



BUDGET DISCUSSION

12/03/2015

Customer-Focused Government Goals

- I. Actively work with RMHI leadership continuing efforts to improve outcomes for patient care while containing cost.
 - I. Improve Customer Service By: Providing caring and effective psychiatric hospital services for Tennesseans with serious mental health concerns.

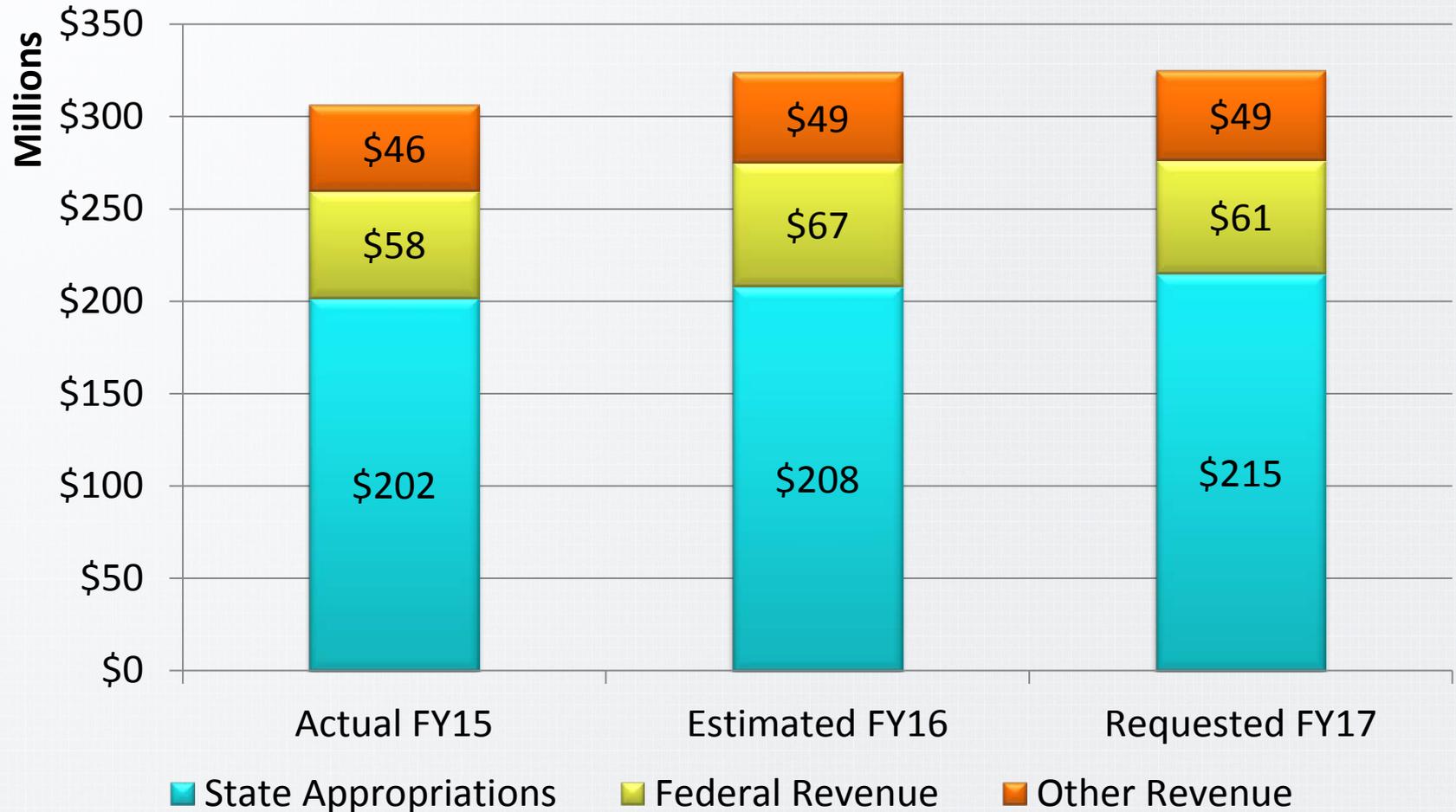
- II. Maintain and improve community mental health and substance abuse services.
 - I. Improve Customer Service By: Assisting Tennesseans to access high quality and effective mental health and substance abuse services.

