

Department of Health Services

A.R.S. § 36-103

Summary

Director: Catherine Eden

JLBC Analyst: Gina Guarascio/Beth Kohler

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Approved
COST CENTER SUMMARY			
Administration	22,078,800	27,705,600	25,268,700
Public Health	23,862,300	31,833,800	29,215,400
Family Health	26,145,900	47,100,200	49,559,500
Behavioral Health	265,859,800	383,801,700	558,126,800
Arizona State Hospital	52,278,300	54,995,900	58,818,900
Less Public and Family Health Contracts	0	0	(130,600)
TOTAL APPROPRIATIONS	390,225,100	545,437,200	720,858,700
OPERATING BUDGET			
Full Time Equivalent Positions	1,764.5	1,789.9	1,721.1 ^{1/}
Personal Services	39,135,400	39,525,900	41,527,400
Employee Related Expenditures	8,375,300	9,325,600	10,240,400
Professional and Outside Services	7,928,400	11,605,300	12,546,400
Travel - In State	290,000	387,500	387,500
Travel - Out of State	56,000	33,700	33,700
Other Operating Expenditures	11,238,400	8,282,800	8,868,900
Equipment	1,003,300	359,500	354,500
Lump Sum Reduction	0	0	(4,564,000)
<i>Operating Subtotal</i>	68,026,800	69,520,300	69,394,800
Special Line Items	322,198,300	493,416,900	671,294,500
Additional Appropriations	0	0	5,500,000
Less Offset for Receipts	0	(17,500,000)	(10,000,000)
Less Capitation Rate Adjustment	0	0	(15,200,000)
Less Public and Family Health Contracts	0	0	(130,600)
TOTAL APPROPRIATIONS	390,225,100	545,437,200	720,858,700 ^{2/3/4/5/}
FUND SOURCES			
General Fund	246,726,600	284,271,400	294,780,000
Other Appropriated Funds			
Nursing Care Institution Resident			
Protection Fund	3,500	38,000	38,000
Newborn Screening Program Fund	2,233,900	2,806,700	3,690,000
Indirect Cost Fund	3,443,600	7,773,600	6,590,800
Federal Child Care and Development Fund			
Block Grant	0	395,200	401,300
Tobacco Tax and Health Care Fund			
Medically Needy Account	21,606,000	13,817,000	12,817,000
Tobacco Tax and Health Care Fund			
Health Research Account	0	1,000,000	0
Tobacco Tax and Health Care Fund			
Health Education Account	0	0	5,000,000
Health Research Fund	0	0	500,000
Tobacco Settlement Funds	0	0	46,809,500 ^{6/}
Disease Control Research Fund	0	1,000,000	1,000,000
Emergency Medical Services Operating Fund	3,372,600	6,535,200	3,825,400
Spinal and Head Injuries Trust Fund	0	3,000,000	0
Poison Control Fund	1,387,500	1,850,000	1,850,000

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Approved
Environmental Laboratory Licensure Revolving Fund	474,400	774,100	790,400
Child Fatality Review Fund	97,600	100,000	100,000
Federal Temporary Assistance for Needy Families Block Grant	2,117,300	6,300	0
Substance Abuse Services Fund	1,850,000	1,850,000	3,350,000
Medical Services Stabilization Fund	0	10,500,000	0
Federal Title XIX Funds	80,058,300	202,749,100	332,060,600 ^{6/}
Serious Mental Illness Services Fund	13,254,300	0	0
Children's Behavioral Health Tobacco Settlement Fund	4,159,700	0	0
Arizona State Hospital Fund	9,175,000	6,570,600	6,605,700
ASH Land Earnings Fund	264,800	400,000	650,000
<i>Subtotal - Other Appropriated Funds</i>	<u>143,498,500</u>	<u>261,165,800</u>	<u>426,078,700</u>
TOTAL APPROPRIATIONS	390,225,100	545,437,200	720,858,700

AGENCY DESCRIPTION — *The Department of Health Services (DHS) is responsible for the provision of most public health programs not administered by AHCCCS, most behavioral health programs, the Arizona State Hospital (ASH), emergency medical services, state laboratory support, vital records maintenance, disease control, and epidemiological monitoring.*

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Est./Actual	Estimate
• % of SMI Clients on anti-psychotics receiving new generation psychotropic medications	NA/31	NA/47	51/89	68/71
• % of relicensure surveys completed on time:				
Child Care Facilities	NA	NA	50/NA	46
Health Care Facilities	NA	NA	50/NA	46
• Percent of high school youth who smoked in the last month	NA/26.1	NA/26.1	25.6/25.6	25.1/24.9
• Births by girls age 19 and under (rate per 1,000)*	NA/30.2	29.5/NA	28.8/NA	28.1
• % of Agency staff turnover	20.0/16.1	18.0/19.0	10.5/18.2	9.5/9.0

*Births by girls under age 19 measured by calendar year.

