



The Department of State Hospital's (DSH) proposed budget for fiscal year (FY) 2022-23 totals \$2.6 billion – a decrease of \$210 million (or eight percent) from the 2021 Budget Act - with 61.5 proposed positions in the budget year (BY). The reduction in funding from the previous year is due to one-time funding received in the 2021 Budget Act. The proposed budget includes investments in community and jail-based programs to continue DSH's efforts towards meeting the increased demand for services for individuals deemed Incompetent to Stand Trial (IST), improving the departments operations and delivery of services, and state hospital facility repairs and improvements.

TOTAL State Hospitals Comparison
2021 Budget Act vs. 2022-23 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2021 Budget Act¹	2022-23 Governor's Budget	Difference	% Change
State Operations ²	\$2,742,602	\$2,568,039	(\$174,563)	-6%
Capital Outlay	\$53,504	\$17,786	(\$35,718)	-67%
TOTALS	\$2,796,106	\$2,585,825	(\$210,281)	-8%

¹Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)

² The Budget includes statutory language authorizing the Department of Finance to augment DSH's budget by an additional \$350 million General Fund, building on the \$175 million already available in 2022-23 authorized by the 2021 Budget Act for the purposes of implementing solutions identified by the Incompetent to Stand Trial (IST) Workgroup to address the IST patient waitlist. This workgroup was convened from August to November 2021 and a final report comprised of the compendium of solutions identified by the workgroup is available at [IST Solutions Report \(Final\).pdf \(ca.gov\)](#).



SUPPORT COMPARISON
2021 Budget Act vs. 2022-23 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2021 Budget Act ¹	2022-23 Governor's Budget	Difference	% Change
General Fund (0001)	\$2,558,891	\$2,384,336	(\$174,555)	-7%
Lease Revenue Bond (Ref 003)	\$40,631	\$39,260	(\$1,371)	-3%
State Hospitals	\$40,631	\$39,260	(\$1,371)	-3%
Support Funds (Ref 011)	\$2,446,575	\$2,342,542	(\$104,033)	-4%
Administration	\$217,227	\$213,403	(\$3,824)	-2%
State Hospitals	\$1,669,238	\$1,737,652	\$68,414	4%
CONREP	\$69,457	\$78,966	\$9,509	14%
Contracted Patient Services	\$454,813	\$279,890	(\$174,923)	-38%
Evaluation & Forensic Services	\$35,840	\$32,631	(\$3,209)	-9%
Support HIPAA (Ref 017)	\$1,377	\$1,434	\$57	4%
Administration	\$1,377	\$1,434	\$57	4%
Support COVID-19 (Ref 021)	\$69,208	\$0	(\$69,208)	-100%
Administration	\$475	\$0	(\$475)	-100%
State Hospitals	\$68,731	\$0	(\$68,731)	-100%
Contracted Patient Services	\$2	\$0	(\$2)	-100%
Non- Budget Act (Ref 502)	\$1,100	\$1,100	\$0	0%
Medicare- State Hospital	\$1,100	\$1,100	\$0	0%
Lottery Fund (0814)	\$27	\$19	(\$8)	-30%
State Hospitals	\$27	\$19	(\$8)	-30%
Reimbursements (Ref 511)	\$183,684	\$183,684	\$0	0%
Administration	\$176	\$176	\$0	0%
State Hospitals	\$183,508	\$183,508	\$0	0%
TOTALS	\$2,742,602	\$2,568,039	(\$174,563)	-6%

¹Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)

SUPPORT BUDGET

The 2022-23 Governor's Budget reflects a net decrease of \$174.6 million in General Fund in FY 2022-23. The following provides specific detail of proposed budget adjustments.



BUDGET CHANGE PROPOSALS

- o *Electronic Health Records Phase 3 & Wireless Network Upgrades (\$2.4 million in FY 2022-23 and 6.0 positions)*

DSH proposes \$2.4 million General Fund and 6.0 positions in FY 2022-23, \$19.8 million and 8.0 positions in FY 2023-24, \$20.8 million and 10.0 positions in FY 2024-25, and \$8.2 million and 10.0 positions ongoing beginning in FY 2025-26 to prepare for and support the operation of the enterprise Continuum Electronic Health Records (EHR) Project. The necessary activities are: upgrades to the Wireless Local Area Networks (WLAN) at all five hospitals; WLAN analyst positions at each hospital; Information Technology (IT) architecture, network, security, and integration experts at each hospital; and equipment, contracts, and required project oversight by the California Department of Technology (CDT).

