**Report**
**to**
**The LEGISLATIVE FINANCE COMMITTEE**

Department of Health
Office of Facilities Management and Spending
January 19, 2015

**Report #15-02**

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**David Abbey**
**Director**



January 19, 2015

Ms. Retta Ward, Cabinet Secretary
Department of Health
Suite N 4100, Runnels Building
1190 St. Francis Drive
Santa Fe, NM 87502

Dear Secretary Ward:

On behalf of the Legislative Finance Committee, I am pleased to transmit the evaluation, *Department of Health: Facilities Management and Spending.* The evaluation identified efforts to decrease spending and improve oversight of Department of Health facilities.

This report will be presented to the Legislative Finance Committee on January 19, 2015. An exit conference to discuss the contents of the report was conducted with the Department of Health on January 12, 2015.

I believe this report addresses issues the Committee asked us to review and hope the Department of Health's facilities program will benefit from our efforts. We very much appreciate the cooperation and assistance we received from your staff.

Sincerely,

David Abbey, Director

Cc: Representative Luciano "Lucky" Varela, Chairman, Legislative Finance Committee
Senator John Arthur Smith, Vice-Chairman, Legislative Finance Committee
Dr. Tom Clifford, Secretary, Department of Finance and Administration
Mr. Timothy Keller, State Auditor
Keith Gardner, Chief of Staff, Office of the Governor

# Table of Contents

**Page No.**

# EXECUTIVE SUMMARY

Through seven state facilities, the Department of Health (DOH) provides critical nursing home, substance abuse and mental health services to a monthly average of 700 New Mexicans at a cost of almost $140 million annually. The Legislature has granted DOH considerable budget flexibility to manage funding for state facilities through a mix of third-party payments from insurers like Medicaid and support from the general fund for indigent patients or for services not covered by insurers. However, with expansion of Medicaid and more newly insured New Mexicans DOH has new opportunities to better leverage other sources of funding rather than rely on support from the general fund.

This evaluation assessed the oversight of fiscal and operational management of state health facilities and followed up on the implementation status of previous evaluations of health facilities. Additionally, this evaluation analyzes the necessity for the FY15 supplemental appropriation request for DOH facilities.

Overall, DOH continues to struggle to effectively manage facility spending in line with available funding, and aligning staffing with service level and needs of clients. DOH has made little progress on these issues since LFC reported on them in 2009. The number of people being served monthly in facilities has declined over the past three fiscal years and occupancy rates remain low at some facilities. Total funding has remained generally flat during this time period but DOH facilities have reverted over twelve million dollars to the general fund in FY12-FY13, suggesting over funding of staffing. The FY15 budget assumes better alignment of funding for staffing, a corresponding decrease in assumed overtime, and that DOH would improve billing for services in light of more New Mexicans having insurance. However, DOH has requested a $6.4 million supplemental appropriation for FY15 and a corresponding similar increase for its base facilities budget for FY16.

Although the workload has decreased, both overtime and contract personnel expenses continue to rise. Despite the still large vacancy rates, improved hiring at the same time as high overtime and contract staff costs likely cannot be sustained. Low occupancy at revenue generating units, recruitment of clients to non-revenue generating units, and inability to increase Medicaid reimbursements also cannot be sustained. DOH needs to take aggressive action on these issues, slow spending and pursue revenue. The LFC did not recommend supplemental funding and the Executive only $1 million. DOH will have more spending data for appropriators to review their financial position during the legislative session.

Recommendations include implementing a common staffing methodology across all facilities based upon service type, targeting patient recruitment to services which generate revenue, pursue Medicaid and indigent funding for certain services offered in chemical dependency units, and report quarterly on facility level finances to LFC and DFA to monitor progress.

**DOH Facilities Budget and Expenditures – All Funds**
(in millions)

| | Total Budget | Expenditures |
|---|---|---|
| **FY12** | $140.7 | $130.4 |
| **FY13** | $139.0 | $130.8 |
| **FY14** | $138.7 | $139.6 |
| **FY15** | $136.3 | |

Source: GAA, Sunshine Portal

DOH is requesting a FY15 Supplemental appropriation of $6.4 million.

**Percent of Operations Funded by State General Funds**

| | FY12 | FY13 | FY14 |
|---|---|---|---|
| SATC | 54% | 59% | 74% |
| TLH | 70% | 69% | 70% |
| NMRC | 71% | 69% | 68% |
| NMBHI | 54% | 53% | 54% |
| LLCP | 43% | 47% | 46% |
| FBMC | 49% | 34% | 32% |
| NMSVH | 0 | <1% | 4% |
| **Total DOH Budget** | **47.8%** | **45.2%** | **45.4%** |

Source: DOH

## KEY FINDINGS

**The need for a large supplemental appropriation request for FY15 and reversions in recent fiscal years suggests problematic spending.** DOH facilities funding and workload have remained relatively flat for the past three years. The mix of funding for facilities has shifted towards more reliance on third-party payments and decreased need for appropriations from the general fund, partly in recognition of the increase of insured New Mexicans through Medicaid expansion. Between FY12 and FY14 the average monthly census of people receiving services in DOH facilities declined five percent to 685 from 723.

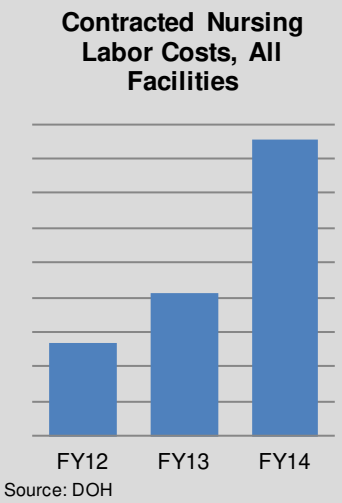
Over a five-year period from FY08 through FY13, DOH reverted over $15 million to the general fund. Reversions were primarily driven by overfunding of personal services and benefits and resulted from significant numbers of vacant positions. For FY14, DOH indicated facilities had a shortfall after covering the union settlement payment liability of $1.7 million as budgeted revenue did not materialize. DOH used flexibility offered through the General Appropriations Act to make budget adjustments across its programs to pay for the union liability.

***DOH is requesting a FY15 supplemental appropriation of $6.4 million.*** DOH facilities' request would increase appropriations from the general fund to about FY14 levels, as well as provide funding to cover staffing and contractual services. DOH indicates the need for the supplemental appropriations and a corresponding increase in FY16 stem from a variety of factors at each of its facilities. DOH reports that staffing vacancies cause the need for overtime and contract staff at higher costs than the vacancy savings. Increased employee salaries, General Services Department rates and reduced other state funds from the Land Maintenance Fund also are contributing factors. Finally, DOH reports that third-party reimbursement has not materialized through Medicaid and limits on admissions to certain facilities that could otherwise bill for services.

However, the FY14 actual revenue to DOH facilities was $137.6 million and the FY15 projected revenues are $136.8 million dollars. The $800 thousand decrease in revenue from one year to the next is unexplained and fails to support DOH facilities' revenue enhancement plans. On the expenditure side, salaries and benefits are projected to increase by over $3.5 million, while contracts are projected to increase over eight percent or $1 million. OFM has stressed the difficulty with staff recruitment which would result in salary and benefit savings, which could be allocated towards contract costs.

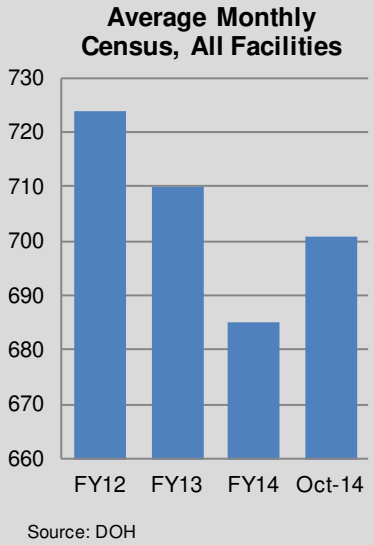
***The FY15 request for supplemental appropriations would increase the reliance of facilities on support from the general fund, reversing progress made since 2009.*** The 2009 LFC evaluation on DOH facilities recommended a target of no more than 45 percent of support for facilities from the general fund. Overall through FY14, DOH facilities have made progress billing for more services, and thus decreasing the need for funding from the general fund.

Contracted nursing labor costs increased over 217 percent from FY12 through FY14.



Source: DOH

Since 2009, overtime costs for facilities have increased 48 percent from $7.2 million to $10.7 million



Source: DOH

***The need for the $6.4 million supplemental appropriation is questionable.*** Analysis of spending data shows a potential surplus of almost $3 million if the second half of the fiscal year spending pace matches the first half. It is unclear what would drive up costs in the second half of the fiscal year to higher levels than the first, but cost containment measures should be implemented to slow the pace of spending and bring it more in line with workload and other billed revenue aggressively pursued. The LFC budget recommendation did not support a supplemental appropriation for facilities, and the Executive recommendation includes $1 million.

The DOH facilities' general fund appropriation request for salaries and benefits for FY14 was significantly overstated. As a result, the DOH facilities' FY15 appropriation from the general fund was decreased from $65.4 million in FY14 to $59.7 million in FY15 due to a number of assumptions and factors. These include appropriations more in line with historical spending as DOH had a surplus of $4 million in the personal services and benefits category, and increased third party payments due to having more New Mexicans with insurance, particularly Medicaid. Furthermore, DOH needs to pursue efforts to decrease overtime costs at certain facilities.

***Unrealized revenue and uncontrolled expenses increases funding needs.*** Although the workload in the facilities has not had an overall increase, both overtime and contract personnel expenses continue to rise. Low service means less opportunity for third-party payments to cover fixed staffing costs at certain revenue generating facilities. DOH facilities reported an average occupancy rate for all licensed beds at 60 percent for the first quarter of FY15, up from 57 percent closing FY14.

**DOH needs better oversight and strategic planning for facilities.** DOH's strategic plan lacks a comprehensive facilities section and the facilities program does not currently have a strategic plan.

