

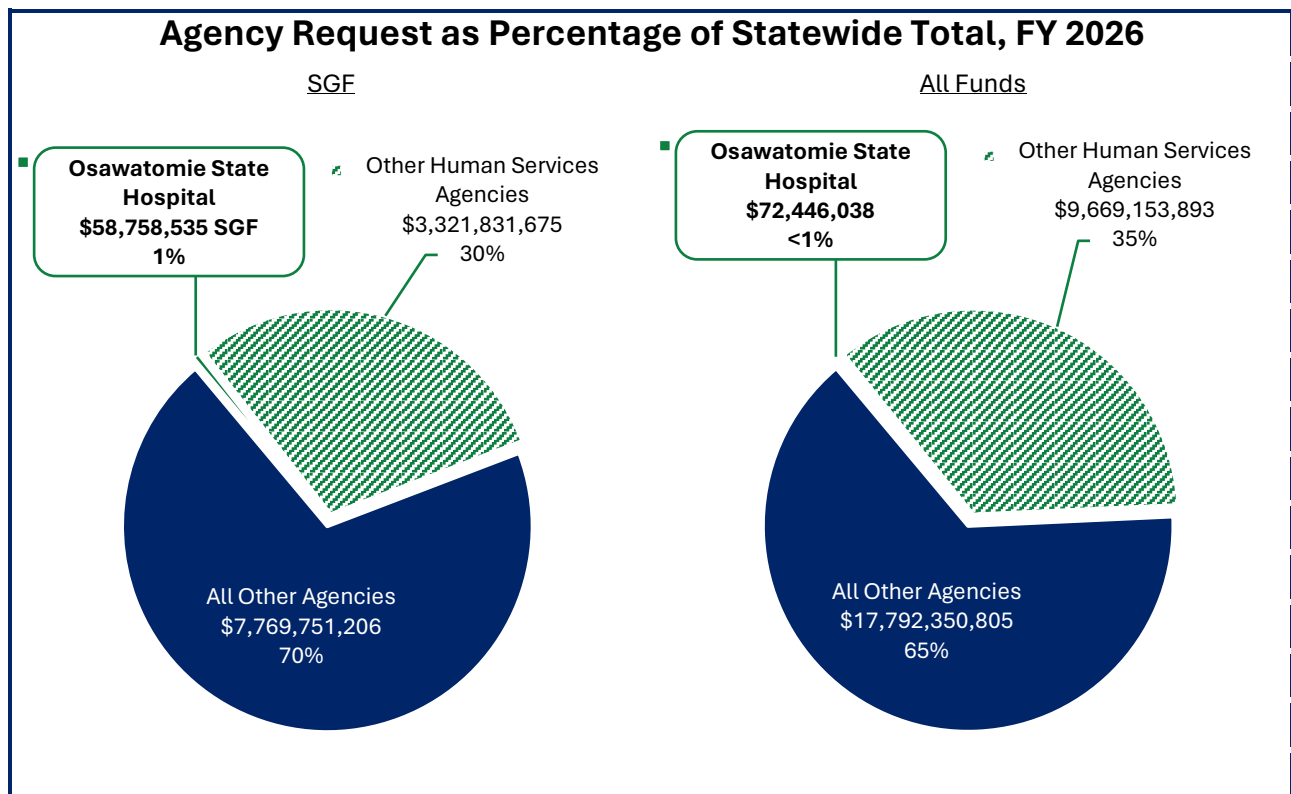
OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Executive Summary

Osawatomi State Hospital (OSH) is an acute mental health care bed facility serving individuals 18 years and older from 46 eastern and central Kansas counties who require inpatient psychiatric treatment or non-medical detoxification for substance abuse. OSH campus includes two separate units, OSH and Adair Acute Care (AAC). Adair Acute Care operates all federally certified beds on the campus. Additionally, the campus includes MiCo House, a reintegration unit of the Sexual Predator Treatment Program.

