair, Joint Committee on Finance
Room 316 S, State Capitol
Madison, WI 53702

The Honorable John Gard
Assembly Co-Chair, Joint Committee on Finance
Room 315 N, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

The Department of Health and Family Services requests that the Committee, acting under s.13.10, transfer \$425,000 from s.20.435 (2) (b) and \$42,400 from s.20.435 (2)(bm) in FY 00 to s.20.435 (2)(a) in FY 01 to allow the Department to hire staff to meet new federal guidelines regarding restraint and seclusion at the Mental Health Institutes. In addition, the Department requests 17.6 GPR FTE in appropriation 20.435 (2) (a) and \$883,900 PR in FY 01. Finally, the Department requests the transfer of \$32,600 from s.20.435 (2)(bm) and \$150,000 from s.20.435 (f) in FY 00 to s.20.435 (4)(b) in FY 01 for Medical Assistance costs associated with this request.

The Health Care Financing Administration (HCFA) has recently promulgated new rules governing the use of restraint and seclusion in hospitals. These regulations took effect in August 1999. Under these new regulations, restraint and seclusion of individuals in mental health institutions will be a much more tightly regulated activity. Underlying these new rules is a fundamental policy perspective that views restraint and seclusion as a highly intrusive, high-risk intervention with patients that may be used only as a last resort.

The HCFA regulations are a part of a national movement on the issue of restraint and seclusion. The Joint Commission for the Accreditation of Health Care Organizations (JCAHO), the mental health hospital accrediting organization, is developing standards for restraint and seclusion which are expected to be similar to HCFA standards. These new regulations reflect the increasing effort to involve mental health consumers in their own treatment and also reflect an emerging professional standard of practice for mental health clinicians.

Under the new federal regulations, restraint and seclusion may be used only when "less restrictive measures have been found to be ineffective to protect the patient or others from harm." It is current practice at the MHIs to use seclusion or restraint only as a last resort and to work towards the elimination of these techniques as much as possible. If restraint and seclusion are used, current guidelines specify that they may be used only for the shortest time possible.

To meet their guidelines, the MHIs employ a number of measures, which are alternatives to restraint and seclusion, such as one-on-one staffing for a patient, team intervention to prevent crises and active treatment. These measures have been judged to be legally sound and protect the rights of patients and staff as well as assuring their safety. However, current staffing levels at the Institutes will not allow the MHIs to rely solely on these alternative measures. If this request is approved, the increased staff will allow the Institutes to rely more exclusively on team intervention and one-on-one staffing, with restraint and seclusion used only when all other methods have been exhausted. Increased staffing will also reduce the potential for aggressive incidents against both staff and other patients at the Institutes.

The Department estimates that it will need 51.75 FTE to meet the new federal standards. Of these, 34.15 would be program revenue (PR) funded. Rather than requesting new PR positions, the Department requests the reallocation to the MHIs of PR positions from the Centers for the Developmentally Disabled that are vacant because of CIP reductions. As residents are transferred from the DD Centers to community placement, the budget for the Centers is reduced by a fixed amount per day. The budget reduction is met primarily by holding staff vacancies at the Centers and eliminating the vacant positions at the end of each biennium. As a result, there will be at least 35 vacant PR positions by the end of FY 00 which could be transferred to the MHIs, thus reducing the Department's request for new position authority. Both Center and MHI PR funding is in the same alpha appropriation, but different numeric appropriations (app. 228 and 229, respectively). Attached is a detailed table showing the position and funding request.

Program revenue costs at the MHIs are paid in part by the Medical Assistance program. Approximately 50% of MHI program revenue costs are charged back to Medicaid. If this request is approved, therefore, it will be necessary to increase Medicaid GPR funding by \$182,600 in FY 01. This request is not expected to have an adverse affect on MHI program revenue funding, because it is anticipated that there will be a PR balance at the end of FY 00.