***Billing procedures for the facilities are not standardized.*** The billing process for healthcare facilities is complex, requiring multiple transactions to ensure accuracy. Flow charts, describing the workflow for each facility, demonstrated different approaches to the process. Implementing a common procedure would facilitate central office monitoring and training for each facility, decrease variations in outcomes, and establish accountability in the process. The facilities program is best equipped to evaluate which process would best serve the division.

***Evidenced-based practices in nursing homes could decrease costs and improve resident quality of life.*** Each of the facilities has included evidenced-based practices for treatment of substance abuse. A recent report to the LFC found limited use of evidenced-based practices in the New Mexico provider community serving adults with substance abuse. Information from Human Services Department for that report did not include the DOH facilities. The DOH facilities serving this population have focused on a delivery system that includes several evidenced-based practices.

**KEY RECOMMENDATIONS**

The Department of Health should:

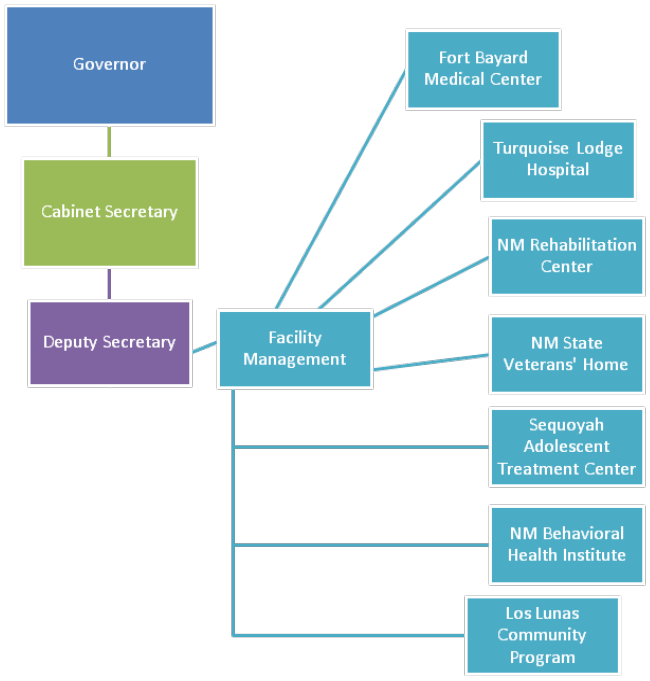
- Provide LFC and DFA budget to actual revenue and expense (down to the object code) reports by individual facility each quarter during FY15 and FY16. This should include progress on improved billing.
- Create financial revenue reports which differentiate funding source, i.e., Medicaid, Medicare, private insurance, within the "other revenue" category.
- Propose a comprehensive graduate nurse internship program, with appropriate job descriptions and wages, to the State Personnel Office.
- Implement a common staffing methodology across DOH facilities based upon service type.
- Consider consolidating chemical dependency units.
- Implement identified long-term care evidenced-based practices, specifically those which improve patient safety and clinical outcomes.
- Standardize billing procedures across the system to facilitate monitoring of the system.

# BACKGROUND INFORMATION

The Department of Health's (DOH) Facilities Management Program (FMP) is responsible for the oversight of seven facilities: New Mexico Behavioral Health Institute (NMBHI), Los Lunas Community Programs (LLCP), Fort Bayard Medical Center (FBMC), Sequoyah Adolescent Treatment Center (SATC), New Mexico Rehabilitation Center (NMRC), Turquoise Lodge Hospital (TLH), and the New Mexico State Veterans' home (NMSVH).

**Facilities management.** In FY06, the Office of Facilities Management (OFM) and FMP was created in the Department of Health (DOH) through a reorganization of existing programs. Prior to the reorganization, DOH described the state-operated facilities as "stand alone" operations. The General Appropriations Act (GAA) of 2005 states, "Upon reorganization and creation of the deputy secretary of facilities for the department of health, the department is authorized to create a facilities program in the fiscal year 2006 operating budget and may transfer existing resources from other programs." In the past FMP was re-defined within the GAA allowing DOH to budget all facilities as one program. This provided more flexibility for DOH to transfer funds among the facilities.

**Figure 1. Office of Facility Management Organization**




Source: DOH

The purpose of the FMP is to provide oversight for DOH facilities providing health and behavioral health care services including mental health, substance abuse, nursing home care and rehabilitation programs in facility and community-based settings that serve as the safety net for the citizens of New Mexico. FMP has the largest budget and most employees of all DOH divisions and programs. This budget exceeds that of many state departments.

**DOH facilities.**

***Los Lunas Community Programs (LLCP).*** Located in Los Lunas, LLCP is a community program and provides support and services mostly through the Developmental Disabilities Waiver (DDW) to individuals. Services provided include supported living, allowing persons with developmental disabilities and significant medical and/or behavioral challenges to live with roommates; supported employment, helping participants find and maintain employment; and community membership and volunteerism opportunities, giving participants the chance to enhance interests and hobbies while developing friendships with other people in the community.

***Fort Bayard Medical Center (FBMC).*** Located in Bayard, southwest New Mexico, FBMC is licensed and certified as a 150-bed long-term care nursing facility. It provides nursing and medical care; social services; recreational activities; physical, occupational and speech therapy. FBMC also operates Yucca Lodge, a 14 bed chemical dependency center.

***New Mexico Behavioral Health Institute (NMBHI).*** Located in Las Vegas, NMBHI operates the only inpatient state-operated psychiatric hospital and also provides community-based outpatient care in Las Vega, Mora, Pecos, and Santa Rosa. The inpatient facility includes: a 96-bed acute psychiatric unit, a 116-bed unit for adult forensic (court-ordered admissions), an adult sex offender treatment unit, a 12-bed adolescent sex offender treatment unit, and a 155-bed long-term nursing care facility.

***New Mexico Rehabilitation Center (NMRC).*** Located in Roswell, the NMRC offers a wide range of rehabilitation services, including physical and occupational therapy, speech and language pathology, social services, psychological services, and a 28 bed chemical dependency unit.

***New Mexico State Veterans' Home (NMSVH).*** Located in Truth or Consequences, NMSVH offers care to honorably discharged veterans of the US Armed Forces and a limited number of nonveterans including spouses and gold star parents. Services are provided for 145 beds and include skilled nursing care, routine nursing care, and adult residential care including independent living assistance.

***Sequoyah Adolescent Treatment Center (SATC).*** Located in Albuquerque, SATC is a 36-bed residential treatment center for adolescents who have a history of violence, have a mental disorder, and are amenable to treatment in a secure facility.

***Turquoise Lodge Hospital (TLH).*** Located in Albuquerque, TLH is a 34-bed adult hospital that provides medically managed and monitored inpatient chemical dependency detox and rehabilitation treatment and a 20-bed adolescent substance abuse treatment unit.

## THE NEED FOR A LARGE SUPPLEMENTAL APPROPRIATION REQUEST FOR FY15 AND REVERSIONS IN RECENT FISCAL YEARS SUGGESTS PROBLEMATIC SPENDING

**DOH facilities funding and workload have remained relatively flat for the past three years.** Previous LFC program evaluations have found DOH facilities struggle to manage costs in line with workload, as well as difficulty effectively billing third parties for services as shown in Appendix B. Table 1 shows total appropriations and expenditures for DOH facilities between FY12-FY15. The mix of funding for facilities has shifted towards more reliance on third-party payments and decreased need for appropriations from the general fund, partly in recognition of the increase of insured New Mexicans through Medicaid expansion. Between FY12 and FY14 the average monthly census of people receiving services in DOH facilities declined five percent to 685 from 723, as shown in Appendix C. As of October 2014, the average census increased to 701. The decline in census was primarily driven by declines at NMBHI (-12 percent) and SATC (-59 percent).

**Table 1. DOH Facilities Budget and Expenditures – All Funds**
(in millions)

| | General Fund | Other State Funds | Internal Funds/Agency Transfers | Total | Expenditures |
|---|---|---|---|---|---|
| **FY12** | $48.6 | $76.9 | $0.72 | $140.7 | $130.4 |
| **FY13** | $62.5 | $75.8 | $0.72 | $139.0 | $130.8 |
| **FY14** | $64.1 | $73.9 | $0.72 | $138.7 | $139.6 |
| **FY15** | $59.0 | $76.6 | $0.72 | $136.3 | |

Source: GAA, Sunshine Portal

Over a five-year period from FY08 through FY13, DOH reverted over $15 million to the general fund. Reversions were primarily driven by overfunding of personal services and benefits and resulted from significant numbers of vacant positions. For FY14, DOH indicated facilities had a shortfall after covering the union settlement payment liability of $1.7 million as budgeted revenue did not materialize. DOH used flexibility offered through the General Appropriations Act to make budget adjustments across its programs to pay for the union liability.

**Table 2. DOH Facilities State General Fund Reversions**

| | |
|---|---|
| **FY08** | $0 |
| **FY09** | $0 |
| **FY10** | $3,370,735 |
| **FY11** | $0 |
| **FY12** | $6,771,502 |
| **FY13** | $5,436,093 |
| **FY14** | $0 |

Source: DOH

**DOH is requesting a FY15 supplemental appropriation of $6.4 million.** DOH facilities' request would increase appropriations from the general fund to about FY14 levels, as well as provide funding to cover staffing and contractual services. DOH indicates the need for the supplemental appropriations and a corresponding increase in FY16 stem from a variety of factors at each of its facilities. For example, DOH indicates that funding for social detox services through the Behavioral Health Services Division (BHSD) are no longer available, and would need to be subsidized by direct appropriations from the general fund. DOH reports that staffing vacancies cause the need for overtime and contract staff at higher costs than the vacancy savings. Increased employee salaries, General Services Department rates and reduced other state funds from the Land Maintenance Fund also are contributing factors. Finally, DOH reports that third-party reimbursement has not materialized through Medicaid and limits on admissions to certain facilities that could otherwise bill for services. Appendix D breaks down DOH projected shortfall by facility and includes DOH comments.

However, the FY14 actual revenue to DOH facilities was $137.6 million and the FY15 projected revenues are $136.8 million dollars. The $800 thousand decrease in revenue from one year to the next is unexplained and fails to support DOH facilities' revenue enhancement plans. On the expenditure side, salaries and benefits are projected to increase by over $3.5 million, while contracts are projected to increase over eight percent or $1 million. The Office of Facilities Management (OFM) has stressed the difficulty with staff recruitment which would result in salary and benefit savings, which could be allocated towards contract costs.