Expenditures by Fiscal Year and Version				
	SGF	All Funds	Note	
FY 2024 Actual	\$ 53,624,478	\$ 66,425,157	Actual expenditures	
FY 2025 Actual	58,292,448	71,860,601	Actual expenditures	
FY 2026 Approved	51,758,535	66,259,266	2025 SB 125	
FY 2026 Agency	58,758,535	72,446,038	Revised estimate, submitted September 2025	
FY 2027 Agency	57,370,005	72,559,709	Agency request, submitted September 2025	



OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Budget and Policy Snapshot

The tables below provide a selection of items that inform the agency budget request. These items include **supplemental and enhancement requests** (NEW), adjustments related to **reappropriated funds** (E), **language-only policy changes** requested for inclusion in legislation, changes in **federal or state policy** that impact agency funding, and other budgetary items.

These tables are not intended to be a comprehensive list of changes in the agency budget request. For more detail on individual fiscal year requests, please refer to the [FY 2026 Analysis](#) and [FY 2027 Analysis](#) sections later in this document.

FY 2026

	Item	Amount	Source	Note
NEW	Agency Nursing Staff	\$ 7,000,000	SGF	

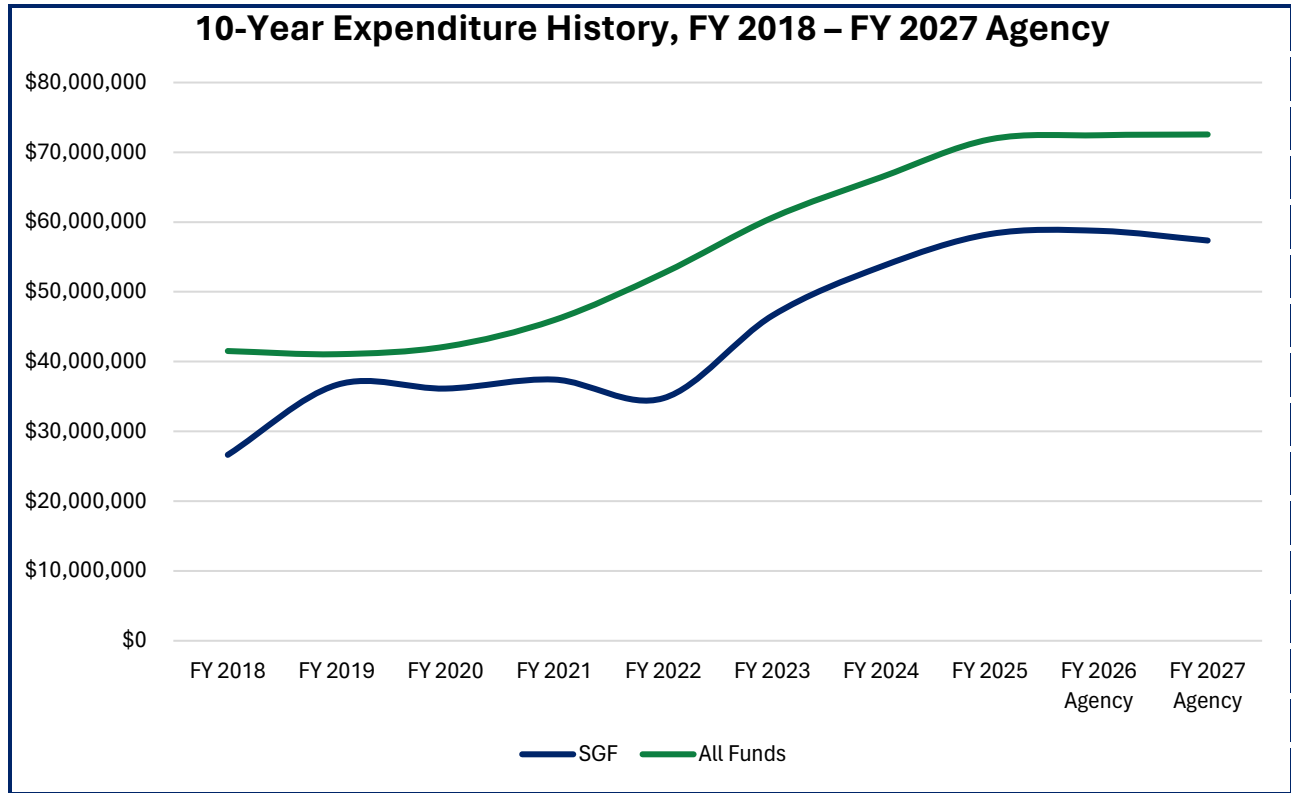
FY 2027

	Item	Amount	Source	Note
NEW	Agency Nursing Staff	\$ 5,000,000	SGF	
NEW	Therapists	207,837	SGF	

