

**DEPARTMENT OF HEALTH (AGENCY 645)
FISCAL YEARS 2018 & 2019
PER EXECUTIVE RECOMMENDATION**

I) 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. The Department is also responsible for administering the state's Tobacco Prevention and Cessation Program which is funded by Master Tobacco Settlement monies.

TOTAL APPROPRIATION

Operations:

The total appropriation for Arkansas Department of Health is \$397,704,176 for fiscal year 2018 and \$397,783,980 for fiscal year 2019.

Tobacco Prevention and Cessation Program (TPCP):

The total appropriation for the ADH- TPCP Program is \$14,340,549 for fiscal year 2018 and \$14,341,229 for fiscal year 2019.

FUNDING SOURCES

Department of Health: General Revenue, Federal Revenue, Special Revenue, Third Party Reimbursement, Fund Balances, other funds.

The TPCP Program Act: Master Tobacco Settlement Funds (100%).

II) CHANGE LEVEL REQUESTS

FOR OPERATIONS ACT:

RURAL HEALTH FACILITIES (APPROPRIATION 34C)

This appropriation provides matching funds for applicants on a fifty/fifty bases to assist in the stabilization of necessary medical services provided by county, local, commercial or nonprofit organizations. Funded with a revolving fund consisting of transfers from the General Improvement Fund and other funds made available by the General Assembly, the total appropriation is \$26,501 each fiscal year and includes a change level request for the following:

Grants and Aid - increase of \$25,247 each year to restore the appropriation up to the anticipated funding level.

OPERATIONS (APPROPRIATION 34P)

This appropriation provides for the operations of the Department of Health. Funded with General Revenue, Federal Revenue, Special Revenue, Third Party Reimbursement, Fund Balances, and other funds, the total appropriation is \$279,264,217 for FY2018 and \$279,341,430 for FY2019 and includes change level requests for the following:

Regular Salaries and Personal Services Matching - Increase of \$8,450,496 in FY2018 and \$8,451,974 in FY2019 to restore 170 positions that were unfunded in FY2017, and seven (7) positions established through a Miscellaneous Federal Grant.

Extra Help - Increase of \$1,056,528 each year for staffing needs during flu clinics and to address various staff shortages.

Operating Expenses - Increase of \$9,182,536 each year to purchase vaccines and medication.

Conference and Travel - Increase of \$130,920 to restore unfunded appropriation and utilize additional federal funding.

Professional Fees - Increase of \$6,437,227 each year to restore unfunded appropriation and utilize additional federal funding.

Grants and Aid - Increase of \$4,334,117 each year to restore appropriation to support operations.

Capital Outlay - Increase of \$2,489,837 each year for the normal replacement of necessary equipment for the local health units, Public Health Lab and other branch operations of the Agency.

Breast Care Program - Increase of \$1,175,719 each year to restore appropriation to support operations.

FOR TOBACCO PREVENTION AND CESSATION PROGRAM ACT: No Change Level Requests

III) ADDITIONAL POSITIONS (Total FY2017 Authorized Positions: 2,993)

FOR OPERATIONS ACT:

Total Positions for Fiscal Year 2019: 2,398

Total Positions for Fiscal Year 2018: 2,398

Total Base Level Positions: 2,221

Increase/(Decrease): 177

Extra Help Positions FY2018 and FY2019: 231 (Total FY2017 Authorized Extra Help: 231)

FOR TOBACCO PREVENTION AND CESSATION PROGRAM ACT:

Total Positions for Fiscal Year 2017: 47

Total Positions for Fiscal Year 2016: 47

Total Base Level Positions:

Increase/(Decrease): 0

Extra Help Positions FY2018 and FY2019: 4 (Total FY2017 Authorized Extra Help: 4)

IV) SPECIAL LANGUAGE

FOR OPERATIONS ACT:

LANGUAGE TO BE DELETED **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.

LANGUAGE TO BE DELETED **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.

LANGUAGE TO BE DELETED **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.

LANGUAGE TO BE DELETED **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 \$7,500 per person per year to Advanced Practice 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: Allows up to \$3.7 million of carry forward funds remaining in the Public Health Fund to be used at the discretion of the Director of the Department of Health to enhance and integrate an emergency management system to include trauma, stroke, and myocardial infarction, and provide long acting reversible contraceptives through services provided by the Department of Health local health units.

LANGUAGE TO BE DELETED **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.

LANGUAGE TO BE DELETED **PATIENT CARE PROVIDERS - COMPENSATION, REQUIRED WITHHOLDING, FRINGE BENEFITS AND REPORTING:** This language requires the Department of Health to provide increased mileage reimbursement in FY2014, FY2015, and FY2016 to Home Health - Patient Care Providers and to report on the revenues and expenses of the Home Health Program.

HEALTHCARE INDEPENDENCE PROGRAM AND ARKANSAS HEALTH INSURANCE MARKETPLACE RESTRICTIONS: Language prohibits the Department of Health from budgeting, allocating, or expending any funds for the purpose of advertising or promoting the Healthcare Independence Program or Health Insurance Marketplace. Additionally, the language prohibits the Department of Health from budgeting, allocating, or expending any funds for the Navigator programs of the Healthcare Independence Program and Health Insurance Marketplace.

REFUND TO EXPENDITURE: Adds provision that exempts from reclaim the proceeds made available to the Health Department as a result of the transitioning of the In-Home Services program to a private sector provider. Funds will instead be returned to the fund or fund account from which the original expenditure was made.

FUND TRANSFER: Adds provision that allows the Chief Fiscal Officer of the State (at the Direction of the Governor) to transfer any remaining balances from the proceeds from the transitioning of the In-Home Services program, to supplement the fund established as a set-aside in the 90th Session Projects Account of the General Improvement Fund (Section 3(a)(11) of Act 1147 of 2015).

ADDITIONAL PAYMENT AUTHORIZED: Adds provision that allows the Director of the Health Department (with the approval of the Chief Fiscal Officer of the State) to provide a one-time payment of up to ten percent (10%) of the net proceeds available at the time of closing the In-Home Services program to

employees that remain in the program until the transition date.

FOR TOBACCO PREVENTION & CESSATION ACT:

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 for breast and cervical cancer screening and treatment.

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.

November 1, 2016