

DEPARTMENT OF HEALTH (645) – FISCAL YEARS 2014 & 2015
EXECUTIVE RECOMMENDATION

D) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Arkansas Department of Health (ADH) is the state agency charged with the responsibility of protecting and improving the health of the people of Arkansas by: assessment of health status and needs, leadership for the development of public health policy and plans, promotion of community-based system of preventive and primary health care, enforcement of regulations for environmental health protection and assurance of quality health care, and provision of quality health services.

TOTAL BIENNIAL BUDGET

The total budget for Arkansas Department of Health is \$442,418,465 in FY14 and \$442,373,832 in FY15.

FUNDING SOURCES

The budget is funded by General Revenue (22%), Federal Revenue (38%), Special Revenue (5%), Third Party Reimbursement (21%), Fund Balances (>1%), other funds (18%).

II) SIGNIFICANT CHANGES

- **Emergency Medical Services and Trauma** appropriation is to be eliminated and existing appropriation will be transferred to the Emergency Medical Services appropriation.
- **Emergency Medical Services** appropriation funded from the Emergency Medical Services Revolving Fund, by certification and renewal fees. Total appropriation is \$44,945 for each year of the biennium increases provide for the following:
 1. Emergency Medical Services/Trauma System: The increase of \$9,728 per year is a transfer of appropriation from the Emergency Medical Services and Trauma appropriation.
- **Operations** appropriation, funded by General Revenue, Federal Revenue, Special Revenue, Third Party Reimbursement, and other support, provides a total appropriation of \$318,613,441 in FY14 and \$318,567,283 in FY15 these numbers include a respective \$13 million increase over base each year which provide for the following:
 1. Restoration of 255 unbudgeted positions, four MFG positions, 1 position transfer from the Tobacco Prevention and Cessation Appropriation, 1 position transfer from the Athletic Commission and the reclassification of 166 positions resulting in an increase in Regular Salaries of \$8.17 million for each year and an increase in Personal Services Matching of \$3.19 million for each year of the biennium.
 2. Extra Help increased by \$40,000 for each year along with the transfer of one extra help position from the Athletic Commission.
 3. Operating Expenses increased by \$186,247 each year to provide for the transfer of three boards and commissions to the Health Department.
 4. Conference & Travel Expenses increased by \$3,000 per year to provide for the transfer of appropriation from the Athletic Commission.
 5. Professional Fees increased by \$13,810 per year to provide for the transfer of 3 boards to the Department of Health.
 6. Capital Outlay increased by \$1,750,000 each year for normal replacement of necessary equipment.
 7. American Recovery and Reinvestment Act of 2009 appropriation increase of \$156,000 each year added for the Rural Health program for a temporary grant extension.
- The **Trauma System** appropriation, funded by General Revenues, provides a total appropriation of \$28,608,183 in FY14 and \$28,609,324 in FY15. These amounts include increases over base of \$2,103 and \$2,243 respectively and provide for the following:
 1. Reclassification of four positions.
 2. Regular Salaries increase of \$1,536 each year for the position reclassifications.
 3. Personal Services Matching increase of \$567 in FY14 and \$707 in FY15 to provide for the four approved position reclassifications.
- The **Tobacco Prevention & Cessation Program** appropriation, funded by Tobacco Settlement Proceeds, provides a total appropriation of \$17,453,948 in FY14 and \$17,454,332 in FY15 for the following:
 1. 14 Restored positions and the reclassification of 2 positions

2. Regular Salaries increased by \$468,287 each year for the restored positions.
3. Personal Services Matching increased by \$177,802 each year for matching requirements for new positions.

- The **Breast Cancer Cash** appropriation is not recommended for this biennium.

