



The Department of State Hospital's (DSH) proposed budget for fiscal year (FY) 2024-25 totals \$3.4 billion – a decrease of \$85.3 million (or two percent) from the 2023 Budget Act – with 12.0 proposed new positions in budget year (BY). The proposed budget will allow the department to maintain operations, delivery of services, and provide state hospital facility capital outlay project improvements.

TOTAL State Hospitals Comparison
2023 Budget Act v. 2024-25 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2023 Budget Act	2024-25 Governor's Budget	Difference	% Change
State Operations	\$3,424,158	\$3,362,641	(\$61,517)	-2%
Capital Outlay	\$74,234	\$50,445	(\$23,789)	-32%
TOTALS	\$3,498,392	\$3,413,086	(\$85,306)	-2%

*Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)



SUPPORT COMPARISON
2023 Budget Act v. 2024-25 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2023 Budget Act	2024-25 Governor's Budget	Difference	% Change
General Fund (0001)	\$3,258,712	\$3,197,195	(\$61,517)	-2%
Lease Revenue Bond (Ref 003)	\$39,475	\$35,497	(\$3,978)	-10%
State Hospitals	\$39,475	\$35,497	(\$3,978)	-10%
Support Funds (Ref 011)	\$3,216,650	\$3,159,060	(\$57,590)	-2%
Administration	\$254,435	\$256,292	\$1,857	1%
State Hospitals	\$1,852,201	\$1,984,819	\$132,618	7%
CONREP	\$92,940	\$93,892	\$952	1%
Contracted Patient Services	\$976,960	\$784,297	(\$192,663)	-20%
Evaluation & Forensic Services	\$40,114	\$39,760	(\$354)	-1%
Support HIPAA (Ref 017)	\$1,487	\$1,538	\$51	3%
Administration	\$1,487	\$1,538	\$51	3%
Non- Budget Act (Ref 502)	\$1,100	\$1,100	\$0	0%
Medicare- State Hospital	\$1,100	\$1,100	\$0	0%
Lottery Fund (0814)	\$21	\$21	\$0	0%
State Hospitals	\$21	\$21	\$0	0%
Federal Trust Fund (0890)	\$100	\$100	\$0	0%
State Hospitals	\$100	\$100	\$0	0%
Reimbursements (Ref 511)	\$165,325	\$165,325	\$0	0%
Administration	\$176	\$176	\$0	0%
State Hospitals	\$165,149	\$165,149	\$0	0%
TOTALS	\$3,424,158	\$3,362,641	(\$61,517)	-8%

*Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)

SUPPORT BUDGET

The 2024-25 Governor's Budget reflects a net decrease of \$61.5 million in General Fund in FY 2024-25. The following provides specific detail of proposed budget adjustments.



BUDGET CHANGE PROPOSALS

(There are no BCPs proposed in the 2024-25 Governor's Budget.)

ENROLLMENT, CASELOAD AND POPULATION

As of January 1, 2024, DSH has a total of 952 patients pending placement¹, of which 501 are deemed IST. The enrollment, caseload, and population estimates propose continued resources for infectious disease control and increased funding to respond to the projected increase in census and rising costs of patient-driven operating expenses such as utilities, pharmaceuticals, and food.

- *DSH-Metropolitan Increase Secured Bed Capacity (ISBC) (-\$9.6 million in FY 2023-24)*

The DSH-Metropolitan ISBC project continues to experience delays in the activation of the remaining units for Incompetent to Stand Trial (IST) forensic patients. The roof replacement on the Skilled Nursing Facility (SNF) building is projected to be complete March 2024, allowing Units 4 and 5 to be activated for IST patients in May 2024. The 10-month delay in activation results in a one-time savings of \$9.6 million in FY 2023-24.

- *Enhanced Treatment Program (ETP) (No position authority or dollar change)*

The ETP was developed to treat patients who are at the highest risk of violence and cannot be safely treated in a standard treatment environment. DSH-Patton Unit 06 construction continues to be scheduled for completion in March 2024, with unit activation in May 2024.

- *Mission Based Review – Direct Care Nursing (-\$10.3 million in FY 2023-24)*

This staffing standard established population driven methods for calculating staffing needs to support the workload of providing 24-hour nursing care services within DSH. A total of 335.0 positions were allocated to support the Medication Pass rooms to be phased-in over four years. As of August 31, 2023, all phase-ins are complete, and 177.0 positions have been filled. Additionally, a total of 44.5 positions were allocated to provide nursing supervision afterhours to be phased-in over two years. DSH continues to experience challenges in hiring Medication Pass Psychiatric Technicians (PT), resulting in an additional one-time savings of \$10.3 million in FY 2023-24.

¹ Per the Pending Placement List (PPL) as of January 1, 2024.