***DOH projects revenue for the New Mexico Behavioral Health Institute and Los Lunas Community Programs from the Land Maintenance Fund will continue to decline.*** And, projections for increased revenue from the Land Grant Permanent Fund would not offset these losses totally. The Constitution of New Mexico names NMBHI and LLCP beneficiaries of the Land Maintenance Fund and the Land Grant Permanent Fund (LGPF). The State Land Office reported a leveling off in oil and gas bonus lease payments going to the Land Maintenance Fund. If estimates prove true, NMBHI's revenue from the Land Maintenance Fund will decrease by over $1 million after taking into account increased LGPF distributions.

***The FY15 request for supplemental appropriations would increase the reliance of facilities on support from the general fund, reversing progress made since 2009.*** The 2009 LFC evaluation on DOH facilities recommended a target of no more than 45 percent of support for facilities from the general fund. Overall through FY14, DOH facilities have made progress billing for more services, and thus decreasing the need for funding from the general fund, as shown in Table 3. DOH progress in this area has primarily been driven by the performance of FBMC, which has been much more aggressive and successful at billing for services and reduced its general fund support need to 32 percent of its operating budget. By contrast, SATC has not been receiving third party revenue, Medicaid primarily, to cover its costs and as of FY14 relied on appropriations from the general fund for 74 percent of its operating budget. SATC's general fund appropriation has remained fairly constant at approximately $4.3 million. However, other revenue decreased 54 percent from FY12 to FY14 from roughly $3.5 million to approximately $1.6 million. Other revenue includes Medicaid and Children, Youth and Families Department (CYFD) funding and individual client payments, with Medicaid accounting for most of this funding. Admissions were restricted to SATC as a result of CYFD survey findings of treatment modalities which did not promote improved outcomes for the juveniles treated. If not for the FY14 financial performance of FBMC, the percent of state general funds needed for facility operations would have increased to nearly 53 percent of total funding needs.

**Table 3. Percent of Operations Funded by State General Funds**

| | FY12 | FY13 | FY14 |
|---|---|---|---|
| Sequoyah Adolescent Treatment Center | 54% | 59% | 74% |
| Turquoise Lodge Hospital | 70% | 69% | 70% |
| New Mexico Rehabilitation Center | 71% | 69% | 68% |
| New Mexico Behavioral Health Institute | 54% | 53% | 54% |
| Los Lunas Community Program | 43% | 47% | 46% |
| Fort Bayard Medical Center | 49% | 34% | 32% |
| New Mexico State Veterans' Home | 0 | <1% | 4% |
| **Total DOH Budget** | **47.8%** | **45.2%** | **45.4%** |

Source: DOH

NMSVH used to rely on third party payments for all of its operations in FY12, but has since reported costs that exceed billed revenue for contract staff and need for $400 thousand from the general fund. NMSVH's revenue is primarily from the U.S. Department of Veterans Affairs. The facility also receives revenue from other federal sources, including Medicaid.

**The need for the $6.4 million supplemental appropriation is questionable.** Analysis of spending data shows a potential surplus of almost $3 million if the second half of the fiscal year spending pace matches the first half. It is unclear what would drive up costs in the second half of the fiscal year to higher levels than the first, but cost containment measures should be implemented to slow the pace of spending and bring it more in line with workload and other billed revenue aggressively pursued. The LFC budget recommendation did not support a supplemental appropriation for facilities, and the Executive recommendation includes $1 million.

The DOH facilities' general fund appropriation request for salaries and benefits for FY14 was significantly overstated. As a result, the DOH facilities' FY15 appropriation from the general fund was decreased from $65.4 million in FY14 to $59.7 million in FY15 due to a number of assumptions and factors. These include appropriations more in line with historical spending as DOH had a surplus of $4 million in the personal services and benefits category, and increased third party payments due to having more New Mexicans with insurance, particularly Medicaid. Furthermore, DOH needs to pursue efforts to decrease overtime costs at certain facilities. DOH's FY16 budget request includes an increase similar to the FY15 supplemental request. The request includes $314.6 million from the general fund, an increase of $6.7 million over FY15 appropriations. The requested $6.7 million increase, according to DOH, is needed to address revenue shortfalls, the three percent pay increase, and rising contract healthcare provider costs within DOH facilities. The 22 percent contract services increase request includes an additional $2 million for contract healthcare providers within DOH facilities.

DOH administrative actions to decrease the potential need for a supplemental appropriation are too recent to measure the impact on costs. New administrative and financial personnel at the division level are actively recruiting patients to revenue producing units, have improved routine financial reporting, and have implemented bi-weekly reviews of contract staffing. A significant change may be made through long-term care unit staff education on how to certify patients for high-cost Medicaid reimbursement. Medicaid reimburses for two levels of long-term care, high- and low-care need. By justifying high care needs, a patient reimbursement increases from a daily per diem of $300 to $500. There are patients in the long-term care facilities which can qualify for this increase. NMBHI has just begun this certification process and has already qualified 10 long-term care residents.

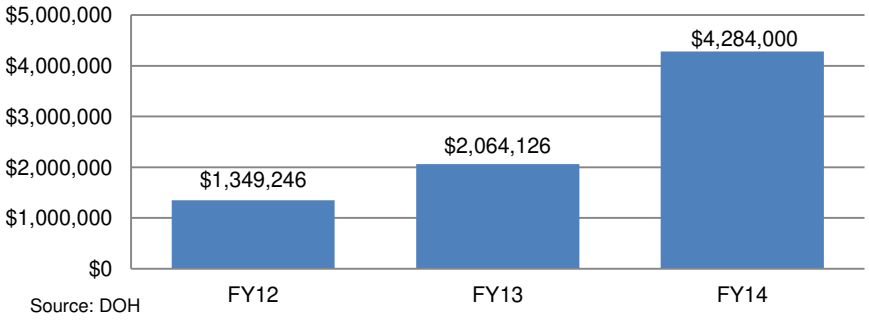
**Unrealized revenue and uncontrolled expenses increases funding needs.** Although the workload in the facilities has not had an overall increase, both overtime and contract personnel expenses continue to rise. Low service means less opportunity for third-party payments to cover fixed staffing costs at certain revenue generating facilities. DOH facilities reported an average occupancy rate for all licensed beds at 60 percent for the first quarter of FY15, up from 57 percent closing FY14. FBMC has the highest occupancy rates for FY15 with an occupancy rate of 93 percent at the long-term care unit. TLH's adolescent substance abuse treatment unit had the lowest occupancy rate in FY15 at 30 percent, while the adult treatment unit has an occupancy rate near capacity. Neither unit has a payor source except for a few days of medical detox.

Low occupancy rates in units that generate revenue have a negative impact on DOH facilities' budget. Efforts should be made to increase census at the NMBHI's CARE Unit, medical rehab units, long-term care units and SATC, as shown in Appendix E. The census for both inpatient and outpatient services at NMRC is low, raising concerns after considerable capital investment in this facility to be underused. For entire FY14, the outpatient program served 107 patients and the inpatient unit with 15 beds, had an average daily census of five patients.

Lower occupancies were created by admission holds. SATC had a temporary admissions hold for several months spanning 2013 and 2014, resulting from sanctions by CYFD after reviews of the facility found non-compliance with the Certification Requirements for Child and Adolescent Mental Health Services. NMRC limited admissions for a period of time in FY12 due to lack of staff and the inability to serve patients. The limits were lifted as staff was hired. NMSVH placed admissions on hold from June 2012 to October 2012 because of deaths related to hospital acquired infections. LLCP is on a self-imposed moratorium on new clients and admits new clients only in cases of emergency or crises. Appendix E includes a list of admission holds by facility.

***However, contract staff and overtime expenses at facilities have continued to increase.*** During FY14, DOH facilities transferred $3.5 million from the personal services and benefits category to contract services to fund and maintain staffing. Contract staff, in lieu of permanent nursing staff, increased contract nursing personnel costs over 217 percent from FY12 through FY14.

**Chart 1. Contracted Nursing Labor Costs, All Facilities**




Source: DOH

The two most rural facilities, NMSVH and FBMC have the highest costs for contract nurses, both with annual expenses over $1 million. TLH and SATC, located in Bernalillo County, have lower costs for contract nursing but have seen a large increase in those expenses since FY12 with both facilities going from requiring zero expenditures for contract nursing in FY11 to requiring over a quarter of a million dollars each in FY14.

**Table 4. Contracted Nursing Labor Costs, by Facility**

| | FY12 | FY13 | FY14 |
|---|---|---|---|
| New Mexico State Veterans' Home | $686,992 | $831,836 | $1,369,865 |
| Fort Bayard Medical Center | $267,000 | $526,000 | $1,343,000 |
| New Mexico Behavioral Health Institute | $93,720 | $418,109 | $628,127 |
| New Mexico Rehabilitation Center | $252,561 | $210,459 | $344,880 |
| Turquoise Lodge Hospital | 0 | 0 | $275,944 |
| Sequoyah Adolescent Treatment Center | 0 | $38,948 | $258,208 |
| Los Lunas Community Program | $48,973 | $38,774 | $63,976 |
| **Total** | **$1,349,246** | **$2,064,126** | **$4,284,000** |

Source: DOH

Since 2009, overtime costs for facilities have increased 48 percent from $7.2 million to $10.7 million. Facilities must rely on staff overtime if they are unable to hire sufficient permanent or contract staff to safely care for patients. Some facilities have mandatory overtime policies but have indicated that overtime shifts are at first voluntary and is only mandatory if there are no volunteers. However, decreased job satisfaction can result from routine use of mandatory overtime. All but one of the facilities has seen an increase in overtime expenses since FY12. Although FBMC's contracted nursing labor expenses have decreased over the same time period, the annual overtime is third highest of the facilities.