- o *Administrative Services Workload (\$1.7 million in FY 2022-23 and 12.0 positions)*

DSH proposes \$1.7 million General Fund and 12.0 positions in FY 2022-23 and ongoing to address the increased required administrative workload related to the increase in DSH staff over the past several years and increased support required on complex policy issues.

- o *Data Governance and De-Identification Compliance (\$1.5 million in FY 2022-23 and 6.0 positions)*

DSH proposes \$1.5 million General Fund and 6.0 2-year limited term (LT) positions in FY 2022-23 and 2023-24, to establish the leadership for the Research, Evaluation and Data Insights (REDI) Program. The REDI Program would be responsible for implementing a comprehensive data strategy, establishing a data governance structure which will maximize data utilization and integrity, and compliance with the California Health and Human Services (CalHHS) Data De-identification Guidelines.



- o *Quality Improvement and Internal Auditing, Monitoring, Risk Management, and Hospital Support (\$1.6 million in FY 2022-23 and 11.0 positions)*

DSH proposes \$1.6 million General Fund and 11.0 positions in FY 2022-23 and ongoing to support Standards Compliance (SC) and Quality Improvement (QI) operations and to provide the Office of Audits (OOA) with necessary resources to conduct independent financial, operational, compliance, and performance audits.

- o *Increasing Regulations Resources to Improve Operations and Mitigate Departmental Risk (\$510,000 in FY 2022-23 and 3.0 positions)*

DSH proposes \$510,000 General Fund and 3.0 positions in FY 2022-23 and ongoing. These resources will allow the Regulations and Policy Unit (RPU) and Legal Division (LD) to meet the increasing demand for the Department to promulgate regulations. This request will effectively ensure timely implementation of mission critical regulations resulting in standardization of practices, transparency, and accountability statewide across the DSH integrated behavioral health system.

- o *Statewide Plant Operations Workload (\$2.6 million in FY 2022-23 and 26.0 positions)*

DSH proposes \$2.6 million General Fund and 26.0 positions in FY 2022-23 and ongoing to expand Plant Operations capacity at DSH's five hospitals to address critical deferred maintenance backlogs, regulatory compliance projects, and preventative maintenance programs related to the servicing and inspections of building fire and life safety systems, critical utilities infrastructure, and end-of-life asset replacements. Of the 26.0 requested positions, six (6.0) are requesting position authority only.

- o *DSH-Napa Camille Creek Implementation, Monitoring, and Adaptive Management Plan (IMAMP) Staffing (\$1.1 million in FY 2022-23 and 6.0 positions)*

DSH proposes \$1.1 million General Fund and 6.0 positions in FY 2022-23 to implement and maintain the operations of DSH-Napa's Lake Marie in compliance with the requirements of California Fish and Game Code (FGC) Section 5937.



- o *Workplace Violence Prevention in Healthcare Reporting Compliance (\$1.6 million in FY 2022-23 and 6.0 positions)*

DSH proposes \$1.6 million General Fund and 6.0 positions FY 2022-23 and \$1.1 million and 6.0 positions in FY 2023-24 and ongoing to support compliance at the five state hospitals with reporting requirements contained in Senate Bill (SB) 1299 (Ch. 842, 2014) and California Code of Regulations (CCR) Title 8 Section 3342 -- Workplace Violence Prevention in Healthcare, as DSH has been notified that its application for a permanent variance was denied by the Occupational Health Safety and Health Standards Board.

ENROLLMENT, CASELOAD AND POPULATION

DSH continues to seek solutions to address the significant demand for treatment. As of December 20, 2021, DSH has a total of 2,082 patients pending placement, of which 1,706 are deemed IST. The enrollment, caseload and population estimates propose expanded investments in both community-based and jail-based competency restoration treatment for ISTs, along with other adjustments related to serving patients in both the state hospitals and the Conditional Release Program (CONREP).