- III. Provide effective education and prevention services.
 - I. Improve Customer Service By: Educating Tennesseans and working to improve their understanding of mental health and substance abuse issues and getting people to early intervention.

FY17 Agency Priorities

1. To ensure that the RMHIs are cost effective and efficient while providing quality care to our patients.
2. To support and strengthen our community network of providers and ensure that Tennesseans have access to quality mental health and substance abuse services that are cost effective and efficient.
3. To educate the public about addiction and mental health issues and reduce the stigma associated with these conditions.

Appropriations and Revenues



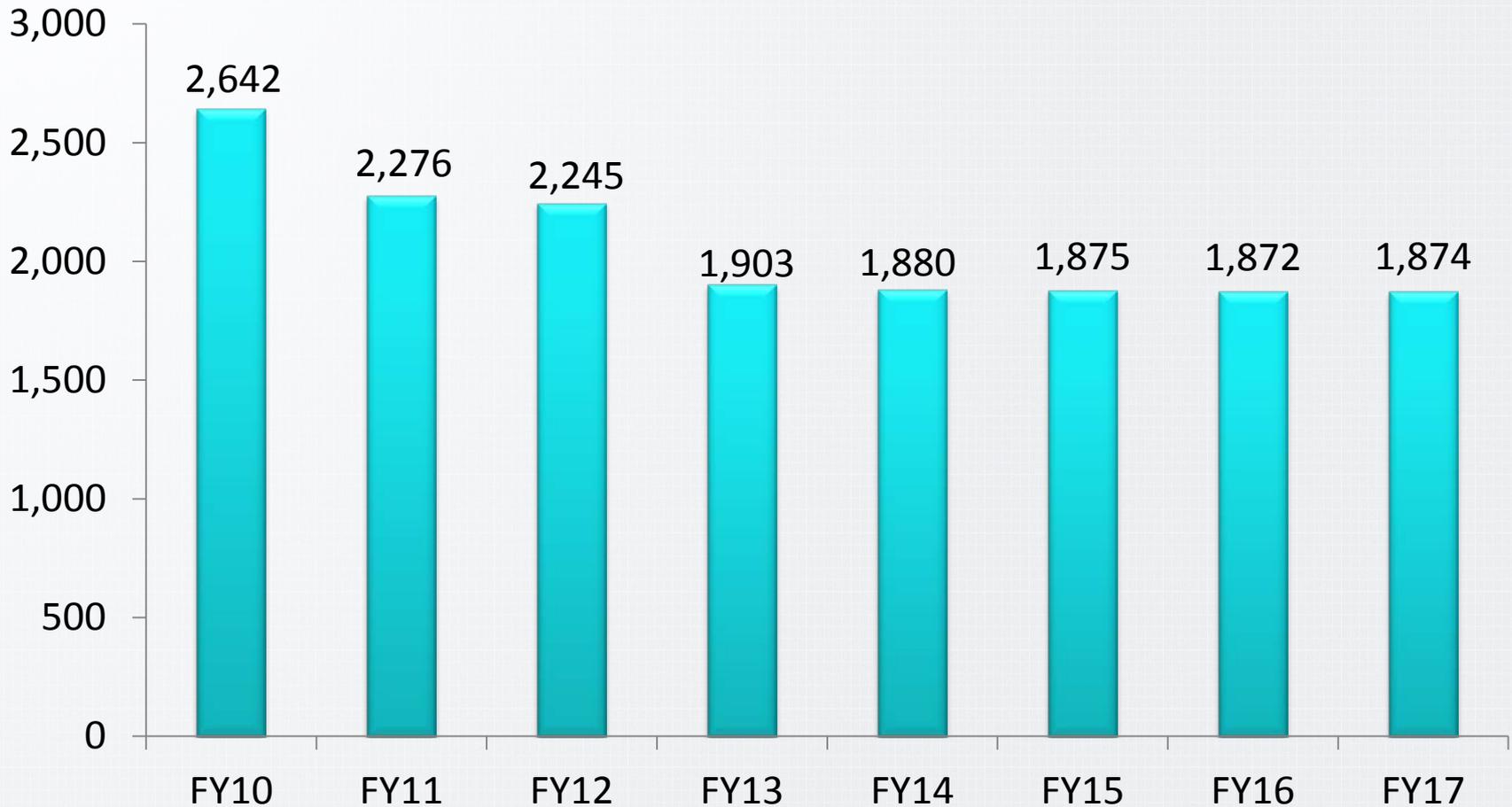
*The increase in state appropriations is related to underspending budgeted amounts, and supplementals for the RMHIs in both FY15 and FY16. Federal and other revenue undercollections account for the additional variances. From FY16 to FY17, the differences are related to cost increases and reclassification of federal revenue to current services revenue.

