



The Department of State Hospital's (DSH) proposed budget for fiscal year (FY) 2024-25 totals \$3.4 billion – a decrease of \$55.6 million (or 2%) from the 2024-25 Governor's Budget – with 25.0 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
2024-25 Governor's Budget v. 2024-25 May Revision
(Dollars in Thousands)

FUNDING SOURCE	2024-25 Governor's Budget	2024-25 May Revision	Difference	% Change
State Operations	\$3,362,641	\$3,304,109	(\$58,532)	-2%
Capital Outlay	\$50,445	\$53,359	\$2,914	6%
TOTALS	\$3,413,086	\$3,357,468	(\$55,618)	-2%

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



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

FUNDING SOURCE	2024-25 Governor's Budget	2024-25 May Revision	Difference	% Change
General Fund (0001)	\$3,197,195	\$3,138,663	(\$58,532)	-2%
Lease Revenue Bond (Ref 003)	\$35,497	\$35,497	\$0	0%
State Hospitals	\$35,497	\$35,497	\$0	0%
Support Funds (Ref 011)	\$3,159,060	\$3,100,528	(\$58,532)	-2%
Administration	\$256,292	\$290,257	\$33,965	13%
State Hospitals	\$1,984,819	\$1,955,660	(\$29,159)	-1%
CONREP	\$93,892	\$93,311	(\$581)	-1%
Contracted Patient Services	\$784,297	\$726,017	(\$58,280)	-7%
Evaluation & Forensic Services	\$39,760	\$35,283	(\$4,477)	-11%
Support HIPAA (Ref 017)	\$1,538	\$1,538	\$0	0%
Administration	\$1,538	\$1,538	\$0	0%
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	\$250	\$74	42%
State Hospitals	\$165,149	\$165,075	(\$74)	0%
TOTALS	\$3,362,641	\$3,304,109	(\$58,532)	-2%

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

SUPPORT BUDGET

The 2024-25 May Revision reflects a net decrease of \$58.5 million in General Fund in FY 2024-25 compared to the Governor's Budget. The following provides specific detail of proposed budget adjustments.



BUDGET CHANGE PROPOSALS

- *Data Compliance (8.0 positions in FY 2024-25 and ongoing)*

DSH requests position authority only for 8.0 positions in FY 2024-25 and ongoing. This includes converting 6.0 existing filled positions from limited term to permanent to make DSH's data leadership structure permanent and 2.0 additional positions to provide data operation leadership and support data compliance across multiple directives and statutes.

- *Workers' Compensation Staffing Augmentation (7.0 positions in FY 2024-25 and ongoing)*

DSH requests position authority only for the conversion of 7.0 limited-term positions to permanent in FY 2024-25 and ongoing to address the sustained increase in workers' compensation workload.

- *CONREP SVP SB 1034 Increased Workload (10.0 positions in FY 2024-25 and ongoing)*

DSH requests position authority only for 10.0 permanent, full-time positions in FY 2024-25 and ongoing to support increased workload for DSH resulting from the passage of Senate Bill (SB) 1034 (Atkins), Chapter 880, Statutes of 2022: Sexually Violent Predators.



ENROLLMENT, CASELOAD AND POPULATION

As of May 6, 2024, DSH has a total of 708 patients pending placement¹, of which 397 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) (-\$3.9 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. DSH anticipates completion of the Skilled Nursing Facility (SNF) building repairs will be in October 2024, resulting in an additional one-time savings of \$3.9 million in FY 2023-24. Upon completion, SNF patients will be relocated back to the repaired building, followed by planned activation of Units 4 and 5 in December 2024.

- *Enhanced Treatment Program (ETP) (-\$281,000 in FY 2023-24)*

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. Completion of DSH-Patton Unit 06 is scheduled to be completed in July 2024, resulting in a one-time savings of \$281,000 in FY 2023-24.

- *Mission Based Review – Direct Care Nursing (-\$3.6 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 February 29, 2024, all phase-ins are complete, and 187.1 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, resulting in an additional one-time savings of \$3.6 million in FY 2023-24.

¹ Per the Pending Placement List (PPL) as of May 6, 2024.



- *Mission Based Review – Treatment Team and Primary Care (-\$3.1 million in FY 2023-24; -\$8.2 million in FY 2024-25, 2025-26, and 2026-27)*

This staffing standard uses data-informed methodologies for standardizing caseload for DSH's Treatment Team and Primary Care. A total of 180.4 positions were allocated to support the Interdisciplinary Treatment Team to be phased-in over five years. As of February 29, 2024, 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 February 29, 2024, 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 February 29, 2024, all positions have been established and 8.0 have been filled. DSH continues to experience challenges with hiring the newly authorized positions, resulting in an additional one-time savings of \$3.1 million in FY 2023-24. DSH further requests to delay 31.4 positions that were scheduled to phase-in in FY 2024-25 until July 1, 2027. This provides an additional \$8.2 million in savings per year until phase-ins resume.