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Summary of Expenditures



Fiscal Year	SGF		All Funds		FTE	CPI-U*
	Amount	Change (%)	Amount	Change (%)		
FY 2018	\$ 26,666,186	(0.1)	\$ 41,510,950	4.1	374.10	0.2
FY 2019	36,683,379	37.6	41,057,076	(1.1)	385.85	--
FY 2020	36,160,828	(1.4)	42,139,719	2.6	486.52	0.8
FY 2021	37,448,071	3.6	45,960,291	9.1	500.40	2.4
FY 2022	34,779,730	(7.1)	52,663,995	14.6	532.95	9.2
FY 2023	46,596,891	34.0	60,616,716	15.1	535.00	5.8
FY 2024	53,624,478	15.1	66,425,157	9.6	544.98	3.0
FY 2025	58,292,448	8.7	71,860,601	8.2	530.75	3.0
FY 2026 Agency	58,758,535	0.8	72,446,038	0.8	407.95	2.8
FY 2027 Agency	57,370,005	(2.4)	72,559,709	0.2	410.95	2.4

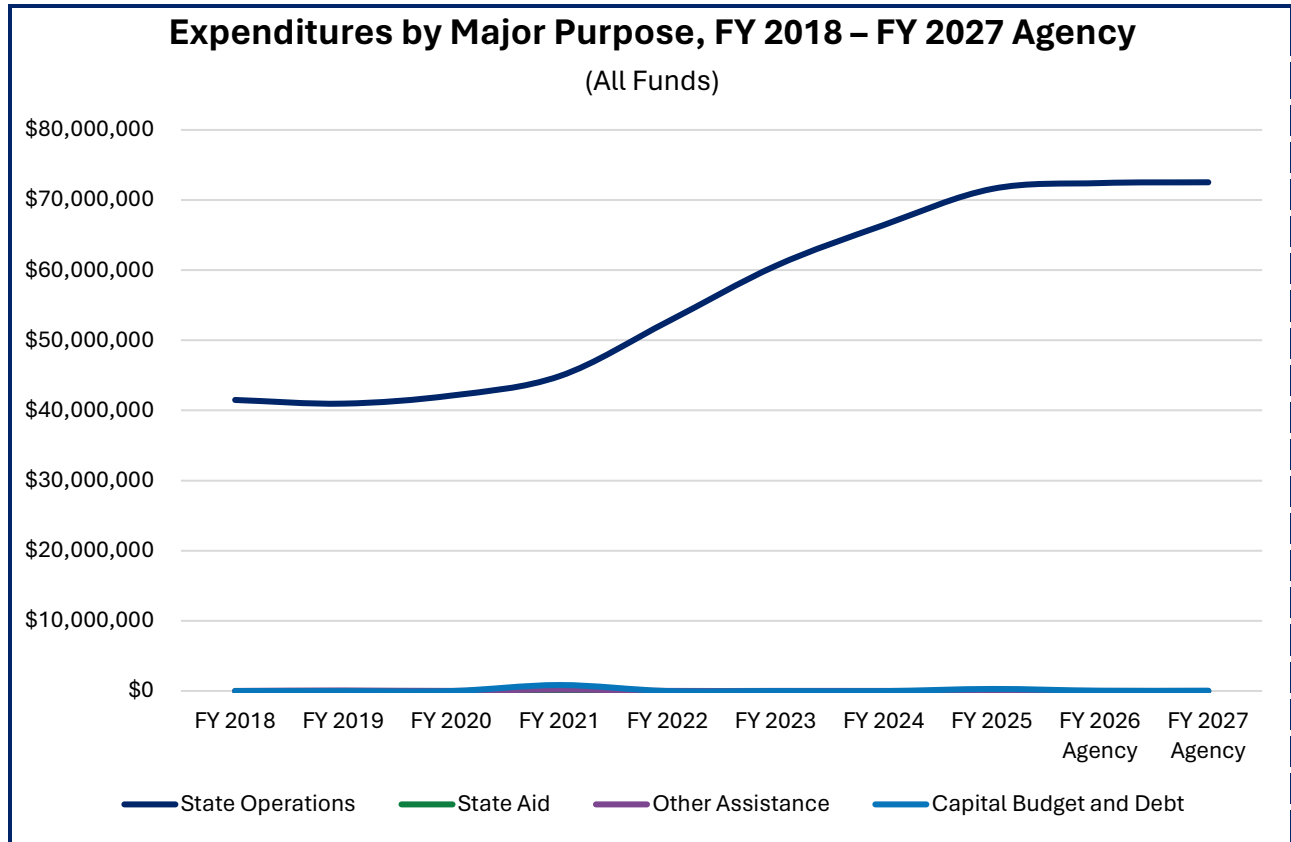
5-Year Change (FY 2023–2027)	\$ 10,773,114	23.1	\$ 11,942,993	19.7	(124.05)	11.6
10-Year Change (FY 2018–2027)	30,703,819	115.1	31,048,759	74.8	36.85	33.1
3-Year Average** (FY 2023–2025)	52,837,939	N/A	66,300,825	N/A	536.91	N/A