Change In Appropriations



*The Increase in appropriations from FY13 to FY14 is a result of supplemental appropriations for transition costs related to the closure of an RMHI, cost improvements, and additional adjustments.

Change In Positions



*The progressive decrease from FY10 to FY13 is an effect of downsizing the RMHIs, with the sharp decrease from FY12 to FY13 being the closure of an RMHI.

Summary of Cost Increases

| | Increase | Total | State | Federal | Other | Staff |
|----|---|--------------------|---------------------|----------------------|----------------------|----------|
| 1. | Correct RMHIs Revenue Estimates | \$0 | \$5,470,600 | (\$1,714,400) | (\$3,756,200) | 0 |
| 2. | Moccasin Bend Compliance Costs | 1,500,000 | 1,500,000 | 0 | 0 | 0 |
| 3. | Expand Recovery Court Program | 1,270,000 | 1,270,000 | 0 | 0 | 0 |
| 4. | Expand Mental Health School Based Liaison Program | 500,000 | 500,000 | 0 | 0 | 0 |
| 5. | Electronic Clinical Records System | 5,038,400 | 3,038,400 | 0 | 2,000,000 | 8 |
| | Total Cost Increases | \$8,308,400 | \$11,779,000 | (\$1,714,400) | (\$1,756,200) | 8 |

