

RQ00
University of Maryland Medical System

Capital Budget Summary

Summary of State-owned Projects Funded in Governor's Request
(\$ in Millions)

<i>Project Title</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
Trauma, Critical Care, and Emergency Medicine Services Expansion Project	\$45.000	\$5.000	\$0.000	\$50.000	\$5.000
R Adams Cowley Shock Trauma Center – Phase II	0.000	0.150	17.350	17.500	0.150
New Ambulatory Care Pavilion and Neonatal Intensive Care Unit and Labor and Delivery Units	0.000	10.000	0.000	10.000	0.000
Total	\$45.000	\$15.150	\$17.350	\$77.500	\$5.1500

<i>Fund Source</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
General Obligation Bonds	\$45.000	\$15.150	\$17.350	\$77.500	\$5.150
Total	\$45.000	\$15.150	\$17.350	\$77.500	\$5.150

For further information contact: Simon G. Powell

Phone: (410) 946-5530

Summary of Recommended Bond Actions

	<u>Funds</u>
1. New Ambulatory Care Unit and Neonatal Intensive Care Unit and Labor and Delivery Units. Delete funding for a new ambulatory care pavilion and neonatal intensive care unit and labor and delivery suite renovation.	\$10,000,000 GO
2. Trauma, Critical Care, and Emergency Medicine Services Expansion Project. Approve.	
3. R Adams Cowley Shock Trauma Center – Phase II. Approve.	
Total Reductions	\$10,000,000

Budget Overview

The three University of Maryland Medical System (UMMS) projects proposed for funding in the fiscal 2014 budget include one project that has previously received State support and two projects that have not. Specifically:

- \$5 million for the construction of an addition to, and renovation of, the R Adams Cowley Shock Trauma Center and the Weinberg Building. The new structure will house critical care services, including emergency medicine and trauma surgery, as well as inpatient trauma and surgical intensive care units. The fiscal 2014 allowance of \$5 million in general obligation (GO) bond funding is on top of \$45 million in GO bonds previously appropriated and completes the funding of the project.
- \$150,000 in funding for a new project – the renovation of other space and upgrade of capital equipment in the R Adams Cowley Shock Trauma Center. Proposed improvements include central heating, ventilation, and air conditioning systems; elevators; plumbing; electrical and security systems; patient rooms and support space; helipad deck; clinical equipment; communications; and information technology. Total cost is expected to be \$35 million, with the State share of \$17.5 million spread over fiscal 2014 through 2018. This project was included for funding in fiscal 2014 in the 2013 *Capital Improvement Program* (CIP).
- \$10 million in funding for a new project that was not included in the 2013 CIP – the construction of a new ambulatory care pavilion and renovation of the neonatal intensive care unit (NICU) and labor and delivery suite on the Maryland General Hospital UMMS campus. This project is intended to consolidate the University of Maryland Medical Center ambulatory services in one location and improve patient care in the NICU and labor and delivery facilities.

The total estimated cost for this project is \$105 million. As currently presented in the fiscal 2014 CIP, the \$10 million State support proposed in fiscal 2014 is a one-time grant. However, UMMS has indicated that it is seeking State support totaling \$50 million (\$10 million per year for each of the next five fiscal years) for this project. Further, absent that support, UMMS has indicated that it will not proceed with the project.

The Department of Legislative Services (DLS) has no issue with the project itself. However, given UMMS' position on the need for a State commitment to provide \$50 million for the project in order to proceed and the lack of that out-year support in the CIP, it is difficult to support the project in fiscal 2014 as long as that out-year commitment remains unresolved. **Thus, DLS recommends deleting the funding.**

GO Bond Recommended Actions

1. Delete funding for a new ambulatory care pavilion and neonatal intensive care unit (NICU) and labor and delivery suite renovation.

RQ00A	New Ambulatory Care Unit and NICU and Labor and Delivery Units	\$ 0
-------	--	------

<u>Allowance</u>	<u>Change</u>	<u>Authorization</u>
10,000,000	-10,000,000	0

Explanation: The fiscal 2014 budget includes \$10 million in funding for a new ambulatory care pavilion and NICU and labor and delivery suite renovation. The University of Maryland Medical System has indicated that it needs State support of \$50 million over fiscal 2014 through 2018 to proceed with the project. The fiscal 2014 *Capital Improvement Program* contains \$10 million for fiscal 2014 only.

2. Approve \$5 million in general obligation bond funds to complete the State’s multi-year \$50 million commitment for additions and renovations at the R Adams Cowley Shock Trauma Center and Weinberg Building.
3. Approve \$150,000 in general obligation bond funds to begin the multi-year funding commitment for infrastructure and equipment upgrades at the R Adams Cowley Shock Trauma Center.

Total General Obligation Bonds Reduction	\$10,000,000
---	---------------------