State Hospitals

- o *County Bed Billing Reimbursement Authority (No position authority or dollar change)*

The County Bed Billing Reimbursement Authority is comprised of the Lanterman-Petris-Short (LPS) population and Non-Restorable IST defendants which pertain to County financial responsibility. DSH has notified the counties that it intends to increase the LPS bed rates beginning July 1, 2022 and the parties are in active negotiations on the proposed LPS bed rates. Assembly Bill 133 (Chapter 143, Statutes of 2021) authorizes DSH to charge the county a daily bed rate for the treatment of defendants, committed to DSH as IST, who are not timely transported and returned to the county if the County Sheriff does not pick-up the relevant IST defendant from a DSH facility and return them to county custody within ten (10) days' notice to the committing court that the IST defendant (1) has no substantial likelihood of regaining mental competence in the foreseeable future or (2) is within 90 days of reaching their maximum commitment term. Beginning October 1, 2021, DSH began to charge the county a daily bed rate consistent with the statutory changes identified in AB 133, Chapter 143.



- o *DSH-Metropolitan Increase Secured Bed Capacity (-\$21.8 million in FY 2021-22)*

The DSH-Metropolitan Increased Secure Bed Capacity (ISBC) provides additional capacity to address the ongoing system-wide forensic waitlist. DSH is experiencing a 10-month delay in the activation of the three remaining units with a new activation date of July 2022. DSH-Metropolitan continues to utilize one unit for COVID-19 isolation. Due to significant water damage to the existing skilled nursing facility (SNF), one unit is currently being utilized as SNF swing space. The damage to the SNF prevented DSH from using the other units as a swing space for the Continuing Treatment East (CTE) Fire Alarm Upgrade. DSH is now projecting the CTE Fire Alarm Upgrade to be completed early 2022. In total, DSH reflects a one-time savings of \$21.8 million in FY 2021-22 associated with personal services savings.

- o *Enhanced Treatment Program (ETP) (-\$9.6 million in FY 2021-22; -\$8.9 million and -56.5 positions in FY 2022-23 and ongoing)*

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 reports a 3-month delay in the U-06 activation at DSH-Patton. DSH also reports the postponement of Units 33 and 34 ETP construction at DSH-Atascadero due to significant bed capacity pressures. As a result, DSH anticipates a one-time savings of \$9.6 million in FY 2021-22 and an ongoing savings of \$8.9 million and 56.5 positions in FY 2022-23 and ongoing.

- o *Vocational Services and Patient Minimum Wage Caseload (-\$279,000 in FY 2021-22)*

DSH offers its patients access to the Vocational Rehabilitation Program, which serves as a therapeutic program to provide a range of vocational skills and therapeutic interventions for patients. During COVID-19, restrictions on patient work due to infection control measures impact vocational referrals as job sites and activities must limit the amount of patient workers at a time. However, as vaccination rates have increased, DSH's patient worker programs are slowly resuming normal activities pending the trajectory of COVID-19 cases. As a result, DSH reflects a one-time savings of \$279,000 in FY 2021-22.



- o *Mission Based Review – Court Evaluations and Reports (-\$1.5 million in FY 2021-22)*

This staffing standard established population-driven methods for calculating staffing needs for the following forensic functions: Evaluations, Court Reports and Testimony, Forensic Case Management and Data Tracking and Neuropsychological Services (Neuropsychological Assessments and Cognitive Remediation Pilot Program). A total of 53.1 positions were allocated to support forensic evaluations, court reports and testimony, to be phased-in over four years. As of September 30, 2021, a total of 37.7 positions have been established and 30.9 positions have been filled resulting in a one-time savings of \$705,000 in FY 2021-22. A total of 16.3 positions were allocated to support forensic case management and data tracking, to be phased-in over two years. As of September 30, 2021, a total of 16.3 positions have been established and 10.3 have been filled resulting in a one-time savings of \$425,000. Additionally, a total of 25.2 positions were allocated to support neuropsychological services, phased-in over three years. As of September 30, 2021, a total of 25.2 positions have been established and 21.5 positions have been filled resulting in a one-time savings of \$392,000 in FY 2021-22.

