

Department of Health Services
Public Health

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 OSPB: Christine Sato

Subcommittee: Health & Welfare

DESCRIPTION	FY 2002	FY 2003	FY 2004	
	ACTUAL	ESTIMATE	OSPB	JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	242.7	233.0	245.0	233.0
Personal Services	3,982,600	4,178,100	4,178,100	4,178,100
Employee Related Expenditures	998,700	1,048,600	1,054,800	1,045,700
Professional and Outside Services	89,500	58,700	45,700	86,300
Travel - In State	82,900	93,300	93,300	52,700
Travel - Out of State	10,100	2,500	2,500	2,500
Other Operating Expenditures	836,500	913,900	953,800	913,900
Equipment	79,000	12,000	12,000	12,000
OPERATING SUBTOTAL	6,079,300	6,307,100	6,340,200	6,291,200
SPECIAL LINE ITEMS				
Disease Control				
Tuberculosis Provider Care and Control	872,000	1,082,000	1,082,000	0
Vaccines	2,350,100	2,821,900	4,411,000	1,974,200
Arizona Statewide Immunization Information System	404,300	477,000	451,400	0
STD Control Subventions	44,000	52,500	52,500	52,500
AIDS Reporting and Surveillance	1,093,800	1,125,000	1,125,000	125,000
Laboratory Services	3,522,600	3,930,500	3,936,000	3,933,200
Kidney Program	92,600	101,000	101,000	101,000
Hepatitis C Surveillance	260,300	350,000	327,000	0
Local Health				
Direct Grants	578,000	460,300	460,300	460,300
Reimbursement to Counties	357,400	135,900	135,900	135,900
County Public Health - Tobacco Tax	200,000	200,000	200,000	0
Primary Care				
Loan Repayment	80,900	100,000	100,000	100,000
Community Health Centers	852,500	0	0	0
Disease Research				
DCRC Anti-Cancer Drug Discovery	1,000,000	0	0	0
Alzheimer Disease Research	2,000,000	1,910,000	910,000	1,910,000
Biotechnology	0	5,500,000	5,500,000	5,500,000
Emergency Medical Services				
University of Arizona Poison Control Center Funding	787,500	1,050,000	1,050,000	0
Poison Control Center Funding	600,000	800,000	800,000	1,387,500
EMS Operations	3,659,500	3,108,300	3,072,700	2,206,400
Trauma Advisory Board	191,400	250,000	250,000	250,000
Trauma Centers	4,300,000	0	0	0
PROGRAM TOTAL	29,326,200	29,761,500	30,305,000	24,427,200
FUND SOURCES				
General Fund	14,485,100	15,235,800	16,812,600	10,553,200
<u>Other Appropriated Funds</u>				
Arizona Medical Board Fund	0	0	0	100,000
Disease Control Research Fund	1,000,000	1,000,000	0	0
Emergency Medical Services Operating Fund	5,150,900	3,358,300	3,322,700	3,685,600
Environmental Laboratory Licensure Revolving Fund	585,600	790,400	801,400	800,900
Health Research Fund	0	5,500,000	5,500,000	6,500,000
Poison Control Fund	1,387,500	1,850,000	1,850,000	1,387,500
Spinal and Head Injuries Trust Fund	3,000,000	0	0	0
TTHCF Health Research Account	1,000,000	0	0	0
TTHCF Medically Needy Account	2,717,100	2,027,000	1,978,400	0
Indirect Cost Fund	0	0	39,900	0
Vital Records Electronic Systems Fund	0	0	0	1,400,000
SUBTOTAL - Other Appropriated Funds	14,841,100	14,525,700	13,492,400	13,874,000
SUBTOTAL - Appropriated Funds	29,326,200	29,761,500	30,305,000	24,427,200
TOTAL - ALL SOURCES	29,326,200	29,761,500	30,305,000	24,427,200

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	(4,682,600)	(30.7%)
Other Appropriated Funds	(651,700)	(4.5%)
Total Appropriated Funds	(5,334,300)	(17.9%)

COST CENTER DESCRIPTION — *The Public Health program provides funding for both state and local emergency medical services programs and poison control centers. In addition, the program provides funding for some county health programs, epidemiology and disease control, and treatment of a number of specific illnesses, as well as maintaining vital records services for birth and death certificates. The program also includes the State Health Laboratory, which provides laboratory testing for other state agencies, water testing, contagious disease testing and other public health related testing.*

PERFORMANCE MEASURES	FY 2002 Appropriation	FY 2002 Actual	FY 2003 Appropriation	FY 2004 Recommend.
• Number of uninsured clients receiving primary care services through the Tobacco Tax grants	65,000	43,100	65,000	--
• Number of clients receiving HIV medications through the Arizona Drug Assistance Program (average per month)	800	702	800	--
• Immunization rate among 2-year-old children	82	74	84	85
• % of high school youth who smoked in the last month	25.1	NA	24.9	24.0
• Exposure calls received at AZ Poison Control Centers	82,000	75,768	82,000	--
• Customer waiting time in Vital Records' lobby (in minutes)	20	19	20	--

Comments: The agency did not submit information for any measure labeled as "NA."

RECOMMENDED CHANGES FROM FY 2003

		FY 2004
Standard Changes	GF	\$ (3,400)
	OF	(82,200)

Technical Changes	GF	(20,300)
	OF	(30,000)

The JLBC recommends a General Fund and Emergency Medical Services Fund decrease in the Public Health program to reflect technical changes. The net General Fund and Other Fund change for the agency is \$0. *(Please see Summary Section for more information.)*

Shift Loan Repayment Program To AMB Fund	GF	(100,000)
	OF	100,000

The JLBC recommends a fund shift for the Rural Loan Repayment Program from the General Fund to the Arizona Medical Board Fund. This program pays student loans for physicians and mid-level practitioners in order to encourage providers to practice in rural areas.

