

NH budget - Proposed Lease to USG

	2011	2012 (actuals in BOLD)	2013 (partial year)	2014	2015	2016	NOTES**
Personnel service individual	11,332,424	10,730,618	6,082,210				6 months of salaries
Non-Individual	3,031,241	2,758,172	1,895,145				60% of full year costs
Equipment	148,593	26,379	60,245				Essentially full year of costs
Contractual	6,522,475	8,213,686	3,865,343				60% of full year costs
Fringe	6,484,777	8,468,779	4,720,130				6 months for retirement and Soc. Sec., 8 months of health insurance due to coverage policies
IGT Recoupment			4,836,461				
Sponsorship to USG			3,000,000	9,000,000	4,000,000	-	Encompasses full financial commitment; sponsorship (\$3M in '13, \$1M in '14), capital commitment (\$2M in '13) and loan (\$8M in '14 and \$4m in '15).
Capital			2,000,000				\$2.2 million included in the current capital plan
Additional Set-aside for contingencies			277,373				includes \$277k from contractual expenses in excess of half year operations. There is also \$850K from unfilled positions and \$1.5 million in the contingency fund.
Workers Comp - changed from prior versions (not included under NH in budget)	546,202	753,323	781,949	781,949	781,949	586,462	Assumes stable claims, since new claims will no longer arise. Decreasing in 2016 by 25%.
Retiree healthcare (not included under NH budget)	2,564,432	\$2,303,208	2,400,934	2,400,934	2,400,934	2,400,934	Assumes stable costs as fewer retirees will become eligible and the existing cohort of retirees will become less expensive to insure as they become eligible for Medicare.
TOTAL COSTS	30,630,144	33,254,164	29,919,790	12,182,883	7,182,883	2,987,396	
Medicaid	15,199,813	12,078,807	7,319,333				8 months of reimbursement because of lags
Other	5,032,010	6,585,429	4,539,627				8 months of revenues for most sources
IGT	6,100,000	3,466,865	4,338,215				IGT is expiring, but is based on prior year service
Local IGT share (in DSS budget)	(2,326,540)	(1,331,622)	(2,094,490)				There is a local share of the IGT payment
Adjustments from Prior Years	(3,000,000)						
Revenues (less IGT DSS share)	21,005,283	20,799,479	14,102,685				
NET COUNTY SHARE	9,624,861	12,454,685	15,817,105	12,182,883	7,182,883	2,987,396	2013-2016 (4 years) will cost county \$38M
SAVINGS COMPARED TO STATUS QUO	-	-	(2,486,098)	(3,304,551)	(9,931,903)	(15,612,084)	4-year savings of \$31 Million

*The longer the NH is operated by the County, the more retirees will be eligible for health care and the more legacy costs will accrue. Smaller increase in 2013 is b/c MVP actually decreased this year. This cannot be expected to occur in the future.

**The estimates included in this proposal are meant to provide a fair approximation of future nursing home costs. In 2013 and beyond, costs and revenues are estimated conservatively so as not to overstate the savings that can be achieved in 2013.