* Note : Consumer Price Index for All Urban Consumers estimate for FY 2026–2027 is from the Consensus Revenue Estimating Group.

** Note : Reflects the three most recent years of actuals data.

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request



Expenditures by Category, FY 2024 – FY 2027 Agency
(All Funds)

	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
State Operations						
Salaries and Wages	57.7 %	\$ 36,156,845	\$ 39,700,140	\$ 43,696,803	\$ 41,774,392	\$ 41,446,661
Contractual Services	37.7	27,314,230	26,679,813	19,163,134	27,335,576	27,776,978
Commodities	3.9	2,539,076	3,491,395	2,840,109	2,815,570	2,815,570
Capital Outlay	0.6	410,571	1,684,305	555,970	460,500	460,500
Operating Adjustments	--	-	-	-	-	-
Subtotal	99.9 %	\$ 66,420,722	\$ 71,555,653	\$ 66,256,016	\$ 72,386,038	\$ 72,499,709
State Aid and Assistance						
Aid to Locals	-- %	\$ -	\$ -	\$ -	\$ -	\$ -
Other Assistance	0.1	1,801	4,063	500	5,000	5,000
Subtotal	0.1 %	\$ 1,801	\$ 4,063	\$ 500	\$ 5,000	\$ 5,000
Capital Budget and Debt						
Capital Improvements	0.1 %	\$ 2,634	\$ 300,885	\$ 2,750	\$ 55,000	\$ 55,000
Debt Service Principal	--	-	-	-	-	-
Debt Service Interest	--	-	-	-	-	-
Subtotal	0.1 %	\$ 2,634	\$ 300,885	\$ 2,750	\$ 55,000	\$ 55,000
Reappropriations	-- %	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL	100.0 %	\$ 66,425,157	\$ 71,860,601	\$ 66,259,266	\$ 72,446,038	\$ 72,559,709