Shift Tuberculosis Provider Care And Control to Counties	GF	(1,082,000)
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The JLBC recommends shifting responsibility for the Tuberculosis Provider Care and Control Program from the General Fund to counties. This program has provided reimbursement to hospitals and physicians for the care of hospitalized tuberculosis patients and for assistance to all county health departments for local tuberculosis control

programs. The program also provides directly-observed therapy to patients at risk not to complete treatment.

General Fund Offset from EMS Fund	GF	(1,229,200)
	OF	450,000

The JLBC recommends eliminating certain services funded from the Emergency Medical Services (EMS) Fund, including funding for direct aid to local governments and rural ambulances and using the \$779,200 in savings from these eliminated services to offset other DHS General Fund obligations. The JLBC also recommends offsetting operating costs currently funded from the General Fund with an additional \$450,000 from the EMS Operating Fund.

General Fund Offset from Vital Records Fund	GF	(1,400,000)
	OF	1,400,000

The JLBC recommends using monies in the Vital Records Electronic Systems Fund, which receives revenues from fees for birth and death certificates, to offset Vital Records operations, which are currently funded from the General Fund.

Reduce Vaccines Funding	GF	(847,700)
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The JLBC recommends a General Fund decrease for the Vaccines program. State monies for the Vaccines program are used to provide a variety of immunizations for the underinsured.

Eliminate 1 Poison Control**Center OF (462,500)**

The JLBC recommends a decrease from the Poison Control Fund associated with the closure of 1 Poison Control Center. Currently, the Poison Control Fund supports the operation of 2 Poison Control Centers. This recommendation assumes that the remaining center will receive approximately half of the funding currently expended for the center slated for closure.

Alzheimer's Research OF 0

The JLBC recommends a \$(1,000,000) decrease from the Disease Control Research Fund and a corresponding \$1,000,000 increase from the Health Research Fund for Alzheimer's Research. Funding is no longer available from the Disease Control Research Fund.

Zero-Base Tobacco Tax Programs OF (2,027,000)

The JLBC recommends zero-base budgeting the following programs currently funded from the Medically Needy Account of the Tobacco Tax and Health Care Fund: HIV/AIDS Drug Assistance Program (ADAP), the Arizona Statewide Immunization Information System (ASIIS), the Hepatitis C Surveillance Program, and county public health grants. The zero-base budgeting process will allow the Committees to identify spending overlaps and to explore whether programs are efficiently and effectively meeting their mission and goals. *(Please see Summary Section for more details.)*

Zero-Base Disease Control Research OF 0

The JLBC recommends zero-base budgeting the non-appropriated Disease Control Research Commission. During the legislative session, the Appropriations Committees can focus on whether the Commission is the appropriate mechanism for allocating health research funding.

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JLBC RECOMMENDED FORMAT — Detailed Line Item for the Program. *(In the FY 2003 budget, the program had an Operating Lump Sum with Special Line Items for the Program format.)*

JLBC RECOMMENDED FOOTNOTES*Standard Footnotes*

The Department of Health Services shall require the screening of potential recipients of vaccines for private insurance coverage, eligibility for the federal Vaccines for Children program and eligibility for the state Children's Health Insurance Program. This requirement applies to vaccines purchased with state monies appropriated for the Vaccines Special Line Item for both the Federal 317 program and the state-only immunization program.

The appropriation for Direct Grants is to provide for local health work and a portion of the cost of employing 1 public health nurse and 1 sanitarian in counties with populations of less than 500,000 persons. The monies are to be divided equally among eligible counties on a nonmatching basis. All monies that are received by a county under this appropriation and that are not used for the prescribed purposes revert to the state General Fund.

The \$135,900 appropriated for Reimbursement to Counties is to provide matching monies to counties with populations of less than 500,000 persons for local health work on an equal matching basis and shall be distributed based on amounts received in FY 2003.

Deletion of Prior Year Footnotes

The JLBC recommends deleting of the footnote requiring a report on the receipt of federal monies in FY 2003 by the Vaccines program. This information is available from other sources and is no longer necessary.

The JLBC recommends deleting the footnote related to distribution of the appropriation for County Public Health - Tobacco Tax as this program is recommended for elimination.

The JLBC recommends deleting 2 footnotes related to the Poison Control Centers as one Center is recommended for closure.

JLBC RECOMMENDED STATUTORY CHANGES

The JLBC recommends amending A.R.S. § 42-5252 to allow monies received from the Telecommunications Services Excise Tax to be used for the Arizona State Schools for the Deaf and the Blind operating expenses and for Poison Control within DHS. In FY 2004, 0.69% of the tax would be allocated to the Commission for the Deaf and the Hard of Hearing and 0.18% would go to DHS. The remaining 0.23% would be allocated to the Arizona State Schools for the Deaf and the Blind.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Laws 2002, Chapter 320 appropriated \$5,000,000 annually from FY 2003 to FY 2007 from the Health Education Account of the Tobacco Tax and Health Care Fund to the DCRC for biotechnology funding. Chapter 320 also specified that if a Tobacco Tax referendum was approved by the voters in the 2002 general election, this appropriation would change to the Health Research Fund. With the passage of Proposition 303, the appropriation for biotechnology is now from the Health Research Fund.

SUMMARY OF FUNDS - SEE AGENCY SUMMARY

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