The Department has identified a potential lapse of \$650,000 GPR in appropriations s.20.435 (2) (b), s.20.435 (2) (bm) and s.20.435 (2)(f) from salary and supplies and services, due to higher than anticipated vacancy rates and lower than anticipated fuel expenses. The Department requests the transfer of \$467,400 from these appropriations to s.20.435 (2) (a) to fund salary costs of the requested GPR positions, which would start in October 2000. In addition, the Department requests the transfer of \$182,600 from these appropriations to s.20.435 (4)(b), to pay for increased Medicaid costs associated with this request.

This request meets the criterion of being an "unforeseen emergency" under s.13.101 (3)(a). The new federal requirements were implemented in August 1999, which was after the Joint

Finance Committee consideration of the 1999-2001 biennial budget. Therefore, the need for these positions and this funding could not be foreseen at the time the Committee was considering position and funding levels at the MHIs for the 1999-2001 biennium. DHFS risks federal disallowances and loss of federal Medicaid funding if the federal government surveys the MHIs and finds them out of compliance with the new regulations. The federal government can initiate a survey of the DCTF institutions at any time. For these reasons, the request meets the "emergency" criterion.

The Department is prepared to move forward immediately upon JFC approval to implement the new regulations and thus decrease the chance of a federal disallowance. Tom Alt, the Deputy Secretary of the Department, will represent the Department on this request.

Sincerely,



Joe Leean
Secretary

Attachment

MH/HW/MH Restraint and Seclusion Request

Mendota Mental Health Institute

Night	FTE	Min Hourly	Monthly Salary	01 Months	01 Salary	01 Fringe	01 S&S	1-Time	01 Total
Add 1 RCT Post to Adult/Gen									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
RCT 1	1.65				\$ 23,617	\$ 8,360	\$ 522	\$ 870	\$33,369
AM/PM									
SATU - Max Forensic - 2 RN Posts AM and PM - GPR									
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	0.30	16.518	\$662	9	\$7,760	\$2,747	\$918	\$75	\$11,500
Nurse Clinician 2	3.30				\$85,362	\$30,218	\$3,672	\$300	\$119,552
MTU - Max Forensic 2 PCT Posts AM and PM - GPR									
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	1.00	10.207	\$1,776	9	\$15,984	\$5,658	\$261	\$435	\$22,339
PCT 1	0.30	10.207	\$533	9	\$4,795	\$1,698	\$261	\$435	\$7,189
PCT 1	3.30				\$52,748	\$18,673	\$1,044	\$1,740	\$74,204
ITU Med Forensic 1 RCT Post - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,283	\$261	\$435	\$13,293
RCT 1	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
AATU Adult Civil 2 RN Posts AM and PM - PR									
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	1.00	16.518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$36,017
Nurse Clinician 2	0.30	16.518	\$662	9	\$7,760	\$2,747	\$918	\$75	\$11,500
Nurse Clinician 2	3.30				\$85,362	\$30,218	\$3,672	\$300	\$119,552
GTU Geriatric 2 RCT Posts AM and PM - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,284	\$1,520	\$261	\$435	\$6,510
RCT 1	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
AFTU/AMTU (Adolescent) 2 RCT Posts AM and PM - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,284	\$1,520	\$261	\$435	\$6,510
RCT 1	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
Certified Occupational Therapists									
Forensic - GPR									
	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
Civil - PR									
	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
	1.00	17.079	\$2,972	9	\$26,746	\$9,468	\$918	\$75	\$37,207
	2.00				\$53,491	\$18,936	\$1,836	\$150	\$74,413
Mendota Total									
	22.80				\$ 445,409	\$157,675	\$ 14,274	\$ 7,785	\$625,143
Mendota GPR	9.25				\$ 188,472	\$ 66,719	\$ 6,156	\$ 2,985	\$264,332
Mendota PR	13.55				\$ 256,937	\$ 90,956	\$ 8,118	\$ 4,800	\$ 360,811