- o *Mission Based Review – Direct Care Nursing (-\$4.6 million in FY 2021-22; \$735,000 and 32.0 positions in FY 2022-23 and ongoing)*

This staffing standard established population-driven methods for calculating staffing needs to support the workload of providing 24-hour care nursing 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 September 30, 2021, a total of 152.5 positions have been established and 104.0 positions have been filled resulting in a one-time savings of approximately \$3.0 million in FY 2021-22. Additionally, a total of 44.5 positions were allocated to provide nursing supervision afterhours to be phased-in over two years. As of September 30, 2021, a total of 44.5 positions have been established and 26.9 positions have been filled resulting in a one-time savings of \$1.6 million in FY 2021-22. DSH is requesting position authority (no funding) for 32.0 non level of care positions allowing level of care positions to be put back on-unit. DSH has recognized an oversight in the phase-in process of positions that are tied to MBR – Direct Care Nursing. DSH has determined the additional funding for positions to be phased-in for the outyears and requests \$735,000 in BY and ongoing.



- o *Mission Based Review – Workforce Development (-\$415,000 in FY 2021-22)*

This staffing standard supports the development and implementation of a Psychiatric Residency Program and expand resources for Nursing Recruitment to meet the mission of providing mental health services to patients and reduce vacancy rates for mental health providers. For Nursing Recruitment, DSH anticipates one-time savings of \$52,000 in FY 2021-22 due to hiring delays. The Residency Program at St. Joseph Hospital received accreditation in February 2021 and the first cohort of seven residents began in July 2021. DSH anticipates a one-time savings of \$363,000 in FY 2021-22 due to minor delays in program implementation.

- o *Mission Based Review – Protective Services (-\$1.6 million in FY 2021-22 and \$2.3 million and 10.0 positions in FY 2022-23)*

This staffing standard identifies protective service posts and establishes workload-driven staffing methodologies to allocate adequate resources for essential police functions and reduce overtime usage. A total of 94.1 positions were allotted to be phased in over two years to support full implementation. As of September 30, 2021, 30.0 positions have been established and recruitment has begun. DSH anticipates filling once the next Hospital Police Officer academy is complete. This delay results in a one-time savings in FY 2021-22. DSH requests 10.0 Hospital Police Officers and \$1.3 million for the DSH-Coalinga Main Courtyard Expansion beginning in FY 2022-23. These positions will be administratively established and funded in FY 2021-22 using redirected savings. Due to delays in hiring, DSH requests to transfer funding from FY 2021-22 to FY 2022-23 to align with positions being phased in and academy cohort graduations. DSH has recognized an oversight in the phase-in process of positions which results in additional funding for the outyears in phased-in positions. Overall, DSH proposes a one-time savings of \$1.6 million in FY 2021-22, a request of \$2.3 million and 10.0 positions in FY 2022-23 and a request of \$2 million and 10.0 positions in FY 2023-24 and ongoing.



- o *Mission Based Review – Treatment Team and Primary Care (-\$9.1 million in FY 2021-22 and \$1.2 million in FY 2022-23 and ongoing)*

This staffing standard uses data-informed methodologies for standardizing caseload for DSHs interdisciplinary treatment team and primary care, resulting in an increase in the number of treatment teams and primary care physicians in the state hospitals. This will improve patient outcomes, result in shorter lengths of stay, and reduce patient violence and staff injuries. A total of 213.3 positions were allotted to be phased in over five years to support implementation. As of September 30, 2021, 65.8 positions have been established and 4.2 have been filled. DSH is actively recruiting to fill these positions, however this delay is resulting in a one-time savings in FY 2021-22. DSH has successfully established and redirected staff in the 10.0 positions received for the Clinical Operations Advisory Council in Sacramento. The vacated hospital positions have been redirected back on-unit or abolished if they were in the blanket. DSH has recognized an oversight in the phase-in process of positions which results in additional funding for the outyears in phased-in positions. Overall, DSH proposes a one-time savings of \$9.2 million in FY 2021-22, a request of \$1.2 million and savings of 1.0 position in FY 2022-23 and ongoing.