**Facilities are experiencing high vacancy rates and struggle to align staffing needs to facility occupancy levels and patient needs.** The average vacancy rate for DOH facilities is 15 percent as shown in Table 5. However, TLH has a vacancy rate of 24 percent and must compete in New Mexico's largest market for healthcare workers, Albuquerque. NMSVH had a vacancy rate of 21 percent and must recruit health care workers in a small community with an aging population which is not a magnet for healthcare professionals. New Mexico's doctors and other healthcare workforce professionals are not equally distributed across the state with the majority practicing in the urban counties of Bernalillo, Santa Fe, and Doña Ana. Four of the seven DOH operated facilities are located in rural areas, creating significant recruitment problems for the department and creating a reliance on contract staff. Turnover rates range from 15 to 30 percent depending on the facility as shown in Table 6.

**Table 5. DOH Facilities Vacancy Rate, As of December 2014**

| | Authorized FTE | Vacant | Vacancy Rate |
|---|---|---|---|
| Office of Facilities Management | 12.0 | 2.0 | 17% |
| Turquoise Lodge Hospital | 98.0 | 23.5 | 24% |
| New Mexico State Veterans' Home | 218.0 | 45.0 | 21% |
| Fort Bayard Medical Center | 318.0 | 48.5 | 15% |
| New Mexico Behavioral Health Institute | 916.5 | 141.5 | 15% |
| Sequoyah Adolescent Treatment Center | 120.0 | 20.0 | 17% |
| New Mexico Rehabilitation Center | 93.0 | 11.0 | 12% |
| Los Lunas Community Program | 305.0 | 26.0 | 9% |
| **Total** | **2,080.5** | **317.5** | **15%** |

Source: DOH

**Table 6. All Positions: Employee Turnover Rates**

| | FY12 | FY13 | FY14 |
|---|---|---|---|
| Turquoise Lodge Hospital | 28% | 20% | 24% |
| New Mexico Behavioral Health Institute | 14% | 13% | 15% |
| New Mexico Rehabilitation Center | 17% | 29% | 15% |
| Sequoyah Adolescent Treatment Center | 22% | 26% | 30% |
| New Mexico State Veterans' Home | 18% | 24% | 22% |
| Fort Bayard Medical Center | 23% | 21% | 29% |
| Los Lunas Community Program | 19% | 18% | 23% |

Source: DOH

***Facilities do not have a common methodology for determining if staffing is appropriate.*** DOH facilities have not developed common approaches to determining if staffing is appropriate to the needs of individual patients, in sync with industry standards, or facility occupancy levels. Individual facilities have developed staffing models, but the approach is inconsistent across the system. For example, NMSVH reports using a staffing model tied to hours of care needed based upon severity of each patient's illness. FBMC assess patients for their needs specifically relating to activities of daily living: bathing, continence, dressing, eating, toileting, and transferring. This information is used to establish the hours of care each day by each level of personnel. Other relevant issues, such as the presence of a pressure sore or communicable disease will increase the need for care hours. However, DOH was unable to produce data for this, or previous evaluations, showing hours of care by unit and facility which is a common practice in health care facility administration. As a result, it is unclear how facilities do in fact use hours of care as a staffing determination. Without this information, OFM cannot make timely corrections to practice or benchmark performance among DOH facilities or with peer institutions. Other hospitals using the same time tracking system as DOH facilities indicate they use routine "canned" reports and easily design and use additional reports.

Staffing for these facilities is difficult to manage within existing State Personnel Office (SPO) policies and union contracts. If a facility is in need of additional staff for increased workload or to accommodate position vacancies, a manager can respond through assigned overtime or use of contract staff. However, if a facility were to determine that on a particular shift fewer staff was needed than were scheduled, there is not a mechanism to unschedule an employee from their work assignment.

Other public and private hospitals, with and without unions, have established a per diem or "casual" group of employees. This group is not considered permanent staff, is paid a higher wage, but is not eligible for permanent staff benefits. They are obligated to work a minimum number of hours per designated time period, but are not guaranteed work hours. This would require changes to union contracts, but should be attractive to unions concerned about increased workload and forced overtime for the membership.

***Uncompetitive salaries and job classification descriptions inhibit recruitment and retention.*** The existing job classifications do not appropriately recognize past employee work experience, the level of responsibility assigned to the position, the authority vested in the position, and education. Further, wages paid by DOH are not competitive in the healthcare market. Facilities have indicated that the hiring process is hindered by SPO application process because applicants are not referred to the facilities if experience and education has any deviation from the job posting requirements. Although somewhat improved from the 2009 program evaluation, the shortest time to process a candidate from application to hiring is six weeks.

SPO is in the process of restructuring the state pay plan for specific job classifications, but how the changes will impact DOH employee classifications remains unclear. SPO will also need to address salary compaction between new and more senior employees if starting salaries are increased further driving up the cost of restructuring pay and classification.

Facilities have also expressed the desire to hire recent graduates but are prevented from doing so because current position classifications have minimum experience requirements. Recent graduates are good candidates for facility positions because they bring newer knowledge to the field as a less costly alternative than more experienced staff. A research paper, presented at the 2014 American Nursing Association conference, found staff nurses with less than six months of work experience had less missed nursing care than more experienced nurses.

A graduate nurse internship could increase registered nurse recruitment for the facilities. An internship for a defined number of new graduates, which allows each graduate to spend a teaching orientation at each facility, at each service level, could promote recruitment. In other health facilities, interns are not hired into permanent positions, but are in temporary positions. The program could be more attractive if facilities could fund housing when interns moved from facility to facility. Many of the programs may have space within their facilities to house the interns. Many of the major hospitals have intern programs and may be willing to share a curriculum with the OFM Nursing Administrator.

***Exit interviews cite wages and workload as reasons for leaving DOH facility employment.*** Staff exit interviews indicate that the most common reasons for leaving are low wages, high workloads, and 12 –hour shifts. NMSVH is exploring options to move to eight-hour shifts to alleviate concerns. The same American Nursing Association research paper also identified work schedules as a factor for missed nursing care, stating nurses working less than 12 –hour shifts provided more complete care than those working longer shifts.

**Table 7. Facilities Terminations and Hires, FY14**

| | Hires | Retirements | Terminations |
|---|---|---|---|
| Turquoise Lodge Hospital | 21 | 1 | 23 |
| New Mexico State Veterans' Home | 49 | 5 | 39 |
| Fort Bayard Medical Center | 63 | 12 | 84 |
| New Mexico Behavioral Health Institute | 113 | 44 | 103 |
| Sequoyah Adolescent Treatment Center | 48 | 3 | 40 |
| New Mexico Rehabilitation Center | 23 | 2 | 13 |
| Los Lunas Community Program | 79 | 7 | 80 |
| **Total** | **396** | **74** | **382** |

Source: DOH

**DOH is not well positioned to effectively capture new revenue as a result of health care expansion.** Previous LFC evaluations raised concerns over DOH billing practices and need to better capture third-party payments, such as from Medicaid. With the expansion of that program and more New Mexicans having health care coverage capturing third-party revenue for reimbursable services is even more important. DOH's Internal Audit is expanding the scope of reviews to include billing practices and procedures in DOH facilities to help identify opportunities to increase revenue collections. Low census or ineffective billing practices at revenue generating facilities or units hampers DOH ability to use only money from the general fund to subsidize services not covered by insurers.

However, nothing in the Affordable Care Act (ACA) or Medicaid changes through Centennial Care provides expanded options for many services at DOH facilities, and the state will likely need to subsidize these services or choose other evidence-based options. For example, reimbursement opportunities for chemical dependency units, Institutions for Mental Disease, and the Forensic Unit at NMBHI did not change. Still revenue maximization options exist and should be pursued.

Both the ACA and Centennial Care focus on improving patient outcomes through the least restrictive, evidenced-based levels of care. As such, Medicaid and other insurers do not pay for inpatient social detox, which is provided at numerous DOH facilities through the chemical dependency units. Instead, insurers pay for short-term medical detox and intensive outpatient treatment which has proven as an effective alternative to costly long-term inpatient chemical dependency services. As a result, the three chemical dependency units are not eligible for full Medicaid or private insurance reimbursement. All the chemical dependency units are actively recruiting clients. This is a service which is least likely to generate revenue to fully cover costs to deliver services. Focusing recruitment efforts of funded services would better serve the financial health of DOH facilities. As an alternative, DOH should pursue discussions with Medicaid on the possibility of billing for the individual counseling services, and consider sliding scale patient charges to cover room and board costs. DOH should also consider billing county indigent funds.

NMBHI will always be reliant on state general funds for most of the patient population. Institutions for Mental Disease designations by the federal government prohibit Medicaid reimbursement for the patients served. The facility also does not have a reimbursement source for the court-directed admissions. These admissions include individuals who could serve up to 30 years within the facility.

***The methodology for calculating costs and uncompensated care within the facilities is not in line with industry standards, which may cause over- or under-stated amounts.*** Despite Medicaid expansion, DOH reported uncompensated care only slightly decreased from FY13 to FY14. For all facilities, according to DOH, uncompensated care costs decreased from approximately $42.7 million to about $41.9 million, a decrease of 1.9 percent.

**Table 8. Facilities Uncompensated Care**

| | FY12 | FY13 | FY14 |
|---|---|---|---|
| Turquoise Lodge Hospital | $7,052,063 | $6,899,271 | $6,923,556 |
| New Mexico State Veterans' Home | $5,670,584 | $5,760,435 | $6,126,058 |
| Fort Bayard Medical Center | $3,330,347 | $4,146,945 | $3,839,601 |
| New Mexico Behavioral Health Institute | $25,336,767 | $23,257,839 | $19,211,495 |
| Sequoyah Adolescent Treatment Center | $874,800.00 | $518,400 | $1,354,984 |
| New Mexico Rehabilitation Center | $2,896,232 | $2,119,257 | $4,380,503 |
| Los Lunas Community Program | $8,272 | $21,951 | $57,164 |
| **Total** | **$45,169,065** | **$42,724,098** | **$41,893,361** |

Source: DOH

DOH facilities identify their uncompensated care as the difference between revenue and expenses rather than a typical relationship between charges and costs. The long-term care facility rates are driven by the cost reports required by federal Medicare program. However, there is no logic by which rates are established for the chemical dependency units. Although these units offer similar services daily charges vary significantly, impacting what little these units can charge insurers.