- *Patient-Driven Operating Expenses and Equipment (OE&E) (-\$1.6 million in FY 2023-24; -\$632,000 in FY 2024-25 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 an updated projection in patient census, DSH has amended the amount of patient-related OE&E funding requested in the 2024-25 Governor's Budget, with a decrease of \$1.6 million in FY 2023-24 and \$632,000 in FY 2024-25 and ongoing.

- *CONREP Non-Sexually Violent Predators (SVP) (-\$2.6 million in FY 2023-24)*

DSH continues to expand its continuum of care and anticipates a total contracted caseload of 960 in FY 2023-24 and 938 in FY 2024-25. Due to ongoing challenges with hiring clinical staff for the programs, DSH reports an additional one-time savings of \$2.6 million in FY 2023-24.

- *CONREP SVP Caseload Update (No position authority or dollar change)*

DSH continues to project 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, 21 individuals with court-approved petitions awaiting placement into the community, and ten



individuals with filed petitions for conditional release who are proceeding through the court process.

- *Incompetent to Stand Trial (IST) Solutions (-\$118.3 million in FY 2023-24; -\$49.9 million FY 2024-25)*

DSH continues to increase its IST continuum of care through the expansion of existing IST treatment programs and reports a current waitlist of 397 IST individuals as of May 6, 2024. This change represents a reduction of nearly 21% from the waitlist of 501 reported in the 2024-25 Governor's Budget. Furthermore, of the 397 individuals on the waitlist pending admission to a treatment bed, 127 are receiving substantive treatment services through the Early Access and Stabilization Services (EASS) or other treatment program. Only 270 individuals on the waitlist are individuals who are not yet receiving treatment services from a DSH program. DSH reports an additional one-time savings of \$118.3 million in FY 2023-24 (\$45.0 million re-appropriated from the Budget Act of 2022) and an additional one-time savings of \$49.9 million in FY 2024-25, due to activation delays in Jail-Based Competency Treatment (JBCT) and Community Based Restoration (CBR)/Diversion programs, and for county stakeholder contracts not executed in FY 2023-24. Additionally, DSH proposes to shift \$129.5 million from FY 2025-26 to FY 2026-27 to better align with program implementation timelines.



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

FUNDING SOURCE	2024-25 Governor's Budget	2024-25 May Revision	Difference	% Change
General Fund (0001)	\$0	\$1,051	\$1,051	0%
Capital Outlay	\$0	\$1,051	\$1,051	0%
Public Bldg Construction (0660)	\$50,445	\$52,308	\$1,863	4%
Capital Outlay	\$50,445	\$52,308	\$1,863	4%
TOTALS	\$50,445	\$53,359	\$2,914	6%

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

The 2024-25 May Revision reflects a net increase of \$2.9 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, Cash to Bonds (- \$1.8 million GF from 2023-24; \$1.8 million from Public Buildings Construction Fund in FY 2024-25)*

DSH is requesting to replace \$1,863,000 General Fund with \$1,863,000 from the Public Buildings Construction Fund for the Working Drawings phase of the Metropolitan: Central Utility Plant (CUP) Replacement project. This project will replace 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.

- *DSH-Coalinga New Activity Courtyard (Replacement) – Supplemental Funding (\$1,051,000 in FY 2024-25)*

DSH requests a supplemental appropriation of \$1,051,000 from General Fund for the completion of the construction phase of the Coalinga New Activity Courtyard project. This project will erect a New Activity Courtyard which will provide sufficient space for outdoor patient activities, such as group exercise, social interactions, and other outdoor and treatment activities. A supplemental appropriation is necessary to carry the project through to completion.



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 5,802 across the state hospitals, 2,496 in contracted programs and 969 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 May Revision Estimates Caseload	
Location	Estimated Census on June 30, 2025
<i>Population by Commitment Type – Hospitals</i>	
Incompetent to Stand Trial (IST) — PC 1370	1,851
Not Guilty by Reason of Insanity (NGI) — PC 1026	1,203
Offenders with Mental Disorders (OMD) — PC 2962/2972	1,063
Sexually Violent Predator (SVP) — WIC 6602/6604	954
Lanterman-Petris-Short (LPS) — PC 2974	556
Coleman — PC 2684	175
Subtotal	5,802
<i>Contracted Programs</i>	
Jail Based Competency Treatment Programs	517
Community Based Restoration	1,756
Community Inpatient Facilities	223
Subtotal	2,496
<i>Conditional Release Programs (CONREP)</i>	
CONREP Non-SVP	685
CONREP SVP	31
CONREP Forensic Assertive Community Treatment (FACT) Program	90
CONREP Step Down Facilities	163
Subtotal	969
GRAND TOTAL	9,267