Capital Request

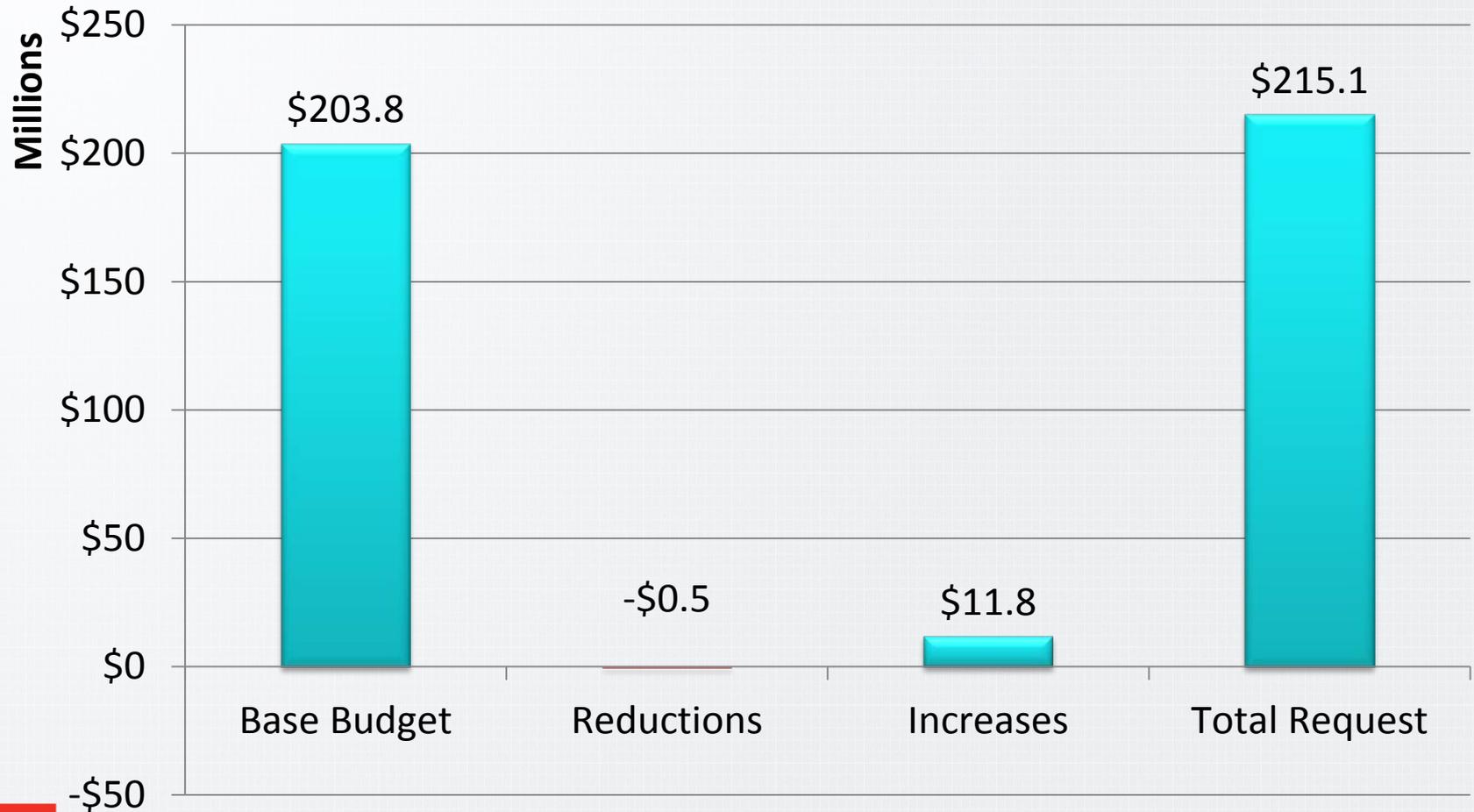
| | Increase | Total | State | Federal | Other |
|----|--|--------------------|--------------------|------------|------------|
| 1. | Roof Replacement – Middle Tennessee Mental Health Institute | \$5,150,000 | \$5,150,000 | \$0 | \$0 |
| 2. | Roof Replacement – Moccasin Bend Mental Health Institute | 2,730,000 | 2,730,000 | 0 | 0 |
| 3. | Fire Alarm System Upgrade – Middle Tennessee Mental Health Institute | 670,000 | 670,000 | 0 | 0 |
| 4. | Infrastructure Improvement – Moccasin Bend Mental Health Institute | 1,250,000 | 1,250,000 | 0 | 0 |
| | Total Capital | \$9,800,000 | \$9,800,000 | \$0 | \$0 |

3.5% Savings Plan

| | Description | State Dollars | Staff |
|----|--|----------------------|--------------|
| 1. | Reduce Travel for Administration and Oversight of Community Grants | \$50,000 | 0 |
| 2. | Reduce Desktop Computer Purchases | 30,000 | 0 |
| 3. | Eliminate Vacant Administrative Positions | 412,100 | 4 |
| | Total Savings | \$492,100 | 4 |
| | Savings Target | \$492,100 | |

Request Summary

State Appropriations





THANK YOU