

Osawatomie State Hospital

| Expenditure | Actual FY 2014 | Approved FY 2015 | Approved FY 2016 | Approved FY 2017 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| All Funds: | | | | |
| State Operations | \$ 27,829,671 | \$ 31,856,380 | \$ 29,649,070 | \$ 30,579,242 |
| Aid to Local Units | - | - | - | - |
| Other Assistance | 79,490 | 52,500 | 37,500 | 12,500 |
| <i>Subtotal - Operating</i> | <u>\$ 27,909,161</u> | <u>\$ 31,908,880</u> | <u>\$ 29,686,570</u> | <u>\$ 30,591,742</u> |
| Capital Improvements | 2,124 | - | - | - |
| TOTAL | <u><u>\$ 27,911,285</u></u> | <u><u>\$ 31,908,880</u></u> | <u><u>\$ 29,686,570</u></u> | <u><u>\$ 30,591,742</u></u> |
| State General Fund: | | | | |
| State Operations | \$ 13,324,384 | \$ 12,835,130 | \$ 12,748,821 | \$ 13,763,917 |
| Aid to Local Units | - | - | - | - |
| Other Assistance | - | - | - | - |
| <i>Subtotal - Operating</i> | <u>\$ 13,324,384</u> | <u>\$ 12,835,130</u> | <u>\$ 12,748,821</u> | <u>\$ 13,763,917</u> |
| Capital Improvements | - | - | - | - |
| TOTAL | <u><u>\$ 13,324,384</u></u> | <u><u>\$ 12,835,130</u></u> | <u><u>\$ 12,748,821</u></u> | <u><u>\$ 13,763,917</u></u> |
| Percent Change: | | | | |
| Operating Expenditures | | | | |
| All Funds | (1.0)% | 14.3 % | (7.0)% | 3.0 % |
| State General Fund | (17.8) | (3.7) | (0.7) | 8.0 |
| FTE Positions | 385.9 | 483.1 | 483.1 | 483.1 |
| Non-FTE Unclass. Perm. Pos. | - | 15.0 | 15.0 | 15.0 |
| TOTAL | <u><u>385.9</u></u> | <u><u>498.1</u></u> | <u><u>498.1</u></u> | <u><u>498.1</u></u> |

The approved operating budget for Osawatomie State Hospital in FY 2015 totals \$31.9 million, including \$12.8 million from the State General Fund, which is an all funds increase of \$4.0 million, or 14.3 percent, and a State General Fund decrease of \$489,254, or 3.7 percent, from actual FY 2014 expenditures. The approved FY 2015 budget is an all funds increase of \$1.6 million, or 5.2 percent, and a State General Fund decrease of \$1.8 million, or 12.1 percent, from the amount approved by the 2014 Legislature. The all funds increase is primarily attributable to a one-time increase in operating expenditures of \$2.0 million, all from special revenue funds, which were included in the Governor's Budget Amendment No. 1, Item 4, related to operating and construction expenditures to implement a plan of correction following the surveys by

the federal Centers for Medicare and Medicaid Services in the fall of 2014. The approved budget includes 483.1 FTE positions and 15.0 non-FTE positions, which is an increase of 97.2 FTE positions and 15.0 non-FTE positions above the FY 2014 actual amount. The increase is due to a transfer of 112.2 FTE positions from Rainbow Mental Health Hospital to Osawatomie State Hospital at the conclusion of FY 2014. The approved budget includes a decrease of 15.0 FTE positions and an increase of 15.0 non-FTE positions from the number approved by the FY 2014 Legislature, due to the agency's conversion of 15.0 FTE positions to non-FTE positions in FY 2015.

