

CORRECTIVE ACTION PLAN

Department of Mental Health (DMH)				Date of Report: August 10, 2009	
STATE HOSPITAL BUDGET ESTIMATES					
OBSERVATIONS	RECOMMENDATIONS	CORRECTIVE ACTIONS TAKEN	CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PARTY	TARGET DATE
<p>Issue 1: Coalinga State Hospital (CSH) Operating Expenditures Were Not Included In Department of Mental Health's 2008-09 Projection</p>	<p><i>Include CSH operating expenditures in the straight-line regression analysis used to estimate budget year operating expenditures.</i></p>	<p>Long Term Care Services Division has included CSH operating expenditures in straight-line regression analysis for all future Operating and Equipment and Expenses (OE&E) funding requests. CSH was included in the May Revision for fiscal year 2009-10.</p>	<p>Long Term Care Services Division has accepted the recommendation and implemented corrective actions.</p>	<p>Cindy Radavsky, Long Term Care Services Division; Dave Harner, Program Policy and Fiscal Support</p> <p>Stan Bajorin, Administration & Fiscal Services Division; Mieko Epps, Financial Services; Patty Lee, Fiscal Policy</p>	<p>May 2009</p> <p>Action Completed</p>
<p>Issue 2: Current Staffing Model May Not Adequately Reflect Hospital Work Load</p>	<p><i>A workload study should be conducted by an independent consultant specializing in industry standards and practices to determine the most effective staffing model for the hospitals. The study should address workload shifts to non-Level of Care (LOC) staff, LOC staffing ratios, and overtime.</i></p>	<p>Long Term Care Services Division has reached out to the Western Psychiatric State Hospital Association and asked for names of consultants to determine staffing models. The response indicated that "all hospitals go by the staffing findings/deficiencies issued by the federal government and state licensing during their reviews". The State of Wyoming did use a California contractor, Idea Consulting out of Davis, California to do a thorough analysis of their involuntary hospitalization statute and were impressed with their mental health systems competencies and the analysis outcomes. Long Term Care Services Division has not contacted the contractor due to budgetary concerns.</p>	<p>Long Term Care Services Division has inquired with other states providing 24/7 treatment services to determine if a staffing study has been done, and who may have the expertise to conduct such a study.</p> <p>Long Term Care Services Division intends to do the staffing study after all hospitals are in compliance with Civil Rights for Institutionalized Person Act staffing standards.</p>	<p>Cindy Radavsky, Long Term Care Services Division; Dave Harner, Program Policy and Fiscal Support</p> <p>Stan Bajorin, Administration & Fiscal Services Division; Greg Williams, Administration; Dorothy Steir, Contracts</p> <p>Cynthia Rodriguez, Legal Office</p>	<p>Action not Completed - Target date Unknown at this Time.</p>

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<p>Issue 3: Funding is Insufficient for Annual Operating Expenditures</p>	<p><i>The DMH is at risk of incurring significant budget deficiencies in the near future. The operating expenditures deficiency continues to grow and the net overall savings continues to decrease. It is imperative that DMH, in conjunction with the Department of Finance, Health and Human Services Unit, develop a budgeting mechanism that appropriately funds operating expenditures to prevent future deficiency requests.</i></p> <p><i>Other state departments with resident populations maybe experiencing similar issues. A review of these state departments should be included to determine if improvements can be made for statewide contracting of medical services, pharmaceuticals, and food.</i></p>	<p>This issue has been discussed with Department of Finance (DOF) on several occasions. In addition, the Legislative Analyst's Office (LAO) briefed DMH on their recommendations for DMH's budget in 1/09. To date, no additional formal discussions have occurred with DOF due to extenuating budgetary circumstances.</p>	<p>DMH's Budget Office is working with the LAO to convene a workgroup to address the state hospital estimate format/methodology, and remaining recommendations. The goal is for mid August to begin meeting with the LAO. However, furloughs and additional budget drills may extend the start date for the workgroup.</p>	<p>Cindy Radavsky, Long Term Care Services Division; Dave Harner, Program Policy and Fiscal Support</p> <p>Stan Bajorin, Administration & Fiscal Services Division; Mieko Epps, Financial Services; Patty Lee, Fiscal Policy</p> <p>Department of Finance, Health and Human Services Unit</p>	<p>Action not Completed - Target date Unknown at this Time.</p>