**Table 9. Chemical Dependency Unit Daily Charges**

| Unit | Daily Charge |
|---|---|
| Fort Bayard Medical Center | $285 |
| Turquoise Lodge Hospital | $550 |
| New Mexico Rehabilitation Center | $600 |

Source: DOH

**Services provided in state-funded facilities could be operated by local providers at less cost.** As an example, during the 2009 program evaluation of DOH facilities, the OFM administration stated the Los Lunas Community Programs had extended services beyond the mission, providing services which could be delivered by community-based providers. At that time the LFC recommended clients not needing crisis or intermediate care services be transitioned to community providers as soon as possible, but the change did not occur. While the 2009 OFM stated mission was to provide crisis services and operate an intermediate care facility for individuals with extreme behavior problems, the service array includes a day habilitation service, a supported employment and a supervised home environment program.

**Table 10. LLCP FY14 Operational Expenditures**

| | |
|---|---|
| Total operating costs | $19.0 million |
| Personnel Services and Benefits | $14.2 million |
| Contractual Services | $345 thousand |
| Other operating costs | $2.4 million |

Source: DOH

***Los Lunas Community Programs lease 20 homes for a total of about $400 thousand with monthly rent ranging from $700-$6,200.*** LLCP has 59 residents with most homes at or near capacity. Six homes are occupied by only one resident either at client/family request or because they cannot be placed with other residents. Every home leased creates the need for more staff often at high rates and the need for costly overtime expenses. The average cost per square foot is $9.46 but goes as high as $36.15/sq ft at a cost of $6,200/month or $74,400/year.

**Table 11. LLCP Residential Leases**

| | |
|---|---|
| Number of Leases | 20 |
| Average Monthly Rate | $1,641 |
| Average Cost per Square Foot | $9.46 |
| Average Annual Cost Per Home | $19,697 |
| Average Number of Bedrooms in Home | 3 |
| Average Number of Bedrooms Occupied | 2.8 |
| Total Annual Cost | $413,640 |

Source: DOH

**Recommendations**

The Department of Health should:

- Work with DFA to restructure SHARE to include financial reporting down to the individual patient care unit level.
- Work with the vendor for the DOH time tracking system (KRONOS) to obtain standard reports and training on developing ad hoc reports.
- Work with the State Personnel Office to establish a pool of casual employees for each facility and to investigate the opportunity to build an internal group of traveling nursing personnel for use by all facilities.
- Provide LFC and DFA budget to actual revenue and expense (down to the object code) reports by individual facility each quarter during FY15 and FY16. This should include progress on improved billing.
- Propose a comprehensive graduate nurse internship program, with appropriate job descriptions and wages, to the State Personnel Office.
- Implement a common staffing methodology across DOH facilities based upon service type.
- Create financial revenue reports which differentiate funding source, i.e., Medicaid, Medicare, private insurance, within the "other revenue" category.
- Consider an external analysis of costs to explain the differences across facilities for like services.
- Pursue revenue enhancement by:
    - negotiating with the Administrative Office of the Courts for reimbursement for substance abuse services as part of drug courts;
    - explore options with the Human Services Department for counseling reimbursement; and
    - pursue reimbursement for county indigent funds for services.
- Collaborate with HSD and DOH Epidemiology Division to determine from where OFM should recruit clients based upon high-need, high-risk areas of the state.
- Whenever possible, target patient recruitment to services which generate revenue.
- Consider consolidating chemical dependency units.
- Investigate opportunities to move LLCP services to community providers, except crisis and ICF/MR services.

## DOH NEEDS BETTER OVERSIGHT AND STRATEGIC PLANNING FOR FACILITIES

**DOH's strategic plan lacks a comprehensive facilities section and the facilities program does not currently have a strategic plan.** The department describes the 2014-2016 Department of Health Strategic Plan as a roadmap for the agency to remain a vital part of an effective health system today and in the future. The plan lays out objectives including: reducing overdose deaths and reducing alcohol-related deaths and reduce alcohol use. There is no mention of how facility programs fit into the process for improvement in outcomes for these populations.

**Billing procedures for the facilities are not standardized**. The billing process for healthcare facilities is complex, requiring multiple transactions to ensure accuracy. Flow charts, describing the workflow for each facility, demonstrated different approaches to the process. Implementing a common procedure would facilitate central office monitoring and training for each facility, decrease variations in outcomes, and establish accountability in the process. The facilities program is best equipped to evaluate which process would best serve the division, but must have the capacity to bill individual patients directly.

**All facilities are licensed and accredited or in the process of becoming licensed and accredited.** There are several accreditation and licenses that facilities can hold. The standards from Joint Commission on Accreditation of Healthcare Organizations (JCAHO) impose specific adherence to quality of care performance measures and outcome monitoring. The Commission on Accreditation of Rehabilitation Facilities (CARF) institutional reviews focuses on outcomes of care delivery. CYFD, Veterans Affairs Department (VA) and DOH Division of Health Improvement (DHI) also provide certification. Except FBMC and TLH, all inpatient facilities have achieved accreditation from either JCAHO or CARF, however, FBMC is pursuing JCAHO accreditation and TLH is in compliance as a special hospital facility. Fulfilling the requirements from these accrediting agencies insures performance measures are in place and data collection does occur.

**Table 12. Accreditations Held by DOH Facilities**

| | |
|---|---|
| **Los Lunas Community Program** | DHI, CARF (pursuing) |
| **Turquoise Lodge Hospital** | DHI, CMS |
| **New Mexico Behavioral Health Institute** | DHI, CMS, JCAHO, CYFD |
| **New Mexico Rehabilitation Center** | DHI, CMS, JCAHO |
| **Sequoyah Adolescent Treatment Center** | CYFD, JCAHO |
| **New Mexico State Veterans' Home** | DHI, CMS, JCAHO, VA |
| **Fort Bayard Medical Center** | DHI, CMS, VA, JCAHO (pursuing) |

Source: DOH

**Overall, with one exception, the results of certification and accreditation surveys are comparable to community providers**. All facilities have appropriate designations or are in the process of attaining accreditation or certification. From FY12-FY14, the facilities were subjected to multiple surveys to determine if standards of care, operations, and safety were being met. From FY12 through FY14, the facilities were subjected to over 50 encounters with certification or accreditation entities. Surveys occur on a routine schedule, but follow-up reviews may occur to ensure the facility is correcting previously identified violations. Site visits may also occur as the result of complaints issued against a facility. Surveying entities may issue recommendations for change, direct the implementation of a corrective action plan, or require a facility limit or stop admissions until corrections are in place. If critical violations are found the penalty may include a loss of funding. This is a potential risk for the state long-term care facilities if found in violation of Medicare requirements.

Surveys are specific to populations or levels of care resulting in multiple reviews for single agencies. Each of the DOH facilities offer more than one level of care and two of the facilities deliver services to both children and adults. Surveys are expensive and entities such as the Joint Commission on Accreditation charge facilities for the survey. For surveys without a fee, costs are incurred to ensure compliance with standards, some of which have little impact on patients, and for the additional staff needed to manage and monitor compliance with standards and regulations. Additionally, each of the facilities has aging buildings, contributing to the costs of meeting life safety codes. Preparation for surveys and the survey itself distract staff from routine services.

Review of survey results show that except for one situation, the facilities responded appropriately to survey findings within the directed timeline. The only exception was CYFD's review of SATC. This facility had major problems associated with delivery care system which required a corrective action plan that took nearly two years to complete.

***Although operational and clinical performance measures are monitored, interventions have minimal impact on outcomes.*** Review of survey reports issued by the DOH Division of Health Improvement from 2011 into 2014 shows LLCP has been under corrective actions plan to remedy non-compliance with the Centers for Medicare and Medicaid Conditions of Participation. In addition, in 2014, the New Mexico Attorney General's Medicaid Fraud Unit found LLCP failed to properly document $500 thousand in services over a three-year period, raising the question whether services were actually delivered. Although the circumstances were not deemed Medicaid fraud, LLCP was directed to repay the reimbursements in question. Although LLCP has taken corrective action for two deficient surveys, one for community programs and one for intermediate care facilities and the Attorney General's report, it demonstrates that quality and financial risks may not be greater with services being provided by community provider.

**Table 13. Clinical Performance Outcomes**

| | Medication Errors | Significant Medication Errors | Falls | Nosocomial Infections | Unanticipated Deaths |
|---|---|---|---|---|---|
| **2012** | | | | | |
| Turquoise Lodge Hospital | 38 | 0 | 13 | 0 | 0 |
| Fort Bayard Medical Center | 227 | 12 | 146 | 211 | 0 |
| New Mexico Behavioral Health Institute | 313 | 15 | 769 | 704 | 0 |
| Sequoyah Adolescent Treatment Center | 20 | 4 | 0 | 14 | 0 |
| New Mexico Rehabilitation Center | 25 | 0 | 14 | 3 | 0 |
| New Mexico State Veterans' Home | 158 | 0 | 343 | 272 | 4 |
| Los Lunas Community Program | 42 | 0 | 44 | 4 | 1 |
| **2013** | | | | | |
| Turquoise Lodge Hospital | 29 | 0 | 23 | 8 | 0 |
| Fort Bayard Medical Center | 108 | 0 | 89 | 95 | 0 |
| New Mexico Behavioral Health Institute | 563 | 9 | 694 | 568 | 0 |
| Sequoyah Adolescent Treatment Center | 6 | 0 | 1 | 0 | 0 |
| New Mexico Rehabilitation Center | 38 | 0 | 39 | 0 | 0 |
| New Mexico State Veterans' Home | 170 | 0 | 274 | 374 | 1 |
| Los Lunas Community Program | 45 | 0 | 20 | 0 | 0 |
| **2014** | | | | | |
| Turquoise Lodge Hospital | 16 | 0 | 11 | 3 | 0 |
| Fort Bayard Medical Center | 263 | 0 | 222 | 217 | 0 |
| New Mexico Behavioral Health Institute | 421 | 13 | 381 | 381 | 1 |
| Sequoyah Adolescent Treatment Center | 0 | 0 | 1 | 0 | 0 |
| New Mexico Rehabilitation Center | 30 | 1 | 8 | 3 | 0 |
| New Mexico State Veterans' Home | 172 | 1 | 374 | 160 | 1 |
| Los Lunas Community Program | 99 | 0 | 68 | 0 | 0 |
| **Total** | **2783** | **55** | **3534** | **3017** | **8** |

Source: DOH

**Evidenced-based practices (EBPs) in nursing homes could decrease costs and improve resident quality of life.** Each of the facilities has included EBPs for treatment of substance abuse. A recent report to the LFC found limited use of evidenced-based practices in the New Mexico provider community serving adults with substance abuse. Information from the Human Services Department (HSD) for that report did not include the DOH facilities. The DOH facilities serving this population have focused on a delivery system that includes several evidenced-based practices.