The agency's approved operating budget for FY 2016 totals \$29.7 million, including \$12.7 million from the State General Fund. The agency's approved budget is an all funds decrease of \$2.2 million, or 7.0 percent, and a State General Fund decrease of \$86,309, or 0.7 percent, below the FY 2015 approved budget. The decrease is primarily attributable to the absence of the one-time \$2.0 million increase in operating expenditures which was included in FY 2015 due to Governor's Budget Amendment No. 1, Item 4. The decrease is also attributable to a decrease in employer contributions for state employee health insurance, KPERS employer contributions, KPERS Death and Disability employer contributions, implementation of the agency's reduced resource options concerning medication inventory and management, and a reduction of supplies and other resources. The decrease is partially offset by an increase of \$500,000, all from the State General Fund, for expenditures related to ongoing replacement of equipment and other expenses necessary for compliance following the surveys by the federal Centers for Medicare and Medicaid Services in the fall of 2014. The approved budget includes 483.1 FTE positions and 15.0 non-FTE positions, which is the same number as the FY 2015 approved budget.

The agency's approved operating budget for FY 2017 totals \$30.6 million, including \$13.8 million from the State General Fund, which is an all funds increase of \$905,172, or 3.0 percent, and a State General Fund increase of \$1.0 million, or 8.0 percent, above the FY 2016 approved budget. The increase is primarily attributable to an increase of \$500,000, all from the State General Fund, for operating expenditures related to ongoing replacement of equipment and other expenses necessary for compliance following the surveys by the federal Centers for Medicare and Medicaid Services in the fall of 2014, and payment of the 27th payroll period. The increase is partially offset by a decrease in employer contributions for state employee health insurance, KPERS employer contributions, KPERS Death and Disability employer contributions, and implementation of the agency's reduced resource options concerning medication inventory and management and reduced supplies and other resources. The approved budget includes 483.1 FTE positions and 15.0 non-FTE positions, which is the same number as the FY 2016 approved budget.

Osawatomie State Hospital

| | FY 2015 | | | FY 2016 | | | FY 2017 | | |
|--|----------------------|----------------------|--------------|----------------------|----------------------|--------------|----------------------|----------------------|--------------|
| | SGF | All Funds | FTE | SGF | All Funds | FTE | SGF | All Funds | FTE |
| Agency Estimate/Request | \$ 12,987,726 | \$ 30,177,986 | 483.1 | \$ 12,890,202 | \$ 30,080,462 | 483.1 | \$ 14,109,690 | \$ 31,299,950 | 483.1 |
| Governor's Changes: | | | | | | | | | |
| 1. Governor's December 9 th Allotment | \$ (152,596) | \$ (152,596) | - | \$ - | \$ - | - | \$ - | \$ - | - |
| 2. KPERS Employer Contribution Rate Reduction | - | (116,510) | - | - | - | - | - | - | - |
| 3. Medication Savings Reduced Resource Option | - | - | - | (145,300) | (145,300) | - | (145,300) | (145,300) | - |
| 4. Supplies Reduced Resource Option | - | - | - | (101,780) | (101,780) | - | (101,780) | (101,780) | - |
| 5. Health Insurance Rate Reduction | - | - | - | (160,679) | (266,278) | - | (163,902) | (271,610) | - |
| 6. GBA No. 1, Item 4 | - | 2,000,000 | - | - | - | - | - | - | - |
| Total Governor's Recommendation | \$ 12,835,130 | \$ 31,908,880 | 483.1 | \$ 12,482,443 | \$ 29,567,104 | 483.1 | \$ 13,698,708 | \$ 30,781,260 | 483.1 |
| Change from Agency Est./Req. | \$ (152,596) | \$ 1,730,894 | - | \$ (407,759) | \$ (513,358) | - | \$ (410,982) | \$ (518,690) | - |
| Percent Change from Agency Est./Req. | (1.2)% | 5.7 % | - % | (3.2)% | (1.7)% | - % | (2.9)% | (1.7)% | - % |
| Legislative Action: | | | | | | | | | |
| 7. Operating Expenditures Increase | \$ - | \$ - | - | \$ 500,000 | \$ 500,000 | - | \$ 500,000 | \$ 500,000 | - |
| 8. KPERS Employer Contribution Rate Reduction | - | - | - | (193,564) | (315,281) | - | (389,643) | (617,915) | - |
| 9. KPERS Death and Disability Reduction | - | - | - | (40,065) | (65,260) | - | (45,155) | (71,610) | - |
| 10. Advertising Expenditures Adjustment | - | - | - | 7 | 7 | - | 7 | 7 | - |
| 11. Newspapers and Magazines Prohibition | - | - | - | - | - | - | - | - | - |
| TOTAL APPROVED | <u>\$ 12,835,130</u> | <u>\$ 31,908,880</u> | <u>483.1</u> | <u>\$ 12,748,821</u> | <u>\$ 29,686,570</u> | <u>483.1</u> | <u>\$ 13,763,917</u> | <u>\$ 30,591,742</u> | <u>483.1</u> |
| Change from Gov. Rec. | \$ - | \$ - | - | \$ 266,378 | \$ 119,466 | - | \$ 65,209 | \$ (189,518) | - |
| Percent Change from Gov. Rec. | - % | - % | - % | 2.1 % | 0.4 % | - % | 0.5 % | (0.6)% | - % |
| Change from Agency Est./Req. | \$ (152,596) | \$ 1,730,894 | - | \$ (141,381) | \$ (393,892) | - | \$ (345,773) | \$ (708,208) | - |
| Percent Change from Agency Est./Req. | (1.2)% | 5.7 % | - % | (1.1)% | (1.3)% | - % | (2.5)% | (2.3)% | - % |