- o *Telepsychiatry Resources (No position authority or dollar change)*

DSH has increased its use of telepsychiatry to provide psychiatric treatment remotely to patients at hospitals where geographical location, creates difficulties in hiring psychiatrics. DSH established 1.0 position for oversight, 18.0 Staff Psychiatry positions and 18.0 positions for coordination purposes. Of these positions, DSH filled the 1.0 position for oversight, 12.0 of the 18.0 Staff Psychiatry positions and 10.0 of the 18.0 positions for coordination purposes, and hiring efforts continue.

- o *Patient-Driven Operating Expenses and Equipment (OE&E) (\$1.9 million in FY 2022-23)*

The 2019 Budget Act included a standardized patient OE&E projection methodology based on past year actual expenditures and census estimates for FY 2019-20. DSH requests \$1.9 million in FY 2022-23 and ongoing to support the increase in patient driven support costs with the DSH system.



- o *COVID-19 Response (\$64.6 million in FY 2022-23)*

With the onset of the COVID-19 pandemic, DSH executed a COVID-19 response plan across its system which followed guidance from the California Department of Public Health (CDPH), the Centers for Disease Control and Prevention (CDC), and other state and local partners. DSH has adjusted its system on an ongoing basis to overcome the COVID-19 pandemic challenges. As of November 10, 2021, DSH performed 98,645 tests on a cumulative total of 9,116 patients across all five hospitals, with a total of 2,102 patients testing positive. DSH also performed 186,977 PCR and 1,165,113 antigen staff tests statewide with a total of 2,686 testing positive. Additionally, DSH has achieved a staff vaccination rate at the state hospitals of 82% and a patient vaccination rate of 78% across its system. In FY 2022-23, DSH proposes \$64.6 million in one-time General Fund for estimated direct response expenditure costs to continue responding to and mitigating the impacts of the COVID-19 Pandemic.

- o *Cost of Care and Treatment (No position authority or dollar change)*

As part of the 2021 Budget Act, DSH is required to submit a supplemental report to the Legislature (SRL) to provide information and recommendations regarding patient cost of care and treatment in a state hospital and recommended financial assistance policies. As part of the 2022-23 Governor's Budget, DSH recommends updating and/or removing outdated statutory language no longer applicable to DSH's current system of care and providing patient financial relief that DSH does not anticipate would jeopardize DSH's ability to collect Medicare. DSH is proposing trailer bill language to develop a statutory and policy framework for implementing a Financial Assistance/Discounted Care Program.



Conditional Release Program (CONREP)

- o *CONREP Non-Sexually Violent Predator (SVP) Program Update (-\$7.4 million in FY 2021-22; \$4.6 million in FY 2022-23 and ongoing)*

DSH continues to build out its continuum of care and anticipates a total contracted caseload of 938 CONREP clients in FY 2021-22 and 1,018 in FY 2022-23. DSH reflects a one-time savings of \$7.4 million in FY 2021-22 due to activation and implementation delays in the 78-bed Southern California (CA) Institute for Mental Disease (IMD) and 20-bed Northern CA IMD facilities. Additionally, DSH proposes to discontinue the 5-bed Northern CA Mental Health Rehabilitation Center (MHRC) and reflects an ongoing savings of \$913,000 in FY 2021-22. However, DSH requests \$1.4 million in FY 2021-22 and \$5.5 million in FY 2022-23 and ongoing to support the new 30-bed Northern CA Adult Residential Facility for ISTs. DSH anticipates program activation for the CONREP FACT level of care to begin in January 2022 as originally anticipated and proposes to temporarily reduce the bed capacity from 76 to 78 in the Southern CA IMD facility to adhere to isolation protocols. In total, DSH proposes a one-time savings of \$7.4 million in FY 2021-22 and requests \$4.6 million in FY 2022-23 and ongoing.