As an example, cognitive behavioral therapy, which in the previous LFC report was identified as one of the most effective, lowest cost interventions, had limited use in New Mexico. However, all of the DOH facilities with chemical dependency units use this treatment intervention.

However, when reporting EBPs for this report not one practice related to the care of residents in the state's four nursing homes was included. As an example, one of the nursing homes was cited for presence of a pressure sore caused by lack of staff attention. Pressure sore prevention can be accomplished through EBPs. The Agency for Healthcare Research and Quality identifies the average cost of an institutional stay for treatment of a pressure sore at $38 thousand, or nearly three times the cost of prevention. Other available EBPs specific to nursing home residents include management of urinary tract infections, challenging behavior, pain, and swallowing difficulties. Each of these could decrease nursing home costs and provide an improved quality of life for the residents.

**Collaboration between HSD and DOH is needed to establish the future role of state funded inpatient social chemical dependency units in the state's behavioral health system.** HSD serves as the state's federally-recognized Substance Abuse Agency for New Mexico and the key overseer for mental health and substance abuse services. DOH is a safety net provider for those services. However, there is no evidence of collaboration in determining in what provider role DOH best can meet the needs of the state. As an example, DOH operates the three chemical dependency units in New Mexico. DOH produces data which identifies where efforts are most in need to services. Using this information, HSD could aid DOH in targeting referrals from those areas to DOH facilities. In addition, if the efficacy of social chemical dependency units can be proven, HSD could fund the programs through the BHSD state general fund or federal grant dollars. This would use state general fund appropriations from BHSD, funds available for the care of clients without other funding sources. The state also receives a federal grant for substance abuse services, funding which could be directed to these programs if the intent of the grant is met.

Efficacy of service can only be defended through comprehensive research methodology or implementation of programs deemed as evidenced-based practices. DOH does not have the research capacity to prove the effectiveness of the service, but the BHSD does and could validate the service's benefit or guide the program towards more evidenced-based programming.

**DOH has not implemented many of the recommendations from past evaluations.** Program evaluations of the DOH facilities were completed in 2007, 2009, and 2014. The finding and recommendation report appear in Appendix B. Many findings are replicated in each report. In all three evaluations, fiscal oversight of the Department of Health facilities has been a continuing concern. The departmental response to the 2009 evaluation disagreed with this finding. However, evidence exists which demonstrates the facilities have not adopted industry standards to monitor performance and financial outcomes, have not pursued actions which would create longer term savings, and have not been more insistent that other state agencies recognize and respond to facility needs.

The 2009 report findings and consequences included: revenue management, rising payroll costs for permanent and contract staff, legislative inability to identify facility-specific fiscal issues, the high reliance on state general funds, lack of monitoring of fiscal performance indicators including hours of care per client per day, cost per day per client, low occupancy, lack of staffing standards and formulas based upon industry standards, and consideration of consolidation of services to single facilities. Based upon the 2014 program evaluation review, many of the same issues still exist.

***The 2009 evaluation identified a lack of collaboration with other state agencies to address facility issues.*** The facilities still struggle with professional healthcare recruitment, unable to meet community salary standards. In 2009 a recommendation was made that OFM should collaborate with SPO to develop a per diem pool of healthcare professionals to use in lieu of contract staff and to collaborate with HSD to determine appropriate placement of substance abuse facilities with state government and whether services could more effectively be operated by community providers. There is no evidence that these recommendations were followed.

**DOH facilities have made progress in other areas.** The inclusion of facility administrators and medical directors on the governing board has created a more united divisional administrative structure. The quarterly meetings of the board provide the opportunity for facility administrators to share best practices and seek counsel from fellow administrators. The meetings are also used to monitor performance improvement projects and data, medical staff issues, credentialing, strategic planning, compliance with national patient safety goals, and performance improvement.

Site visits and interviews demonstrated the new Chief Facilities Officer is frequently in the field, is known by the employees, and is able to provide information about the operations of each facility.

SATC is successfully transitioning from a consequence-based program to a partnership/collaboration approach with clients and their families.

The newly constructed Meadows Long-Term Care Facility (Phase 1) received a Leadership in Energy and Environmental Design Gold certificate for its design, energy efficiency and water-conservation in August 2013.

**Recommendations**

The Department of Health should:

- Implement identified long-term care evidenced-based practices, specifically those which improve patient safety and clinical outcomes.
- Develop a strategic plan that includes OFM and the facilities program.
- Standardize billing procedures across the system to facilitate monitoring of the system.
- DOH should collaborate with HSD. HSD, as the "State Substance Abuse Authority" should be involved in decisions regarding substance abuse treatment facilities and to ensure policies are consistent between the agencies and that facility plans reflect the needs of the state and high risk populations.

SUSANA MARTINEZ, GOVERNOR

NEW MEXICO DEPARTMENT OF HEALTH

RETTA WARD, CABINET SECRETARY

January 14, 2015

Mr. David Abbey
Director Legislative Finance Committee
325 Don Gaspar, Suite 101
Santa Fe, NM 87501

Dear Mr. Abbey:

Thank you for the opportunity to respond to the January 19, 2015 LFC report on the Office of Facilities Management (OFM) Evaluation. We would like to extend our gratitude to the Program Evaluators, Mr. Nathan Eckberg and Ms. Pam Galbraith, and the Legislative Finance Committee (LFC) for their professionalism and comprehensive approach in conducting the evaluation. The Department appreciates the insightful recommendations the LFC Evaluation team has provided and it will aid in our current OFM action plans.

The Department of Health (DOH) is in agreement with much of the findings as OFM has already identified and is concentrating on the specified issues and hopes to provide further clarity in our response. In the current Program Evaluation the LFC has recognized and articulates key challenges the Department faces in operating the seven diverse OFM healthcare campuses in their respective areas.

As stated in the previous LFC Program Evaluations in 2007 and 2009, the current Department leadership is dedicated to providing quality care and maintaining patient safety for the citizens of New Mexico and the clients we serve. The Department is focused on strengthening its OFM oversight to work in better concert and collaboration with key interagency Departments and OFM facility-level leadership.

The current objectives of the Department for the OFM facilities are:

1. Assure the health and safety of patients and clients through continued compliance with national standards of quality.
2. Gain additional accreditation in the facilities.
3. Focus on development and strengthening the facility leadership and governance through revised bylaws, rules and regulations and expanded governing body oversight and authority.

4. In FY15, improve financial monitoring and compliance through relationships with Administrative Services Division (ASD), OFM and facility financial managers.
5. Increase financial field staff at the ASD and OFM level to support OFM facility operations.
6. Improve OFM facility Labor Management
7. Perform OFM facility pharmacy service operations analysis for performance improvement
8. Implementation of individual OFM facility revenue enhancement and expense management plans

Notable Accomplishments that took place during FY12, FY13 and FY14:

- **OFM continues to improve its quality of care standings and maintain its accreditations:**
  - New Mexico Behavioral Health Institute passed its Joint Commission accreditation survey with high marks.
  - Fort Bayard Medical Center achieved a 5 out of 5-Star rating (the highest rating) by Centers for Medicare and Medicaid Services (CMS). Additionally, Fort Bayard Medical Center received a deficiency free survey by the Veterans Administration (VA) during this timeframe.
  - Sequoyah Adolescent Treatment Center was reaccredited by the Child, Youth and Family Department while improving its quality of care by successfully transitioning from a correctional treatment model to a patient centered treatment model.
  - New Mexico State Veterans Home passed both its VA and CMS surveys. New Mexico State Veterans Home also received a VA deficiency free survey during this timeframe.
  - Joint Commission mock surveys are being conducted to prepare for accreditation at Turquoise Lodge Hospital, Fort Bayard Medical Center and the New Mexico State Veterans Home.
- **OFM is committed to serving the communities of New Mexico:**
  - Fort Bayard Medical Center has increased its average daily patient census from 125 in FY12 to currently 141 in FY14. Facility continues to increase its census to 145 or greater. This is >95% occupancy of its operational capacity.
  - Sequoyah Adolescent Treatment Center is currently serving the needs of 31 Adolescent boys in its 36 bed facility. This is >86% occupancy.
  - New Mexico Behavioral Institute maintains near capacity (>90%) in its first 2 phases of the new long-term care Meadows facility.
  - New Mexico State Veterans Home continues to be over 80% occupancy.
- **OFM is committed to improving its information technologies to improve communication and quality of care delivery:**
  - A new electronic medical record is being procured for the Meadows at the New Mexico Behavioral Institute, New Mexico Veterans Home and Fort Bayard Medical Center.
  - Implementation of the International Classification of Disease (ICD) 10 Codes for improved revenue capture.
- **OFM is committed to building community relationships:**
  - Fort Bayard Medical Center collaborated with the Hidalgo Medical Services and in concert with the University of New Mexico Medical School to implement a rural health medical resident rotation. This was partly done to give exposure of rural health opportunities to residents and potentially recruit new practitioners to underserved areas of New Mexico.
  - Fort Bayard Medical Center collaborates with the Western New Mexico University Nursing Program that has nursing and nursing aid students do clinical education rotations at Fort Bayard Medical Center.
  - The New Mexico Behavioral Health Institute executive staff serve on advisory boards at multiple higher education institutions. Additionally, the New Mexico Behavioral Health Institute have agreements in place with University of New Mexico Psychiatry Residency Program and with various nursing, graduate psychology and social worker programs. New Mexico Behavioral Health Institute continues to be involved with community volunteer, educational, collaborative and community economic programs and initiatives.

