



---

# MEMORANDUM

---

Date: April 15, 2015

To: Tom Burke, Director  
Deputy County Administrator  
for Administration

From: C.H. Huckelberry  
County Administrator 

Robert Johnson, Budget Manager  
Finance and Risk Management

Re: **Maricopa Integrated Health System**

As we continue to develop our Fiscal Year 2015/16 budget, we will ultimately discuss the County's General Fund support of Banner – University Medical Center South Campus. As the Board conducts this discussion, it is important to understand the relationship between the Maricopa Integrated Health Network (MIHN) and the taxpayers of Maricopa County and how this relationship compares to Pima County's circumstances.

Some years ago, the Arizona Legislature allowed the hospital system in Maricopa County to become a separate taxing entity. The MIHN is now a secondary property tax in Maricopa County. What has been the tax rate for the MIHN since it became a secondary? What is the amount of tax funds collected by the rate?

Similar to Pima County, Maricopa County operates an adult detention facility, juvenile detention facilities and a mental health and restoration to competency program. All of these require professional medical services. In our case, these costs are substantial and likely total more than the annual payment for the Banner – University Medical Center South Campus. Please determine how Maricopa County provides these medical services. Are they provided by private vendors or contracted through the Maricopa Integrated Health System, their special taxing district?

In Pima County, we spend, through the General Fund, between \$10 million and \$15 million on inmate and detainee healthcare at the Pima County Adult Detention Center (PCADC), as well as the Juvenile Detention Center. How much does Maricopa County spend on healthcare for its detained adults and juveniles, and is this cost a fund transfer to the MIHN or is it paid to other vendors?

Mr. Burke and Mr. Johnson  
Re: **Maricopa Integrated Health System**  
April 15, 2015  
Page 2

It is also appropriate to include our restoration to competency costs in this comparison; particularly if there is a net General Fund contribution to this activity in addition to the payments we make to medical providers at the PCADC.

Please prepare a side-by-side comparison of "property tax" support for the hospital systems in Pima and Maricopa Counties. In our case, it would be the payment to Banner-University Medical South Campus/Arizona Board of Regents and our payments to medical providers for the PCADC, Juvenile Detention Center and mental health programs, including restoration to competency.

I appreciate you providing this information at your earliest convenience so we may compare Pima County's payments for medical services to vendors versus tax payments made by Maricopa County residents through their secondary property tax or through payment from the Maricopa County General Fund for medical and health-related services similar to those we provide in the areas of law enforcement and detention.

CHH/anc

c: The Honorable Chair and Members, Pima County Board of Supervisors  
Jan Leshner, Deputy County Administrator for Medical and Health Services  
Dr. Francisco Garcia, Director, Health Department  
Danna Whiting, Behavioral Health Administrator