

**DEPARTMENT OF HEALTH SERVICES - ARIZONA STATE HOSPITAL**

**A.R.S. § 36-103**

<b>General Fund and Other Appropriated Funds</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Estimate</b>	<b>FY 2001 Approved</b>
FTE Positions	610.5	858.2	910.2 <sup>1/</sup>
Personal Services	15,111,600	21,858,400	22,763,100
Employee Related Expenditures	3,397,900	4,746,100	4,992,500
Professional and Outside Services	8,860,200	8,845,000	8,595,000
Travel - In State	28,200	18,800	37,400
Travel - Out of State	5,100	2,400	2,400
Other Operating Expenditures	3,524,800	1,905,700	1,905,700
Equipment	236,100	443,200	237,100
<b>Operating Subtotal</b>	<b>31,163,900</b>	<b>37,819,600</b>	<b>38,533,200</b>
Community Placement Treatment	7,848,000	7,848,000	7,848,000
ASH Information System	685,900	1,212,900	0
Sexually Violent Persons	3,895,600	6,421,500	9,365,900
<b>Total Appropriations</b>	<b>43,593,400</b>	<b>53,302,000</b>	<b>55,747,100</b> <sup>2/</sup>
<b>Fund Summary</b>			
General Fund	43,593,400	40,808,100	43,353,200
Arizona State Hospital Fund	0	11,993,900	11,993,900
ASH Land Earnings Fund	0	500,000	400,000
<b>Total Appropriations</b>	<b>43,593,400</b>	<b>53,302,000</b>	<b>55,747,100</b>

**Program Description** — Provides inpatient psychiatric hospitalization services for adolescent and adult seriously mentally ill residents. Over the 9-month period from July 1999 through March 2000, the Arizona State Hospital (ASH) has had an average daily census of 294 patients. This includes 149 civilly committed (non-forensic) patients, 130 patients committed through the criminal justice system (forensic), and 15 adolescent patients. In addition, the program provides secure inpatient treatment for Sexually Violent Persons.

**Disproportionate Share Payments** – The FY 2000 appropriation assumed that ASH would regain its Medicare certification by the end of FY 2000. If ASH does not regain its certification by June 30, 2000, ASH will not be able to receive the federal portion of the Disproportionate Share (DSH) payment. Thus, if ASH is not recertified, the DSH allocations assumed in the FY 2000 budget cannot be implemented as described in the FY 2000 and FY 2001 Appropriations Report. The Executive has developed an alternative distribution plan to address ASH’s funding requirements; however, it would require a FY 2001 supplemental.

**Capital Outlay Appropriations:** Arizona State Hospital: Appropriation (Chapter 1) — The bill creates the Arizona State Hospital (ASH) Capital Construction Commission. The commission shall review capital construction and renovation plans at ASH for forensic, civil, and sexually violent persons facilities, the design of facilities, and future use of the facilities and make recommendations to the

Arizona Department of Administration (ADOA) and the Joint Committee on Capital Review (JCCR).

The bill also creates the Arizona State Hospital Capital Construction Fund and appropriates \$20,000,000 in each of FY 2000, FY 2001, FY 2002, and FY 2003, for a total of \$80,000,000, from the interest earnings on the Budget Stabilization Fund (BSF) to the fund. The bill appropriates \$20,000,000 in each of FY 2000, FY 2001, FY 2002, and FY 2003, for a total of \$80,000,000 from the Arizona State Hospital Capital Construction Fund to ADOA for the demolition, renovation and construction of the Arizona State Hospital. ADOA shall use the appropriations to provide at least 176 new civil beds at ASH, and to renovate and expand ASH facilities to address physical plant needs for civil and forensic populations, an adolescent unit, and sexually violent persons. ADOA may allocate up to \$252,000 for up to 4 FTE Positions each fiscal year to manage and oversee the project until its completion.

<sup>1/</sup> Includes 198 FTE Positions funded from Special Line Items in FY 2001.

<sup>2/</sup> General Appropriation Act funds are appropriated as a Modified Lump Sum for the Program.

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The appropriations from the Arizona State Hospital Capital Construction Fund do not lapse until July 1, 2003. All unexpended and unencumbered monies remaining in the Arizona State Hospital Capital Construction Fund on July 1, 2005 will revert to the BSF.

The project is subject to review by JCCR, including review of the request for proposals and proposals of builders, review of the entire plan before construction is started and quarterly updates of the project.

The bill also requires that the BSF be repaid from any upfront tobacco settlement monies received by the state. The repayment amount shall be \$20,000,000 in each of FY 2000, FY 2001, FY 2002, FY 2003.

The bill was enacted with an emergency clause.

**Additional Legislation:** State Hospital: Expenditures (Chapter 303) — This act specifies that if a patient in the state hospital requires health care the state hospital or its contractors cannot provide, DHS can pay approved claims using AHCCCS rates for inpatient and outpatient services.

Sexually Violent Persons (Chapter 309) — This legislation restricts the transportation of sexually violent persons to include only court proceedings. The act specifies that DHS is responsible for transportation to and from medical facilities, and that DHS is responsible for determining the appropriate mode of transportation, level of security, and restraint.

[Click here for more information from the initial biennial appropriations report \(June 1999\)](#)