1/ Includes 550.6 FTE Positions funded from Special Line Items FY 2003.

2/ In addition to the appropriation for the Department of Health Services, earnings on state lands and interest on the investment of the Permanent Land Funds are appropriated to the State Hospital in compliance with the Enabling Act and the Constitution of Arizona. (General Appropriation Act footnote)

3/ A monthly report comparing total expenditures for the month and year to date as compared to prior year totals shall be forwarded to the President of the Senate, the Speaker of the House of Representatives, the Chairmen of the Senate and House Appropriations Committees and the Director of the Joint Legislative Budget Committee by the twenty-fifth of the following month. The report shall include an estimate of (1) potential shortfalls in programs, (2) potential Federal and Other Funds, such as the statewide assessment for indirect costs, that may be available to offset these shortfalls, and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, and (3) total expenditure authority of the month and year to date for Seriously Mentally Ill State Match for Title XIX, Seriously Mentally Ill Non-Title XIX, Children's Behavioral Health Services, Children's Behavioral Health State Match for Title XIX, Mental Health Non-Title XIX, Substance Abuse Non-Title XIX, Seriously Emotionally Handicapped Children and Children's Rehabilitative Services. (General Appropriation Act footnote)

4/ Notwithstanding A.R.S. § 35-173C, any transfer to or from the amounts appropriated for Seriously Mentally Ill State Match for Title XIX, Seriously Mentally Ill Non-Title XIX, Arnold v. Sarn, Children's Behavioral Health Services, Children's Behavioral Health State Match for Title XIX, Mental Health Non-Title XIX, Substance Abuse Non-Title XIX, Mental Health and Substance Abuse State Match for Title XIX, Seriously Emotionally Handicapped Children, Children's Rehabilitative Services, AHCCCS - Children's Rehabilitative Services, Tuberculosis Provider Care and Control, Alzheimer's Disease Research, Kidney Program, Adult Cystic Fibrosis, Adult Sickle Cell Anemia, High-Risk Perinatal Services, County Prenatal Services Grant, Nutrition Services, Community Placement Treatment, Sexually Violent Persons, University of Arizona Poison Control Center funding and the Poison Control Center funding shall require approval of the Joint Legislative Budget Committee. The amounts appropriated for these items shall be used exclusively for contracts for the provision of services to clients unless a transfer of monies is approved by the Joint Legislative Budget Committee. Monies shall not be used from these appropriated amounts for any other expenses of the Department of Health Services, unless a transfer is approved by the Joint Legislative Budget Committee. (General Appropriation Act footnote)

5/ General Appropriation Act (Laws 2002, Chapter 327) funds are appropriated as an Operating Lump Sum with Special Line Items for the Program.

6/ These amounts represent non-appropriated funds and are included in total expenditure authority. The Other Appropriated Funds total is \$47,208,600.

Unfunded FTE Positions — The approved amount includes a General Fund decrease of (78.8) FTE Positions below FY 2002 due to the statewide elimination of unfunded FTE Positions. For details on the methodology used to calculate the reduction, please see the *General Provisions* section at the front of the *Appropriations Report*.

Public and Family Health Contracts Reduction — The approved amount includes a General Fund decrease of \$(130,600) for a reduction in funding for Public and Family Health Contracts.

Additional Legislation: Health; Budget Reconciliation; 2002-2003 (Chapter 329) — In addition to the provisions discussed in *Public Health, Behavioral Health, and ASH*, this legislation transfers \$5,000,000 from the Health Education Account of the Tobacco Tax and Health Care Fund to the Medically Needy Account of the Tobacco Tax and Health Care Fund. The legislation also repeals the provisions of Laws 2001, 2nd Special Session, Chapter 7 that suspended all FY 2003 allocations from the Medically Needy Account and makes the following changes to allocations from the Medically Needy Account:

- Increases the annual allocation for Non-Renal Disease Management from \$70,000 to \$200,000;
- Eliminates the annual allocation of \$150,000 for health care districts; and
- Continues the annual allocation of \$4,500,000 for Qualifying Community Health Centers.

The legislation also requires DHS to perform the evaluations of the Health Education Account of the Tobacco Tax and Health Care Fund. Previously, the Auditor General was required to perform the evaluations (*see pgs. 25 and 26 for more detail on the Tobacco Tax and Health Care Fund*).

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