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

State Operations

Expenditures by Classification, FY 2024 – FY 2027 Agency						
(State Operations, All Funds)						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Salaries and Wages						
Employee Pay	45.5 %	\$ 26,620,581	\$ 29,746,554	\$ 44,467,554	\$ 32,988,325	\$ 32,374,004
Employee Benefits	15.1	9,536,264	9,953,586	14,678,971	10,974,482	11,157,662
Shrinkage	(3.0)	-	-	(15,449,722)	(2,188,415)	(2,085,005)
Subtotal	57.7 %	\$ 36,156,845	\$ 39,700,140	\$ 43,696,803	\$ 41,774,392	\$ 41,446,661
Contractual Services						
Communication	1.1 %	\$ 766,227	\$ 774,220	\$ 818,395	\$ 773,400	\$ 773,400
Fees (Professional)	31.6	23,376,332	21,642,110	14,877,257	22,893,057	23,382,909
Fees (Other Services)	0.8	436,686	539,945	509,380	598,150	554,700
Freight and Express	0.1	128	875	-	875	875
Printing and Advertising	0.1	8,810	1,680	7,250	1,500	1,500
Rent and Leases	0.5	318,999	334,217	329,550	374,920	374,920
Repair and Servicing	1.3	1,038,655	1,718,228	1,187,870	916,491	911,491
Travel and Subsistence	0.1	14,267	10,451	15,545	9,510	9,510
Utilities	1.7	1,120,257	1,230,512	1,277,250	1,245,000	1,245,000
Other	0.7	233,869	427,575	140,637	522,673	522,673
Subtotal	37.7 %	\$ 27,314,230	\$ 26,679,813	\$ 19,163,134	\$ 27,335,576	\$ 27,776,978
Commodities						
Clothing	0.1 %	\$ 102,477	\$ 98,393	\$ 135,345	\$ 104,500	\$ 104,500
Equipment and Parts	0.3	203,367	226,645	193,660	208,785	208,785
Feed and Forage	0.1	992	547	1,750	550	550
Food	0.5	320,281	363,886	359,745	374,150	374,150
Motor Vehicle Parts	0.1	97,911	89,469	98,667	82,275	82,275
Supplies (Office)	0.1	111,213	145,600	71,807	74,185	74,185
Supplies (Professional)	2.2	1,283,966	1,969,277	1,470,845	1,571,900	1,571,900
Supplies (Research)	--	-	-	-	-	-
Other	0.6	418,869	597,578	508,290	399,225	399,225
Subtotal	3.9 %	\$ 2,539,076	\$ 3,491,395	\$ 2,840,109	\$ 2,815,570	\$ 2,815,570
Capital Outlay						
Books	-- %	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Hardware	--	79,800	(48,504)	-	-	-
Computer Software	0.1	24,697	49,792	20,220	70,500	70,500
Equipment, Furniture	0.4	276,434	1,283,504	475,750	260,550	260,550
Information Processing	--	5,903	128,522	-	-	-
Telecommunications	0.2	23,737	270,991	60,000	129,450	129,450
Other	--	-	-	-	-	-
Subtotal	0.6 %	\$ 410,571	\$ 1,684,305	\$ 555,970	\$ 460,500	\$ 460,500
Operating Adjustments	-- %	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	99.9 %	\$ 66,420,722	\$ 71,555,653	\$ 66,256,016	\$ 72,386,038	\$ 72,499,709

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Other Assistance

Expenditures by Classification, FY 2024 – FY 2027 Agency						
(Other Assistance, All Funds)						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Other Assistance						
Claims	-- % \$	1,141 \$	323 \$	500 \$	- \$	-
State Special Grants	0.1	660	3,740	-	5,000	5,000
TOTAL	0.1 % \$	1,801 \$	4,063 \$	500 \$	5,000 \$	5,000

Capital Budget and Debt

Expenditures by Classification, FY 2024 – FY 2027 Agency						
(Capital Budget and Debt, All Funds)						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Capital Improvements						
Buildings	0.1 % \$	2,634 \$	300,885 \$	2,750 \$	55,000 \$	55,000
Highways and Bridges	--	-	-	-	-	-
Land	--	-	-	-	-	-
Nonstructural	--	-	-	-	-	-
Other	--	-	-	-	-	-
Subtotal	0.1 % \$	2,634 \$	300,885 \$	2,750 \$	55,000 \$	55,000
Debt Service	-- % \$	- \$	- \$	- \$	- \$	-
TOTAL	0.1 % \$	2,634 \$	300,885 \$	2,750 \$	55,000 \$	55,000

