

**Department of Health and Human Services  
Unfunded Liabilities as of January 5, 2013**

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- **Total Unfunded Liabilities** **\$49,927,369**
  - Permanent Reduction to Non-profit Contracts **\$5,000,000**  
Per HB 950, Section 10.18
    - This reduction was required by legislation in 2011, but was addressed with one-time funding.
    - This reduction was re-emphasized in the 2012 session, but was not addressed prior to January, 2013.
    - To comply with the legislative mandate, contract reductions have been identified and will be implemented with an effective date of March 1.
  - Division of Mental Health Unpaid Bills **\$35,629,079**
    - Beginning in SFY 08-09, Broughton and Cherry both temporarily lost their ability to bring in patient receipts from Medicare and Medicaid to support hospital operations.
    - More recently the closure of the Dorothea Dix hospital and the opening of the new Central Regional Hospital also had a negative impact on revenue collection.
    - The Division Mental Health carried forward \$35M in unpaid invoices into the current state fiscal year.
  - Recurring Mental Health Facility Revenue Shortfall **\$4,998,290**
    - Steps have been taken to reduce the ongoing revenue shortfall through administrative efficiencies and revenue enhancement initiatives.
    - However, even with these efforts, the SFY 12-13 shortfall amount is expected to be \$5M.
  - Intellectual\Developmental Disabilities Community **\$4,300,000**  
Services Funding
    - Due to an error in communication between the Department and the legislature in developing the Social Services Block Grant, funding for ongoing services were not included in budget.