- *Mission Based Review – Treatment Team and Primary Care (-\$5.3 million in FY 2023-24)*

This staffing standard uses data-informed methodologies for standardizing caseload for DSH's Interdisciplinary Treatment Team. A total of 180.4 positions were allocated to support the Interdisciplinary Treatment Team to be phased-in over five years. As of August 31, 2023, 52.8 positions have been established. A total of 31.9 positions were allocated to support Primary Medical Care to be phased-in over three years. As of August 31, 2023, all positions have been established and 10.5 have been filled. Additionally, a total of 12.0 positions were allocated to support Clinical Executive Leadership. As of August 31, 2023, all positions have been established and 7.0 have been filled. DSH continues to experience challenges with hiring the newly authorized positions, resulting in a one-time savings of \$5.3 million in FY 2023-24.

- *Patient-Driven Operating Expenses and Equipment (OE&E) (\$10.8 million in FY 2023-24 and ongoing)*

The Budget Act of 2019 adopted a standardized methodology to provide funding for patient-related OE&E items based on updated census estimates for each fiscal year and an estimated per patient cost, derived from past year actual expenditures. Due to inflation and increases in hospital patient census, DSH requests \$10.8 million in FY 2023-24 and ongoing to support patient-related operating expenses, specifically in the areas of utilities, pharmaceuticals, and foodstuffs.

- *Infectious Disease Prevention (\$25.9 million in FY 2024-25; \$7.7 million in FY 2025-26 and ongoing; 10.0 positions in FY 2024-25 and ongoing)*

During the onset of the COVID-19 pandemic, DSH executed a COVID-19 response plan across its system and adjusted this plan on an ongoing basis. Although the California State of Emergency ended on February 28, 2023, and the Federal State of Emergency ended on May 11, 2023, DSH has an ongoing responsibility to protect the health and safety of staff and patients from aerosol transmissible diseases (ATDs). Based on the changes in operations made by DSH in accordance with the Centers for Disease Control and Prevention (CDC), California Department of Public Health (CDPH), California Division of Occupation Safety and Health (CalOSHA), and local public health guidance, DSH has continued to prioritize the safety of its employees and patients through infection control measures. DSH requests \$25.9 million in FY 2024-25, and \$7.7 million in FY 2025-26 and



ongoing for expenditures related to infection control measures to continue to protect the health and safety of DSH staff and patients. Additionally, DSH requests permanent funding and position authority for 10.0 limited term Public Health Nurse (PHN) positions, in FY 2024-25 and ongoing, to ensure compliance with public health guidelines and regulations.

- *CONREP Sexually Violent Predators (SVP) Caseload Update (No position authority or dollar change)* DSH assumes a total caseload of 31 SVPs to be conditionally released into the community by June 30, 2025. There are currently 21 court-ordered clients participating in CONREP-SVP, *** individuals with court-approved petitions awaiting placement into the community, and fewer than eleven individuals with filed petitions for conditional release who are proceeding through the court process.
- *CONREP Non-SVP (-\$599,000 in FY 2023-24)*
DSH continues to expand its continuum of care and anticipates a total contracted caseload of 1,038 in FY 2023-24 and 945 in FY 2024-25. As a result of delays in admissions to the Northern CA Statewide Transitional Residential Program (STRP) A&A facility, DSH reports a one-time savings in FY 2023-24 of \$599,000.
- *Incompetent to Stand Trial (IST) Solutions (-\$58.6 million in FY 2023-24; 2.0 position authority in FY 2024-25 and ongoing)*
DSH continues to increase its IST continuum of care through the expansion of existing IST treatment programs and reports a current waitlist of 501 IST individuals as of January 1, 2024. This change represents a reduction of nearly 38 percent from the waitlist of 804 reported in the 2023-24 May Revision. Furthermore, of the 501 individuals on the waitlist pending admission to a treatment bed, 172 are receiving substantive treatment services through the Early Access and Stabilization Services program or other treatment program. Only 329 individuals on the waitlist are individuals who are not yet receiving treatment services from a DSH program. DSH reports a net savings of \$58.6 million in FY 2023-24 due to changes in implementation of the EASS program, Jail-Based Competency Treatment (JBCT) program, and Community Inpatient Facilities (CIF) program. DSH also requests position authority only for 2.0 positions to support the workload associated with administering the Felony IST Growth Cap program.

*Data has been de-identified in accordance with the DSH Data De-Identification Guidelines. Values are aggregated and masked to protect confidentiality of the individuals summarized in the data. De-Identification Legend: Counts between 1-10 are masked with "<11" or "fewer than eleven". Complimentary masking is applied using "****" where further de-identification is needed.*



CAPITAL OUTLAY COMPARISON
2023 Budget Act v. 2024-25 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2023 Budget Act	2024-25 Governor's Budget	Difference	% Change
General Fund (0001)	\$34,282	\$0	(\$34,282)	-100%
Capital Outlay	\$34,282	\$0	(\$34,282)	-100%
Public Bldg Construction (0660)	\$39,952	\$50,445	\$10,493	26%
Capital Outlay	\$39,952	\$50,445	\$10,493	26%
TOTALS	\$74,234	\$50,445	(\$23,789)	-32%

*Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)

The 2024-25 Governor's Budget reflects a net decrease of \$23.8 million in General Fund and Public Building Construction Fund in FY 2024-25. The following provides specific detail of proposed budget adjustments.