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Expenditures by Program

Expenditures by Program, FY 2024 – FY 2027 Agency						
(All Funds)						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Administration	14.2 %	\$ 5,418,821	\$ 5,929,698	\$ 10,577,685	\$ 10,323,294	\$ 9,608,010
ARPA Projects	--	-	195,000	-	-	-
Clinical Services	53.1	37,912,890	39,861,607	34,678,099	38,503,969	38,947,127
COVID-19 Transactions	--	23,394	27,972	-	-	-
Medical and Surgical Services	15.8	9,110,601	10,815,329	8,552,891	11,440,274	11,790,612
Physical Plant/Central Services	11.3	10,959,542	11,130,658	8,690,513	8,159,430	8,212,648
SPTP/MiCo House	3.6	1,906,661	2,325,311	2,645,642	2,637,984	2,612,036
Staff Education and Research	1.2	687,394	1,034,536	692,489	866,833	871,093
Trust and Benefits	0.7	405,854	540,490	421,947	514,254	518,183
TOTAL	100.0 %	\$ 66,425,157	\$ 71,860,601	\$ 66,259,266	\$ 72,446,038	\$ 72,559,709

FTE Positions by Program, FY 2024 – FY 2027 Agency						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
Administration	11.2 %	53.0	49.9	49.8	45.8	45.8
ARPA Projects	--	--	--	--	--	--
Clinical Services	51.6	323.1	319.5	319.5	210.7	213.7
COVID-19 Transactions	--	--	--	--	--	--
Medical and Surgical Services	6.1	29.0	29.7	29.8	25.0	25.0
Physical Plant/Central Services	20.8	96.7	87.8	87.8	84.9	84.9
SPTP/MiCo House	6.7	32.5	32.5	32.5	27.5	27.5
Staff Education and Research	1.7	4.7	5.4	5.4	7.1	7.1
Trust and Benefits	1.7	6.0	6.0	6.0	7.0	7.0
TOTAL	100.0 %	545.0	530.8	530.7	408.0	411.0

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Expenditures by Fund

Expenditures by Fund, FY 2024 – FY 2027 Agency						
	FY 2026 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
State General Fund	81.1 %	\$ 53,624,478	\$ 58,292,448	\$ 51,758,535	\$ 58,758,535	\$ 57,370,005
SIBF	--	-	492,886	-	-	-
Osawatomie State Hospital Fee Fund	9.3	5,519,886	6,060,457	6,761,308	6,761,308	8,150,404
Title XIX Fund	9.5	7,253,950	6,798,788	7,710,498	6,886,895	7,000,000
Federal Funds	--	-	195,000	-	-	-
All Other Funds	0.1	26,843	21,022	28,925	39,300	39,300
TOTAL	100.0 %	\$ 66,425,157	\$ 71,860,601	\$ 66,259,266	\$ 72,446,038	\$ 72,559,709

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

FY 2026 Analysis

Summary of Agency Budget Request, FY 2026						
	SGF	OSH Fee Fund	All Other Funds	Total	FTE Positions	
Approved, FY 2026						
1. 2025 SB 125	\$ 51,758,535	\$ 6,761,308	\$ 7,739,423	\$ 66,259,266	530.7	
Reappropriations						
No Reappropriations	\$ -	\$ -	\$ -	\$ -	--	
Supplemental Requests						
2. Agency Nursing Staff	\$ 7,000,000	\$ -	\$ -	\$ 7,000,000	--	
Other Changes						
3. Title XIX Fund	\$ -	\$ -	\$ (823,603)	\$ (823,603)	--	
4. FTE Positions	-	-	-	-	(122.8)	
5. All Other Adjustments	-	-	10,375	10,375	--	
Subtotal – Other Changes	\$ -	\$ -	\$ (813,228)	\$ (813,228)	(122.8)	
TOTAL – Agency Revised Estimate	\$ 58,758,535	\$ 6,761,308	\$ 6,926,195	\$ 72,446,038	407.9	

Approved Budget

1. 2025 SB 125

The 2025 Legislature passed, and the Governor enacted, one bill appropriating and adjusting funding for state agencies. Select appropriations for this agency include:

- **Pay Plan:** The Legislature approved increasing funding for salaries and wages by \$737,694, including \$705,867 SGF in FY 2026 to provide salary increases for most state employees based on the Department of Administration’s market survey; and
- **Psychologists:** The Legislature approved increasing funding for two additional psychologists by \$253,723 SGF in FY 2026.