Winnebago Mental Health Institute

	ETE	Min Hourly	Monthly Salary	01 Months	01 Salary	01 Fringe	01 S&S	1-Time	01 Total
PHN Forensic - add 1.5 posts - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	2.30				\$32,920	\$11,654	\$783	\$1,305	\$46,662
PHS Forensic - add 1.5 posts - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	2.65				\$37,930	\$13,427	\$783	\$1,305	\$53,445
SH7 - Forensic and Civil add 2 posts 1 for am, 1 for pm - Funding is split - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
SH7 - Forensic and Civil add 2 posts 1 for am, 1 for pm - Funding is split - GPR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.65	9.14	\$1,034	9	\$9,304	\$3,293	\$261	\$435	\$13,293
	1.65				\$23,617	\$8,360	\$522	\$870	\$33,369
SH4 Civil add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH3 Civil add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH6 Children add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738
SH8 Adolescent add 2 posts 1 for am, 1 for pm - PR									
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	1.00	9.14	\$1,590	9	\$14,313	\$5,067	\$261	\$435	\$20,076
RCT 1	0.30	9.14	\$477	9	\$4,294	\$1,520	\$261	\$435	\$6,510
	3.30				\$47,234	\$16,721	\$1,044	\$1,740	\$66,738

Forensic RN Posts 5 - GPR
Nurse Clinician 2

0.50	16,518	\$1,437	9	\$12,934	\$4,578	\$918	\$75	\$18,505
0.50				\$12,934	\$4,578	\$918	\$75	\$18,505

Civil RN Posts 5.5 - PR

0.50	16,518	\$1,437	9	\$12,934	\$4,578	\$918	\$75	\$18,505
1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$38,017
1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$38,017
1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$38,017
1.00	16,518	\$2,874	9	\$25,867	\$9,157	\$918	\$75	\$38,017
4.50				\$116,402	\$41,206	\$4,590	\$375	\$162,574

Additional Staff

APNP - GPR	1.00	21,975	\$3,824	9	\$34,413	\$12,182	\$918	\$75	\$47,588
APNP - PR	0.25	21,975	\$956	9	\$8,603	\$3,046	\$918	\$75	\$12,642
	1.25				\$43,016	\$15,228	\$1,836	\$150	\$60,230

APNP - PR

1.00	21,975	\$3,824	9	\$34,413	\$12,182	\$918	\$75	\$47,588
0.25	21,975	\$956	9	\$8,603	\$3,046	\$918	\$75	\$12,642
1.25				\$43,016	\$15,228	\$1,836	\$150	\$60,230

Winnebago Total

Winnebago GPR	28.85			\$522,387	\$184,925	\$15,966	\$12,060	\$735,338
Winnebago PR	8.35			\$150,417	\$53,248	\$4,842	\$3,705	\$212,212
	20.60			\$371,970	\$131,677	\$11,124	\$8,355	\$523,126

Request Total

GPR Total	51.75			\$967,796	\$342,600	\$30,240	\$19,845	\$1,360,481
PR Total	17.60			\$338,889	\$119,967	\$10,998	\$6,890	\$476,544
	34.15			\$628,907	\$222,633	\$19,242	\$13,155	\$883,938

	Position Request FTE	FY 01 Staff \$	MA \$	FY 01 Total
Mendota				
GPR	9.25	\$264,332	74,555	\$338,887
PR	13.55	\$360,811		\$360,811
Total	22.80	\$625,143	74,555	\$699,698
Winnebago				
GPR	8.35	\$212,212	108,094	\$320,306
PR	20.60	\$523,126		\$523,126
Total	28.95	\$735,338	108,094	\$843,432
Total MHI				
GPR	17.60	\$476,544	182,649	\$659,193
PR	34.15	\$883,938		\$883,938
Total	51.75	\$1,360,481	182,649	\$1,543,131

chk

f:r&s request, later start