- The Turquoise Lodge Hospital collaborates with the University of New Mexico Nursing Program and Pediatrics Department. The Turquoise Lodge Hospital is involved with the "Healing Addictions in our Community" project, Healthcare for the Homeless Committee and various Children, Youth and Families (CYFD) and other Agency initiatives.
- The Los Lunas Community Program conducts trainings with various community emergency response departments. The Los Lunas Community Program has developed a relationship with Eastern New Mexico University to do student internships.
- The New Mexico State Veterans Home collaborates with Western New Mexico University Nursing and Social Work programs, University of New Mexico Pharmacy Program, University of St. Francis Physician Assistant Program and Eastern New Mexico University Occupational Therapy Program. The New Mexico State Veterans Home is involved with various high schools, community committees and is a regional test site for Prometric. The New Mexico State Veterans Home continues its involvement with many service-connected organizations.
- Many of the OFM Facilities are involved with community emergency preparedness coalitions and committees and act as refuge sites should emergencies occur.

- OFM continues to develop and strengthen its relationship with other state agencies as part of its strategic direction.

**Department Responses to LFC Specific Recommendations:**

As previously stated, the Department agrees with many of the recommendations and looks to add further clarity where appropriate.

1. The Department of Health (DOH) will work with DFA to explore feasibility of including financial reporting down to the individual patient care level.
2. DOH will work with the Kronos vendor to understand what standard reports are available in the time tracking system and how other reports can be designed internally.
3. DOH will continue discussion with the State Personnel Office about the feasibility of creating a pool of casual employees for each facility and internal group of traveling employees for use by all facilities. The geographic feasibility that creates additional expenses for travel and lodging will be evaluated.
4. DOH is working on revenue enhancement and expense reduction opportunities at each facility to achieve goal of relying on no more than 45% State General Fund for expenses. As the LFC report stipulates the Department is currently at 44% and has demonstrated a trend in FY13 and FY14 to be at 45% State General Fund reliance.
5. DOH's OFM and ASD are hiring 3 new budget and financial management staff who will help with developing more of a zero-based budget.
6. New Mexico State Veteran's Home is on a budget deficit reduction plan that includes the evaluation of both revenue improvements and labor expense reductions.
7. DOH budget staff will report internal fund transfers to LFC on a quarterly basis.
8. DOH will continue to discuss a Graduate Nurse Internship Program with the State Personnel Office.
9. DOH facility administrators are working on establishing a common staffing methodology for long-term care facilities, behavioral health facilities and other types of acute care facilities with different service lines. Each facility has different mix of service types that creates different staffing needs and requirements.
10. DOH will work on creating a financial report, which better differentiates "other revenues" funding sources, such as Medicaid, Medicare and other private payors and insurers.
11. DOH will discuss reimbursement for substance abuse services with the Office of the Court.
12. DOH will meet with the Human Services Department (HSD) to explore options for reimbursement for counseling and see if any counties will reimburse some of the costs for services provided to their referrals.
13. DOH will continue efforts to improve and standardize facility-billing procedures.
14. DOH is exploring ways to consolidate chemical dependency unit (CDU) treatment in Albuquerque, which would decrease deficits in this service line at Fort Bayard Medical Center and New Mexico Rehabilitation

Center in Roswell. Both Fort Bayard Medical Center and New Mexico Rehabilitation Center provide social rehabilitation only, not medical detox. Medical detox is only available at Turquoise Lodge Hospital in Albuquerque where medical detox physicians and staff are available.

15. DOH will continue to look for opportunities to move Los Lunas Community Program services to community providers were appropriate. These opportunities have not been available to date.
16. The ability of the State to retire Fort Bayard Medical Center bonds without financial detriment to the State does not exist. DOH will keep discussing this recommendation with the General Services Department (GSD).
17. DOH is working on implementing identified evidence based practices and will develop a facility strategic plan in concert with the rest of DOH.

Further clarification on the following LFC Report Analysis:

**The need for the $6.4 million supplemental appropriation is questionable.**

*OFM's defense of the FY15 $6.4 million supplemental appropriation request includes funding needed for the three percent salary increase which went into effect July 1, 2015, the hiring of between 60 and 70 new employees, the increased cost of contract physicians which are used in all facilities, the workload increases from the focus on increased census in revenue- producing units, and the $1.5 million increase in General Services Department (GSD) costs which include employee benefits, and workers and unemployment compensation. The GSD increase was $1.5 million for FY15. The payout for the union settlement is on-going so it is not known if the $2.5 million allocated to OFM will be more or less than needed to fund the agreement.*

DOH submitted the schedule below as part of the support for the FY15 Supplemental Appropriation request. The key issues addressed are:

- The decrease in the GF appropriation between FY14 and FY15 of $5.6M.
- The fact that the FY15 Contract Services and Other costs budget is based on FY13 experience and is below the FY14 experience. Even if DOH OFM costs maintain the FY14 levels, this would still exceed the budgeted amounts.
- The Centennial Care expected service coverage increases did not materialize.
- Current PSEB expenditures are likely to exceed budget as the FY15 budgeted figures do not adequately address the rate increase of the increased GSD needs.
- The DOH request did not take into account any amount for the Union Settlement. The total $2.5M was accrued for FY14 and is being paid out of the liability account as payments are made.

| NMDOH - 665 - SUMMARY OF P006 - FACILITIES BUDGET | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| FY13-FY14-FY15-FY16 | | | | | Dollars in Millions | | | |
| | Category | FY13 Actuals | FY14 Projected Actuals | Deduct Union Payout | FY14 Adjusted Actuals | FY15 OpBud | FY16 Requested Increase | FY16 Request |
| 111 | Gen Fund | $ 62,500.0 | $ 65,357.0 | $ - | $ 65,357.0 | $ 59,712.0 | $ 6,650.0 | $ 66,362.0 |
| 112 | Oth Trans | $ 800.0 | $ 716.0 | $ - | $ 716.0 | $ 716.0 | $ - | $ 716.0 |
| 120 | Fed Rev | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 130 | Oth Rev | $ 73,600.0 | $ 70,700.0 | $ - | $ 70,700.0 | $ 76,560.0 | $ (2,800.0) | $ 73,760.0 |
| 150 | Fund Bal | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Total Revenue | | $ 136,900.0 | $ 136,773.0 | $ - | $ 136,773.0 | $ 136,988.0 | $ 3,850.0 | $ 140,838.0 |
| | | | | | | | | |
| 200 | PS/EB | $ 97,700.0 | $ 102,900.0 | $ (2,463.2) | $ 100,436.8 | $ 103,346.0 | $ - | $ 103,346.0 |
| 300 | Contracts | $ 10,700.0 | $ 12,700.0 | $ - | $ 12,700.0 | $ 10,679.0 | $ 2,300.0 | $ 12,979.0 |
| 400 | Oth Costs | $ 20,700.0 | $ 24,292.7 | $ - | $ 24,292.7 | $ 22,963.0 | $ 1,550.0 | $ 24,513.0 |
| 500 | Oth Finan | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Total Expends | | $ 129,100.0 | $ 139,892.7 | $ (2,463.2) | $ 137,429.5 | $ 136,988.0 | $ 3,850.0 | $ 140,838.0 |

The most current projection for Program area 6, based on activity through November reflects the following:

| P006-Facilities Management Program Rollup | | | | | |
|---|---|---|---|---|---|
| November 2014 | | | | | |
| Rev Code | Description | FY14 Revised Actuals | FY15 Adjusted OpBud | FY15 Year to Date Revenue November | FY15 Projected Revenue thru 6/30/2015 |
| 111 | General Fund | $ 65,356,800 | $ 59,712,400 | $ 27,468,656 | $ 59,712,400 |
| 112 | Other Transfers | $ 782,625 | $ 716,000 | $ 178,990 | $ 716,000 |
| 120 | Federal Funds | $ - | $ - | $ - | $ - |
| 130 | Other State Funds | $ 71,484,701 | $ 76,560,500 | $ 21,105,859 | $ 77,050,881 |
| 150 | Fund Balance | $ - | $ - | $ - | $ - |
| | Total | $ 137,624,126 | $ 136,988,900 | $ 48,753,505 | $ 137,479,281 |
| | | | | | |
| xpenditures | | | | FY15 Year to Date Expenditures October | FY15 Projected Expenditure thru 6/30/2015 |
| 200 | Salaries & Benefits | $ 102,926,804 | $ 98,578,433 | $ 44,636,303 | $ 106,501,100 |
| 300 | Contracts | $ 12,716,751 | $ 14,270,867 | $ 3,961,965 | $ 13,759,729 |
| 400 | Other Costs | $ 23,958,117 | $ 24,139,600 | $ 7,741,277 | $ 24,053,571 |
| 500 | Other Financing | $ - | $ - | $ - | $ - |
| | Total | $ 139,601,673 | $ 136,988,900 | $ 56,339,545 | $ 144,314,400 |
| | | | | | |
| | | | Projected Surplus / Deficit | | $ (6,835,119) |

Therefore DOH believes that the Supplemental Appropriation request is warranted under these circumstances. The discussion below addresses plans being considered should the Supplemental Appropriation request be denied or diminished.

The Office of Facilities Management operations are working on resulting solutions should little or no supplemental appropriation occur. Resulting areas of focus are:

1. Evaluation of reducing census in all 3 facility chemical dependency units that perform social rehabilitation services and their operational viability.
2. Evaluation of reducing census in all other non-revenue producing units in all facilities
3. Selective hiring in facilities.
4. Evaluation of census reductions to create break-even financial operations.
5. Evaluation of reducing safety net services.

Sincerely,

Retta Ward

Secretary

# APPENDIX A: Evaluation Objectives, Scope, and Methodology

**Evaluation Objectives.**

- Assess the oversight of fiscal and staffing management of state health facilities.
- Follow-up on the implementation status of findings and recommendations from the 2009 Oversight of State Operated Facilities program evaluation.

**Scope and Methodology.**

- Reviewed applicable laws and regulations.
- Reviewed prior LFC reports.
- Reviewed available information on DOH website.
- Interviewed DOH key personnel.
- Reviewed available project contracts, budgets, and financial data.
- Met with LFC staff, including analysts and LFC staff leadership.
- Analyzed facility data provided by DOH.
- Conducted site visits to DOH facilities.