III) POSITIONS

Total Positions for Fiscal Year 2015: 3,159

Total Positions for Fiscal Year 2014: 3,159

Total Positions for Fiscal Year 2013: 3,154

Increase/(Decrease): 5

IV) SPECIAL LANGUAGE

- **ARKANSAS PUBLIC SCHOOL ACADEMIC FACILITIES PROGRAM:** Requires ADH to adopt policies before 9/1/2012 to ensure cooperation with the Division of Public School Academic Facilities and Transportation as provided by law.
- **TRANSFER OF FUNDS – HOME HEALTH:** Allows ADH to transfer all unexpended funds relative to Home Health Services reimbursements with reporting requirements. Allows ADH to transfer funds from the Home Health Fund Balance with approval of ALC or JBC.
- **HOME HEALTH POSITION POOL:** Provides 250 pool positions for in-home services, which may be utilized with approval by Dept. of Finance & Administration and Legislative Council.
- **HOME HEALTH ON-CALL AND VISIT PAY:** Identifies positions eligible to receive \$75 per visit and \$60 per day on call pay for being available outside routine working hours on weekdays, weekends, and/or holidays.
- **NUCLEAR DISASTER PLANNING GRANTS:** Establishes eligibility requirements for applicants for Nuclear Disaster Planning Grants and provides that a minimum of \$5,000 must be used for County Emergency Services Offices. The language further states that Pope, Johnson, Yell, Conway and Logan Counties' EMO shall receive an equal distribution of these funds on a quarterly installment.
- **PARKING FEES:** On July 1 of each year, parking fees of \$50,000 are to be paid from the Operations appropriation by the Department of Health from non-general revenue to the War Memorial Stadium Commission.
- **INFORMATION TECHNOLOGY INITIATIVES:** The Department is prohibited from transferring general revenue for expenditures payable from the Information Technology Initiatives appropriation.
- **INDIRECT COST ALLOCATION FUND TRANSFERS:** Division of Health is authorized to transfer funds to the Public Health Fund from other program funds for reimbursement.
- **DEVELOPMENT RESTRICTIONS:** Division of Engineering shall consider the effect of the plan on future development or zoning or adjoining properties.
- **NURSING/DIRECT CARE EDUCATION STIPEND PROGRAM:** ADH is authorized to provide \$5,000 per person per year to Registered or Licensed Practical Nursing students. If accepted, student is under an employment commitment and required to work full-time equal to the number of years of acceptance. If defaulted, repayment of stipend is required.
- **CARRY FORWARD OF FUNDS:** Funds remaining in the Public Health Fund for support of the Trauma System can be carried forward into the next fiscal year.
- **COMMUNITY HEALTH CENTERS:** Funding for CHC's shall be prioritized to ensure proper allocation with federal, state and local guidance. In addition, CHC's are to report on certain performance indicators determined by ADH. ADH is also instructed to institute a procurement process and allow up to 90 days for the completion of private provider requirements.
- **STATE FUND RESTRICTIONS:** No state funds are to be used for abortion referrals or services in public schools.
- **EXTRA HELP:** ADH is authorized to utilize ten extra-help positions for up to 1,500 hours when expertise is required to work on public health emergencies, disasters, other events or drills.
- **BREAST CARE PROGRAM:** ADH shall budget and expend at least \$4,755,000 on Screening, Treatment, and Outreach of the Breast Care Program and shall provide a report of efforts to the Legislative Women's Caucus prior to each Legislative Session.
- **PATIENT CARE PROVIDERS:** requires the department to make efforts to increase mileage reimbursement rates for contracted home health providers.

TOBACCO PREVENTION & CESSATION

- **TRANSFER RESTRICTIONS:** Appropriations shall only be transferred as allowed in this Act.
- **TRANSFER OF APPROPRIATIONS:** If any budget classifications of maintenance and general operation in this act are found to be inadequate, then a modification of amounts of the budget classification can be requested with approval from ALC and the Chief Fiscal Officer of the State.
- **POSITIONS:** Nothing in this act shall be construed as a commitment of the State to continue funding any position paid from the proceeds of the Tobacco Settlement funds in the event that the Tobacco Settlement funds are not sufficient to finance the position and shall be disclosed and included to all positions.
- **ADVERTISING:** No advertising targeting the prevention or reduction of tobacco shall include the name, voice or likeness of any elected official or their immediate family.
- **TOBACCO FUND TRANSFER:** ADH is authorized to transfer \$500,000 from the Prevention and Cessation Program Account to the Breast Cancer Control Fund to provide for State Medicaid match requirements.
- **COMPLIANCE WITH OTHER LAWS:** Disbursement of funds shall be limited to the appropriation made available by law.
- **LEGISLATIVE INTENT:** Any funds disbursed in this act shall be in compliance with Initiated Act 1 of 2000.

UPDATED NOVEMBER 2012