CAPITAL OUTLAY BUDGET CHANGE PROPOSALS

- *DSH-Metropolitan Central Utility Plant (CUP) Replacement (\$50.5 million in FY 2024-25)*

DSH proposes \$50.5 million Public Buildings Construction Funds for the construction phase of the DSH-Metropolitan CUP Replacement Project. The project includes the replacement of the existing CUP located at DSH-Metropolitan that presently supplies steam for hot water and central heating, as well as chilled water for air conditioning, to 32 patient housing and administrative buildings. Total project costs are estimated at \$54,143,000, including preliminary plans (\$1,835,000), working drawings (\$1,863,000), and construction (\$50,445,000). The construction amount includes \$42,145,000 for the construction contract, \$2,950,000 for contingency, \$3,047,000 for architectural and engineering services, and \$2,303,000 for other project costs. The current project schedule estimates preliminary plans will be completed by January 2024. Working drawings are estimated to begin by the end of January 2024 and be completed in August 2024. Construction is scheduled to begin in December 2024 and be completed in July 2026.



STATE HOSPITAL POPULATION

DSH is responsible for the daily care and treatment of over 7,500 patients. This estimated caseload is projected to exceed 9,000 by the end of FY 2024-25, with a total of 5,839 across the state hospitals, 2,496 in contracted programs and 979 in CONREP Non-SVP and CONREP SVP programs. Over the last decade, the population demographic has shifted from primarily civil court commitments to a forensic population committed through the criminal court system. The table below displays patient caseload by commitment type and contract location.

2024-25 Governor's Budget Estimates Caseload	
Location	Estimated Census on June 30, 2025
<i>Population by Commitment Type – Hospitals</i>	
Incompetent to Stand Trial (IST) — PC 1370	1,912
Not Guilty by Reason of Insanity (NGI) — PC 1026	1,225
Offenders with Mental Disorders (OMD) — PC 2962/2972	1,051
Sexually Violent Predator (SVP) — WIC 6602/6604	954
Lanterman-Petris-Short (LPS) — PC 2974	585
Coleman — PC 2684	112
Subtotal	5,839
<i>Contracted Programs</i>	
Jail Based Competency Treatment Programs	567
Community Based Restoration	1,706
Community Inpatient Facilities	223
Subtotal	2,496
<i>Conditional Release Programs (CONREP)</i>	
CONREP Non-SVP	674
CONREP SVP	31
CONREP Forensic Assertive Community Treatment (FACT) Program	90
CONREP Step Down Facilities	184
Subtotal	979
GRAND TOTAL	9,314



IST POPULATION DATA HIGHLIGHTS

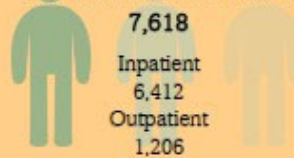
Referral Growth

DSH has experienced a 44 percent growth in IST county referrals from FY 2017-18 through FY 2022-23.

Average Monthly Referrals	
FY 2017-18	339
FY 2018-19	383
FY 2019-20	343
FY 2020-21	346
FY 2021-22	415
FY 2022-23	488
6-Year ↑	44% ↑

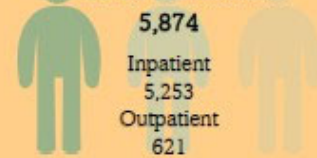
KEY STATISTICS

2022-23 Patients Served



Increased by
29%
from FY 2021-22

2022-23 Admissions



Increased by
51%
from FY 2021-22

Expansion of and new IST Treatment and Services

- DSH increased IST treatment capacity by 954 beds since FY 2017-18 across State Hospitals, JBCT, CIF and CBR programs.
- Diversion program diverted 477 individuals into county programs.
- DSH has also established EASS and Re-evaluation Services to provide increased access to competence evaluations and early access services. EASS has enrolled 1,437 patients and Re-evaluation Services have conducted 2,143 re-evaluations finding 25 percent of patients competent.

IST Waitlist & COVID-19 Impact

The DSH IST waitlist grew during the years of COVID-19 response, due to proactive public health measures aimed to protect the health and safety of patients and staff.

System Recovery & Decreased Waitlist

As the COVID-19 infection rate reduced, DSH has been able to increase admissions. Increased admissions, paired with new services and programs, has led to a significant reduction in the IST waitlist.

Waitlist Trends

February 2020: 848
PPL High: 1,953
January 2024: 501
74 % Decrease

IST Waitlist, Referrals and Admission Trends