**Evaluation Team.**

Nathan Eckberg, Program Evaluator
Pam Galbraith, Program Evaluator

**Authority for Evaluation.** LFC is authorized under the provisions of Section 2-5-3 NMSA 1978 to examine laws governing the finances and operations of departments, agencies, and institutions of New Mexico and all of its political subdivisions; the effects of laws on the proper functioning of these governmental units; and the policies and costs. LFC is also authorized to make recommendations for change to the Legislature. In furtherance of its statutory responsibility, LFC may conduct inquiries into specific transactions affecting the operating policies and cost of governmental units and their compliance with state laws.

**Exit Conferences.** The contents of this report were discussed with the Department of Health on January 12, 2015. A report draft was provided to the Department of Health on January 9, 2015 for a formal written response.

**Report Distribution.** This report is intended for the information of the Office of the Governor; Department of Health; Office of the State Auditor; and the Legislative Finance Committee. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Charles Sallee
Deputy Director for Program Evaluation

# APPENDIX B: 2009 DOH Facilities Report Findings and Recommendations

| Finding | Recommendation |
|---|---|
| Facilities are too reliant on sate general funds for operations | DH should develop and implement a plan to rely on not more than 4 percent state general f und for expenses. |
| Historically, the legislative process has moved in the direction of reducing legislative oversight of agency management and financial administration. | OFM should establish sub-program level data within SHARE to provide essential data in the development of service costs and identification of cost outliers and provide the Legislature access to sub-program level data for budget performance monitoring. |
| DOH and HSD are not integrated in substance abuse management. Coordination is minimal between the two agencies. | DOH should collaborate with HSD. HSD (BHSD) as the State Substance Abuse Authority should be involved in decisions regarding substance abuse treatment facilities and to ensure policies are consistent between agencies and that facility plans reflect the needs of the state. |
| Facility occupancies are operating below budgeted census, without appropriate changes in staffing. | DOH should decrease facility capacities and staffing to match more realistic censuses, consolidate facilities, or more services to community providers and should validate the appropriateness of staffing patterns and formulas using industry standards and comparisons between facilities and with other like community organizations |
| Most hospitals and healthcare facilities use industry metric and formulas to develop budgets and gauge performance. | DOH should develop, collect and monitor industry metrics to aid in quick responses to changing budget situations. Key indicators are: cost per patient day, FTES per occupied bed, hours of care per patient per day and consumer satisfaction survey responses. |
| DOH has not standardized policies and practices governing most of the revenue management process. | OFM should immediately document and monitor standard revenue management policies. |
| Although the Collaborative funds community evaluators through the Statewide Entity, many of the evaluations are referred directly to NMBHI, which is not reimbursed for the service. | Statewide Entity should contract with NMBHI to reimburse for court-ordered evaluative services. |
| The stated mission of the LLCP is to provide crisis and operate a four-bed intermediate care facility. | OFM should return to original LLCP mission with the appropriate number of staff and contract other services to community providers. |
| In 2007, DOH facilities spent nearly $9 million dollars in overtime and contract personnel costs. | OFM should continue work with SPO to develop a per diem pool housed out of OFM for use by all facilities. Offering a higher hourly rate, with no benefits, would still be less expensive than contract and overtime expenses. |
| Cost per patient day ranged from $275 per day to $811 per day. | OFM should identify the reason for the variations in cost for like units within their system. |

# APPENDIX C: Average Monthly Census for the Year, All Facilities

**Average Monthly Census for the Year, All Facilities**

| | FY12 | FY13 | FY14 | October 2014 |
|---|---|---|---|---|
| Turquoise Lodge Hospital | 30 | 32 | 39 | 34 |
| New Mexico State Veterans' Home | 135 | 124 | 124 | 126 |
| Fort Bayard Medical Center | 129 | 137 | 145 | 150 |
| New Mexico Behavioral Health Institute | 322 | 312 | 285 | 290 |
| Sequoyah Adolescent Treatment Center | 34 | 26 | 14 | 17 |
| New Mexico Rehabilitation Center | 19 | 21 | 20 | 25 |
| Los Lunas Community Program | 55 | 58 | 58 | 59 |
| **Total** | **723** | **710** | **685** | **701** |

Source: DOH

# APPENDIX D: DOH Projected Deficits/Surplus by Facility

**Table xx. FY15 DOH Projected Deficits/Surplus by Facility, November 2014**
(in thousands)

| Facility | FY15 Projected Deficit/Surplus | Reasons Provided by DOH |
|---|---|---|
| Turquoise Lodge Hospital | ($31.8) | Loss of funding from the HSD Behavioral Health Services Division/OptumHealth for chemical dependency unit. Staffing limits census. |
| New Mexico Behavioral Health Institute | ($3,944.0) | Decrease in State Land Maintenance Fund revenues, increased General Services Department rates, three percent salary increase, unrealized Medicaid reimbursements, and need for contractual staff to cover vacancies. |
| New Mexico Rehabilitation Center | ($587.3) | Contract staff needed to cover vacancies and volume of billable services not meeting projections. |
| Sequoyah Adolescent Treatment Center | ($361.3) | Lower than anticipated census after resolving facility issues. |
| New Mexico State Veterans' Home | ($1,769.0) | Contract staff needed to cover vacancies. Projected census has not materialized. |
| Fort Bayard Medical Center | $50.3 | Volumes have steadily increased. |
| Los Lunas Community Program | ($946.6) | Overtime due to staff shortages. |

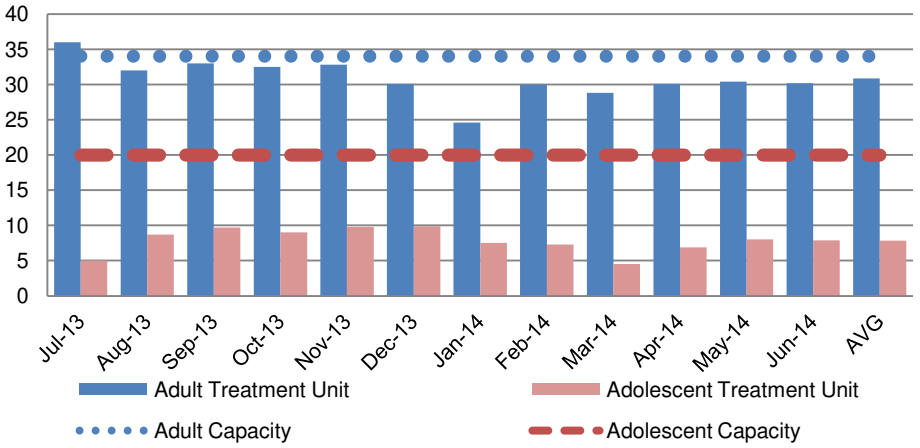
Source: DOH FY15 Agency Projection

**Table xx. Occupancy at Revenue Generating Facility Units**

| | FY12 | FY13 | FY14 | October 2014 |
|---|---|---|---|---|
| **Turquoise Lodge Hospital**- Adolescent Treatment Unit | N/A | N/A | 39% | 30% |
| **Behavioral Health Institute**- CARE Unit | 97% | 73% | 86% | 50% |
| **New Mexico Rehabilitation Center**- Medical Rehab Unit | 25% | 34% | 34% | 40% |
| **Sequoyah Adolescent Treatment Center** | 93% | 72% | 39% | 47% |
| **New Mexico State Veterans' Home**- Long-term Care Unit | 93% | 86% | 85% | 87% |
| **Fort Bayard Medical Center**- Long-term Care Unit | 82% | 85% | 91% | 93% |

Source: DOH

**Chart xx. Turquoise Lodge Hospital, FY14 Daily Census**




Source: LFC files

**Table xx. Facilities Admissions Holds**

| | |
|---|---|
| Sequoyah Adolescent Treatment Center | 10/13-05/14 |
| New Mexico Rehabilitation Center | Limited admissions in 2012 |
| New Mexico State Veterans' Home | 06/12-10/12 |
| Los Lunas Community Program | On-going self-imposed moratorium on new clients |
| Fort Bayard Medical Center | N/A |
| New Mexico Behavioral Health Institute | N/A |
| Turquoise Lodge Hospital | N/A |

Source: DOH

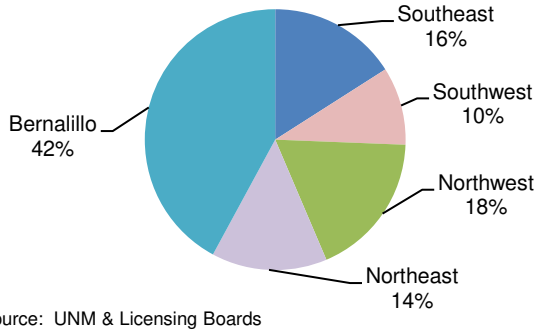
***New Mexico continues to rank far below other states in the availability of professional staff.*** According to the Kaiser Foundation and the New Mexico Center for Nursing Excellence, New Mexico ranks 44th in the number of registered nurses per 100,000 population. The US average of registered nurses is 920.9 per 100,000 population, while New Mexico is 770.5 per 100,000 population. In addition, according to the US Department of Labor Bureau of Labor Statistics, the registered nurse salaries at DOH facilities are $5 thousand below the average registered nurse salary in New Mexico. While the average number of psychiatrists in the United States is 11 per 100,000 population, New Mexico has 11.2 per 100,000 population. While the number of psychiatrists in New Mexico is slightly higher than the national average, provider shortages based on geographic regions exist.

**Behavioral Health Treatment Providers**
(rate per 100,000)

| Provider Type | New Mexico | United States |
|---|---|---|
| Psychiatrists | 11.2 | 11 |
| Psychologists | 43.6 | 30.7 |
| Clinical Social Workers | 97.7 | 62 |
| Psychiatric Nurses | 5.1 | 4.5 |
| Substance Abuse Counselors | 45.7 | 15.4 |
| Counselors | 200.2 | 46.4 |

Source: SAMHSA 2012

**Chart xx. Distribution of Healthcare Workforce in New Mexico**




Source: UNM & Licensing Boards