

Update Performance Review:

The Department of Health and Human Resources, Jackie Withrow Hospital.

Jackie Withrow Hospital has decreased its annual patient cost since 2013, however, its expenditures and maintenance costs remain high. Also, Jackie Withrow Hospital is compliant with ADA requirements.

What PERD found:

➤ In February 2013, PERD reported that the Jackie Withrow Hospital, located in Beckley, West Virginia, had the highest cost-per-patient and operational costs of the four state-run long-term healthcare facilities. In 2018 Jackie Withrow Hospital had the third highest cost-per-patient at \$109,597 and the highest overall expenditures at \$8,637,706 for FY 2018.

	FY 2016	FY 2017	FY 2018	Average
Hopemont Hospital				
Total Expenditures	\$9,746,819	\$8,823,921	\$8,506,402	\$9,025,714
Average Daily Census	63	56	55	58
Average Cost-Per-Patient	\$153,669	\$157,285	\$155,717	\$155,557
Lakin Hospital				
Total Expenditures	\$8,519,253	\$8,723,994	\$8,447,029	\$8,563,426
Average Daily Census	93	94	85	90
Average Cost-Per-Patient	\$92,058	\$93,262	\$99,692	\$95,004
John Manchin Sr.				
Total Expenditures	\$4,539,120	\$4,511,952	\$3,778,073	\$4,276,382
Average Daily Census	27	31	33	30
Average Cost-Per-Patient	\$167,707	\$147,847	\$115,989	\$143,848
Jackie Withrow				
Total Expenditures	\$10,210,828	\$9,470,763	\$8,637,706	\$9,439,766
Average Daily Census	87	91	79	86
Average Cost-Per-Patient	\$117,034	\$104,310	\$109,597	\$110,314

Source: PERD analysis of expenditures for each hospital obtained from Our Advanced Solution with Integrated Systems (OASIS). Daily patient census numbers were obtained from DHHR.
*The total expenditures consist of the total of all expenditures attributed to each individual hospital.

➤ Contributing factors to the higher costs are that the size of the building far exceeds its current use and the age of the building needs many costly repairs and upgrades. The facility was built in the 1930s for a capacity of 655 beds. However, the facility currently serves between 79 and 91 patients at any one time.

➤ As in 2013, the estimate to build a new, appropriately-sized facility to replace the Jackie Withrow Hospital would be less costly than the estimated cost to completely repair the facility. In addition, the costs for building a new size-appropriate facility would be offset in the long-run by the cost-savings realized by the decrease in operational and maintenance costs.

➤ The most recent CMS survey of Jackie Withrow Hospital, dated October 2, 2019, indicated that the facility is in compliance with ADA requirements.

PERD's Objectives:

PERD's objectives were to determine to what extent has the costs per patient at Jackie Withrow Hospital increased or decreased compared to other comparable state health facilities since 2013, and whether the facility complied with the Americans with Disabilities Act (ADA).

Recommendations:

1. *The Legislative Auditor recommends that DHHR make a formal request to the Legislature in its next budget proposal for the necessary funds needed for a new size-appropriate facility for Jackie Withrow Hospital.*

2. *The Legislative Auditor recommends that Jackie Withrow Hospital continue to comply with all ADA standards applicable to its facility.*