- o *CONREP SVP Caseload Update (\$245,000 and 1.0 positions in FY 2022-23 and ongoing)*

DSH assumes a total caseload of 25 SVPs could be conditionally released into the community by June 30, 2022. There are currently 15 court-ordered clients participating in CONREP-SVP, 14 individuals with court-approved petitions awaiting placement into the community, and 13 individuals with filed petitions for conditional release who are proceeding through the court process. DSH's Legal Division's has experienced an increased trend of county courts requesting a DSH attorney presence at CONREP-SVP client placement hearings. As a result, DSH requests 1.0 Attorney III and \$245,000 in FY 2022-23 and ongoing.



Contracted Patient Services

- o *Jail-Based Competency Treatment (JBCT) Existing Program and Activation Updates (-\$7.0 million in FY 2021-22, \$11.6 million in FY 2022-23, and \$11.8 million in FY 2023-24 and ongoing)*

DSH continues to partner with various county Sheriffs to provide jail-based competency restoration services for individuals deemed felony IST. Due to activation delays amid the COVID-19 pandemic, DSH reflects a one-time savings of \$7.0 million in FY 2021-22. However, DSH requests \$6.2 million in FY 2022-23 and \$6.4 million in FY 2023-24 and ongoing for existing JBCT programs to support an additional 57 beds and expansion of early access/jail-in reach services for IST patients. Further, DSH requests \$5.5 million in FY 2022-23 and ongoing to support two new JBCT programs adding 35 beds and patients' rights advocacy services. As a result of these updates, DSH is expanding the total capacity of the JBCT program by 92 beds for a new total of 664 beds. In total, DSH reflects a one-time savings of approximately \$7.0 million in FY 2021-22, requests \$11.6 million in FY 2022-23, and requests \$11.8 million in FY 2023-24 and ongoing.

- o *Felony Mental Health Diversion Program (Diversion) (No position authority or dollar change)*

DSH contracts with various counties throughout California to develop new or expand existing Diversion Programs. DSH received Letters of Intent from sixteen existing counties looking to expand their Diversion programs and six from new counties interested in establishing Diversion programs. DSH continues to provide technical assistance for new and existing counties to help establish Diversion programs more efficiently and provide risk management strategies for optimal patient outcomes. As of June 30, 2021, 458 eligible individuals were diverted to a county-run program. As of September 30, 2021, 24 counties have activated their Diversion programs which anticipate diverting 820 felony ISTs.



- o *Community-Based Restoration (CBR) Program (\$3 million in FY 2022-23 and \$3.2 million in FY 2023-24 and ongoing)*

DSH partners with counties to develop CBR programs to support the development of a comprehensive continuum of care for felony ISTs. In the 2021 Budget Act, DSH was authorized to expand the CBR program resulting in a bed capacity of 771 to be activated over a three-year period. DSH has been reaching out to counties to discuss details of the new CBR opportunities. DSH has reported a calculation error that undercounted the total number of beds funded in FY 2022-23 and ongoing by one acute bed and 33 unlocked residential beds. As a result, DSH requests \$2.3 million in FY 2022-23 and ongoing to correct this error. Additionally, DSH requests an adjustment of \$675,000 in FY 2022-23 and \$900,000 in FY 2023-24 and ongoing to update the daily-bed rates for the original 150 beds of the Los Angeles (LA) CBR program which have increased since the initial appropriation in FY 2018-19. In total, DSH requests \$3.0 million in FY 2022-23 and \$3.2 million in FY 2023-24 and ongoing to resolve the calculation error and fund the increased daily bed rates in the LA county CBR program.

- o *Institute for Mental Disease (IMD) and Sub-Acute Bed Capacity Program (No position authority or dollar change)*

The 2021 Budget Act included funding and position authority to establish the Institute for Mental Disease (IMD) and Sub-Acute Bed Capacity Program which serves several DSH commitment types. DSH began engagement meetings with multiple private providers in Summer 2021 and continues to work with those providers to develop potential programs across the State. Through these discussions, DSH has identified the need to support acute level of care beds as a complement to IMD and sub-acute levels to promote stabilization for a portion of the FIST population who may require involuntary medications. Additionally, DSH is discussing this funding opportunity with targeted counties and strategizing the use of these funds to support recommendations resulting from the IST Solutions Workgroup.



- o *Statewide Incompetent to Stand Trial Off-Ramp (SISTOR) Program (-\$1.0 million in FY 2021-22 and ongoing)*

Subsequent to securing a contractor for the SISTOR program, DSH established the Re-Evaluation Services for Felony IST program. As DSH began to implement this program, and through previous experience gained using existing civil service staff, DSH identified a need for a standardized assessment process and evaluation report. However, under the SISTOR contract, the provider would use an independent assessment process that does not correspond with the standardized criteria to identify and prioritize which IST defendants to evaluate. Consequently, DSH cancelled the contracted and elected to dissolve the SISTOR program resulting in an ongoing savings of \$1.0 million beginning in FY 2021-22.

- o *Incompetent to Stand Trial (IST) Solutions Workgroup (No position authority or dollar change)*

Assembly Bill 133 (2021) and the 2021 Budget Act established a statewide workgroup led by the California Health and Human Services Agency (CalHHS) and DSH to identify short, medium, and long-term solutions for the IST crisis. The IST Workgroup convened between August 2021 and November 2021 and held five meetings and nine topic-focused sub-working group meetings with several representatives and stakeholders from various state agencies, the Judicial Council, local government and criminal justice system representatives, and representatives of IST patients and their family members. The Budget includes statutory language authorizing the Department of Finance to augment DSH's budget by an additional \$350 million General Fund, building on the \$175 million already available in 2022-23 authorized by the 2021 Budget Act for the purposes of implementing solutions identified by the Incompetent to Stand Trial (IST) Workgroup to address the IST patient waitlist. This workgroup was convened from August to November 2021 and a final report comprised of the compendium of solutions identified by the workgroup is available at [IST Solutions Report \(Final\).pdf \(ca.gov\)](#).



Evaluation and Forensic Services

- o *Sex Offender Commitment Program (SOCP) and Offender with a Mental Health Disorder (OMD) Pre-Commitment Program Caseload Update (No position authority or dollar change)*

DSH previously projected to receive 396 SVP and 2,093 OMD referrals in FY 2020-21. The actual number of referrals received were 399 for SVPs and 2,059 for OMDs. Updating projections based off of prior year, it is projected DSH will receive 472 SVP and 1,968 OMD referrals in FY 2021-22. DSH will continue to work closely with California Department of Corrections and Rehabilitation (CDCR) and Board of Parole Hearings (BPH) to determine if there will be additional workload impacts to the OMD program. These may stem from referrals with impending release dates as a result of CDCR's programming calculations related to their efforts to reduce the number of inmates and reduce the risk of transmission of COVID-19 within its facilities. DSH continues to monitor the OMD and SVP referral trends and will provide a caseload update in the 2022-23 May Revision.

- o *Re-Evaluation Services for Felony ISTs (No position authority or dollar change)*

Established in the 2021 Budget Act, this program is in the final stages of implementation. DSH has finalized the evaluator panel contract and is developing contracts with new evaluators for implementation and reimbursement contracts with county sheriffs. A limited number of existing civil service evaluators have been temporarily redirected while the new contracts are in development to facilitate the program implementation and expedite the evaluation of IST defendants currently on the waitlist. DSH is reviewing the potential need for budget language that grants the authority to reimburse county jail partners without requiring an executed contract to help facilitate payments to the Sheriff's. No additional position authority or funding for the Re-Evaluation Services program is requested at this time.



CAPITAL OUTLAY COMPARISON
2021 Budget Act vs. 2022-23 Governor's Budget
(Dollars in Thousands)

FUNDING SOURCE	2021 Budget Act¹	2022-23 Governor's Budget	Difference	% Change
General Fund (0001)	\$31,480	\$17,786	(\$13,694)	-44%
Capital Outlay	\$31,480	\$17,786	(\$13,694)	-44%
Public Bldg Construction (0660)	\$22,024	\$0	(\$22,024)	-100%
Capital Outlay	\$22,024	\$0	(\$22,024)	-100%
TOTALS	\$53,504	\$17,786	(\$35,718)	-67%

¹Total includes non-budget act items (Medicare, Lottery, Re-Appropriations)

CAPITAL OUTLAY

The 2022-23 Governor's Budget reflects a net decrease of \$35.7 million in General Fund and Public Bldg Construction Fund in FY 2022-23. The following provides specific detail of proposed budget adjustments.