1. The Governor deleted \$152,596, all from the State General Fund, as part of the December 9th allotment in FY 2015. For this agency, the allotment included a reduction of \$152,596 to reduce the Kansas Public Employees Retirement System employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015.
2. The Governor deleted \$116,510, all from special revenue funds, to reduce the Kansas Public Employees Retirement System employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015.

3. The Governor deleted \$145,300, all from the State General Fund, for FY 2016 and FY 2017 to implement a reduced resource budget voluntarily submitted by the agency to create a centralized computer process for managing the inventory and dispensing of medications, as well as promoting the use of established antipsychotic medications that are available as a generic.
4. The Governor deleted \$101,780, all from the State General Fund, for FY 2016 and FY 2017 to implement the agency's voluntary reduced resource

- option to reduce general supplies, cell phone usage, printing, and fuel expenditures.
5. The Governor deleted \$266,278, including \$160,679 from the State General Fund, for FY 2016 and \$271,610, including \$163,902 from the State General Fund, for FY 2017 to reduce employer contributions for state employee health insurance.
 6. The Legislature concurred with Governor's Budget Amendment No. 1, Item 4, and added \$2.0 million, all from special revenue funds, in FY 2015 for operating expenditures related to its plan of correction following the surveys by the federal Centers for Medicare and Medicaid Services in the fall of 2014.
 7. The Legislature added \$500,000, all from the State General Fund, for FY 2016 and FY 2017 for expenditures related to ongoing replacement of equipment and other expenses necessary for compliance following the surveys by the federal Centers for Medicare and Medicaid Services in the fall of 2014.
 8. The Legislature reduced the Kansas Public Employees Retirement System contribution rate (excluding KPERS Death and Disability) from 12.37 percent to 10.91 percent for FY 2016 and from 13.57 percent to 10.81 percent for FY 2017. **For this agency, the reductions totaled \$315,281, including \$193,564 from the State General Fund, for FY 2016 and \$617,915 million, including \$389,643 from the State General Fund, for FY 2017.**
 9. The Legislature deleted \$65,260, including \$40,065 from the State General Fund, for FY 2016 and \$71,610, including \$45,155 from the State General Fund, for FY 2017 to suspend employer contributions to the Kansas Public Employees Retirement System Group Insurance Fund, or Death and Disability Fund, for the final seven pay periods for FY 2016 and FY 2017.
 10. The Legislature added \$7, all from the State General Fund, for FY 2016 and FY 2017 for a 50.0 percent adjustment of advertising expenditures.
 11. The Legislature prohibited agencies from making expenditures on newspapers and magazines, including electronic subscriptions, for FY 2016 and FY 2017.