Supplemental Requests

2. Agency Nursing Staff

Contract nurses are temporary nursing professionals who are employed on a temporary basis, unlike permanent staff, which are employed full-time at a hospital. The agency has experienced a steady decline in retention of full-time Registered Nurses (RN), Licensed Practical Nurses (LPN), and Mental Health Technicians (MHT). Although the agency has implemented measures to retain full-time employees, it has not been enough to recover its losses. As a result, the agency continues to utilize contract direct-care staff until enough full-time employees are hired to meet the staff-to-patient cores needed, and the revised estimate includes an additional \$7.0 million SGF to fund contract agency direct-care staff in FY 2026. Including this supplemental request, the agency has budgeted \$20.1 million for contract staff in FY 2026, up from \$20.0 million in FY 2025 and \$17.9 million spent on contract staff in FY 2024.

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

Other Changes

3. Title XIX Fund

The agency's revised estimate includes a decrease of \$823,603, all from the Title XIX Fund, for certified care in FY 2026. This is primarily attributable to salaries and wages and contractual services within the Clinical Services program, which offers group and individual psychotherapy to patients across two treatment programs. The decreased expenditures are due to less reimbursements being estimated in FY 2026.

4. FTE Positions

The agency's revised estimate includes a decrease of 122.8 FTE position in FY 2026 for the Clinical Services program. The agency anticipates utilizing less FTE positions due to the supplemental request for agency nursing staff.

5. All Other Adjustments

The agency's revised estimate includes an increase of \$10,375, in all other adjustments for FY 2026. This increase is primarily attributed to commodities (\$7,900).

OSAWATOMIE STATE HOSPITAL

Budget Summary – Agency Request

FY 2027 Analysis

Summary of Agency Budget Request, FY 2027						
	SGF	OSH Fee Fund	All Other Funds	Total	FTE Positions	
Approved, FY 2026						
2025 SB 125	\$ 51,758,535	\$ 6,761,308	\$ 7,739,423	\$ 66,259,266	530.7	
Enhancement Requests						
1. Agency Nursing Staff	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000	--	
2. Therapists	207,837	-	-	207,837	3.0	
Subtotal – Enhancements	\$ 5,207,837	\$ -	\$ -	\$ 5,207,837	3.0	
Other Changes						
3. All Other Adjustments	403,633	1,389,096	(700,123)	1,092,606	(122.8)	
TOTAL – Agency Request	\$ 57,370,005	\$ 8,150,404	\$ 7,039,300	\$ 72,559,709	410.9	

Enhancement Requests

1. Agency Nursing Staff

Contract nurses are temporary nursing professionals who are employed on a temporary basis, unlike permanent staff, which are employed full-time at a hospital. The agency has experienced a steady decline in retention of full-time Registered Nurses (RN), Licensed Practical Nurses (LPN), and Mental Health Technicians (MHT). Although the agency has implemented measures to retain full-time employees, it has not been enough to recover its losses. As a result, the agency continues to utilize contract direct-care staff until enough full-time employees are hired to meet the staff-to-patient cores needed, and the request includes an additional \$5.0 million SGF to fund contract agency direct-care staff in FY 2027. Including this enhancement request, the agency has budgeted \$20.6 million for contract staff for FY 2027, up from \$20.1 million in FY 2026, \$20.0 million in FY 2025 and \$17.9 million spent on contract staff in FY 2024.

2. Therapists

The agency’s request includes \$207,837 SGF and 3.0 FTE positions for two additional activity therapists and one additional music therapist. The hospital currently has one music therapist for four treatment units who sees over 100 patients. A second music therapist would allow additional group individual music therapy opportunities. Two additional activity therapists would allow increased opportunities to utilize off-unit locations, such as the gym and activity center.

Other Changes

3. All Other Adjustments

The agency’s request includes an increase of \$1.1 million, including \$403,633 SGF, along with a decrease of 123.0 FTE positions in all other adjustments for FY 2027. The increased funding is primarily attributable to contractual services.