CAPITAL OUTLAY BUDGET CHANGE PROPOSALS

- o *DSH-Metropolitan Central Utility Plant Replacement (\$1.8 million in FY 2022-23)*

DSH proposes \$1.8 million General Fund in FY 2022-23 for the preliminary plans phase of the DSH-Metropolitan Central Utility Plant (CUP) Replacement Project. This project will replace the existing CUP located at DSH-Metropolitan which 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 has retained an architecture and engineering firm to determine the best alternative for replacement of the aging and obsolete CUP. The performed study identified centralized and decentralized options for providing new plant equipment that will significantly improve the efficiency and resiliency of the hot and chilled water generation and distribution systems.



- o *DSH-Metropolitan Fire Water Line Connection to Water Supply (\$548,000 in FY 2022-23)*

DSH proposes \$548,000 General Fund in FY 2022-23 for the Preliminary Plans phase of the DSH-Metropolitan Fire Water Line Connection project. This project will provide the required water capacity for the fire sprinkler system in order to comply with current fire code requirements related to fire flow. The replacement of the existing northerly 750,000-gallon steel tank with a new 1,000,000-gallon dedicated fire water storage tank will allow the hospital to meet current and future fire flow requirements.

- o *DSH-Atascadero Sewer and Wastewater Treatment Plant (\$4.0 million in FY 2022-23)*

DSH proposes \$4.0 million General Fund in FY 2022-23 for the Preliminary Plans phase to provide upgrades to the sewer collection system, installation of a screening system (Headworks), and connection to the City of Atascadero's wastewater treatment system. The existing DSH-Atascadero Wastewater Treatment Plant (WWTP) serves approximately 1,150 patients and approximately 2,000 employees.

- o *DSH-Atascadero Potable Water Booster Pump System (\$1.9 million in FY 2022-23)*

DSH proposes \$1.9 million General Fund in FY 2022-23 for the Construction phase of this continuing project to install a potable water booster pump system to improve the performance of the DSH-Atascadero main water system. At present, the main water line pressure drops to as low as 40 pounds per square inch (psi), well below the required operating pressure of 60 psi necessary for normal facility operations. This reduction in water main pressure risks the primary fire sprinkler system not being able to function correctly. The installation of a booster pump system will correct this problem and reduce the risk to hospital staff and patients in the event of a fire.

- o *DSH-Patton Fire Alarm System Upgrade – Reappropriation (\$9.4 million in FY 2022-23)*

DSH proposes to reappropriate \$9.4 million General Fund for the Construction phase of the Patton Fire Alarm System Upgrade project. The project removes and replaces fire alarm systems in the four secured patient housing buildings and treatment areas (30, 70, U, and the EB



buildings). A reappropriation is needed due to delays in the regulatory agency review process and impacts of COVID-19.



STATE HOSPITAL POPULATION

DSH is responsible for the daily care and treatment of over 7,000 patients. This estimated caseload is projected to exceed 8,000 by the end of FY 2022-23 with a total of 5,740 across the state hospitals, 1,401 in contracted programs and 923 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.

2022-23 Governor's Budget Estimates Caseload	
Location	Estimated Census on June 30, 2023
<i>Population by Commitment Type – Hospitals</i>	
IST—PC 1370	1,341
NGI—PC 1026	1,343
OMD	1,155
SVP	931
LPS/PC 2974	801
PC 2684 (Coleman)	169
WIC 1756 (DJJ)	0
Subtotal	5,740
<i>Contracted Programs</i>	
Kern AES Center	90
Regional JBCT	280
Single County JBCT	294
Community Based Restoration (CBR)	737
Subtotal	1,401
<i>CONREP Programs</i>	
CONREP Non-SVP ¹	898
CONREP SVP	25
Subtotal	923
GRAND TOTAL	8,064

¹The CONREP Non-SVP caseload number includes STRP beds.