



Budget Increase Request Cover Sheet

To be completed annually by each department. Please attach Budget Request Forms for each proposed increase.

Department: Student Health Services

Account #: 300370

Department Budget History:

	FY 2008	FY 2009	FY 2010	FY 2011
Total Budget ¹	\$8,285,000	\$8,673,000	\$9,212,000	\$9,500,000
Total Current SSF Allocation ²	\$6,238,000	\$6,581,000	\$6,950,000	
SSF Increases Requested	\$522,000	\$308,000	\$180,000	\$0
SSF Increases Funded	\$522,000	\$308,000	\$180,000	
Total End-of-Year Reserve Balance Across All Operating Accounts	\$2,106,000	\$2,083,000	\$2,300,000	\$2,300,000

¹ Operating budget is for multiple accounts, including EMS, Fee for Service, and Building account.

² Allocation in FY08 and FY09 restated for consistent comparison to FY10.

Investment Income earned from fee account assumed to be allocated from fee account.

Please provide a reserve spending plan if ending FY09 reserves exceed University requirements.

Based on FY10 operating budget, required reserves (three months operating budget or 25%) should be \$2,303,000. SHS also has the following dedicated reserves:

- \$1,012,000 for ongoing maintenance and repair of its 35+ year old building.
- \$ 400,000 for EMS ambulance and equipment replacement and management of outbreaks of infectious diseases.

SSF Increase Request History & FY 2011

Summary:

<i>Program, Service, or Operation Requested</i>	<i>Amount Requested</i>	<i>SSFAB Recommended? (y/n)</i>	<i>VPSA Approved? (y/n)</i>
FY 2009			
Merit and Benefits	\$147,000	Yes	Yes
EMS: Paid positions for Emergency Medical Technicians and Dispatchers	\$78,000	Yes	Yes
Operating Expenses	\$68,000	Yes	Yes
FY 2010			
Merit and Benefits	\$180,000	Yes	Yes
FY 2011 Proposal Summary (Prioritized)			
No Request			

Annual Report (cont.)

Additional Questions: *(to assist the Board when informing the student body about stewardship of the Student Service Fee)*

Briefly, what recent programs/services have been successful? Which need work? Explain.

Successes:

- *Implementation of electronic medical records.*
- *Online scheduling of appointments.*
- *Changing appointment model and processes to be more accommodating to patient appointment needs.*
- *Annual flu shot campaign.*

Improvements:

- *SHS needs to develop and implement new policies and procedures for processing insurance payments with insurance companies other than just for the TAMU student insurance plan.*

Please list actions taken in FY09 that helped reduce the pressure of increased fees, e.g., eliminated vacant positions, program cuts, increased revenues, and development efforts.

- *SHS reduced its FY10 merit increase from 3% to 2%. This increase was already funded with a fee increase and the savings will be used to help fund the anticipated FY11 merit increase of 2%.*
- *Replaced a vacant Staff Physician with a Nurse Practitioner for additional salary savings.*
- *Evaluated Fee for Service charges and increased rates where costs were not adequately covered.*

What do you see as your department’s financial priorities in the next 3 – 5 years (FY13-FY18)?

SHS has ongoing salary pressures. With a highly paid staff of medical professionals, SHS has ongoing salary pressures. With an annual merit of 3% (historical average for several years prior to FY10) plus other salary and benefit adjustments, these expenses are likely to increase \$200,000 per year. SHS also expects ongoing increases in the cost of providing care, given that the national health care inflation rate exceeds 8% per year. Additionally, SHS intends to begin filing insurance for patients and will incur overhead costs for this processing.

The Student Health Fee is currently capped at \$75, which is approximately 5% over the current fee of \$71.25. SHS plans to begin relying more on Fee for Service income to fund its operations. This strategy coincides with the efforts to file insurance for patients. Thus, the financing model will shift more towards patients paying directly for the services they receive. The students will continue to receive basic medical services at a low rate, covered primarily through their health fee.

Additional comments, special considerations, etc.

SHS is currently evaluating its building, which needs significant repair and updating. Furthermore, a few years ago SHS began preliminary planning for construction of a new facility. If a decision is made to finance a new building, the emphasis on a Fee for Service model will become important for financing operations.

SSFAB Comments/Notes: