

Department of Health Services

Summary

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Subcommittee: Health & Welfare

DESCRIPTION	FY 2002	FY 2003	FY 2004	
	ACTUAL	ESTIMATE	OSP	JLBC
PROGRAM BUDGET				
Administration	23,796,500	26,659,200	27,284,300	29,307,900
Public Health	29,326,200	29,761,500	30,305,000	24,427,200
Family Health	45,470,700	49,940,500	53,853,300	47,240,800
Behavioral Health	378,664,300	555,678,600	687,945,500	618,842,300
Arizona State Hospital	52,480,500	58,818,900	59,016,900	58,979,200
6th SS Lump Sum Reduction SLI	0	(5,433,100)	(5,433,100)	(5,433,100)
AGENCY TOTAL	529,738,200	715,425,600	852,971,900	773,364,300
OPERATING BUDGET				
Full Time Equivalent Positions	1,789.9	1,662.1	1678.1	1,680.0
Personal Services	38,374,400	40,327,400	40,399,600	41,196,400
Employee Related Expenditures	9,026,100	9,908,300	10,021,100	9,993,500
Professional and Outside Services	7,389,100	11,740,200	11,578,500	11,577,500
Travel - In State	255,600	316,500	316,500	704,600
Travel - Out of State	34,100	22,700	22,700	24,300
Other Operating Expenditures	10,419,800	10,267,100	10,519,500	13,646,500
Equipment	1,053,800	374,500	374,800	377,500
OPERATING SUBTOTAL	66,552,900	72,956,700	73,232,700	77,520,300
Special Line Items (SLI)	463,185,300	644,468,900	779,739,200	695,844,000
AGENCY TOTAL	529,738,200	717,425,600	852,971,900	773,364,300
FUND SOURCES				
General Fund	279,068,700	289,346,900	345,719,700	259,544,600
<u>Other Appropriated Funds</u>				
Arizona Medical Board Fund	0	0	0	100,000
Arizona State Hospital Fund	5,370,800	6,605,700	6,605,700	8,914,700
ASH Land Earnings Fund	389,000	650,000	650,000	650,000
Child Fatality Review Fund	89,800	100,000	100,000	100,000
Disease Control Research Fund	1,000,000	1,000,000	0	0
Emergency Medical Services Operating Fund	5,312,500	3,825,400	3,819,800	3,745,400
Environmental Laboratory Licensure Revolving Fund	585,600	790,400	801,400	800,900
Federal Child Care and Development Fund Block Grant	344,100	401,300	395,200	395,000
Federal Temporary Assistance for Needy Families Block Grant	187,500	0	0	0
Federal Title XIX Funds	201,520,800	332,060,600	411,454,200	403,123,900
Health Research Fund	0	5,500,000	5,500,000	6,500,000
Indirect Cost Fund	4,852,500	6,590,800	6,729,900	6,740,000
Medical Services Stabilization Fund	8,000,000	2,000,000	0	0
Newborn Screening Program Fund	2,272,300	3,690,000	3,689,600	3,690,000
Nursing Care Institution Resident Protection Fund	0	38,000	38,000	38,000
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
Substance Abuse Services Fund	1,850,000	3,350,000	3,350,000	0
Tobacco Litigation Settlement Fund	0	46,809,500	49,500,000	46,809,500
TTHCF Health Research Account	1,000,000	0	0	0
TTHCF Medically Needy Account	13,507,100	12,817,000	12,768,400	29,424,800
Vital Records Electronic Systems Fund	0	0	0	1,400,000
SUBTOTAL - Other Appropriated Funds	250,669,500	428,078,700	507,252,200	513,819,700
SUBTOTAL - Appropriated Funds	529,738,200	717,425,600	852,971,900	773,364,300
Other Non-Appropriated Funds	173,519,800	141,689,100	NA	97,779,600
Federal Funds	185,134,100	199,235,700	NA	204,669,800
TOTAL - ALL SOURCES	888,392,100	1,058,350,400	NA	1,075,813,700

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	(29,802,300)	(10.3%)
Other Appropriated Funds	14,677,700	15.3%
Federal Title XIX Funds	71,063,300	21.4%
Total Appropriated Funds	55,938,700	7.8%

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 MEASURE	FY 2002 Appropriation	FY 2002 Actual	FY 2003 Appropriation	FY 2004 Recommend.
• % of agency staff turnover	9.5	12.7	9.0	9.0

RECOMMENDED CHANGES FROM FY 2003

		FY 2004
Standard Changes	GF	\$ 93,700
	OF	73,400
	TF	317,500
Technical Changes	GF	0
	OF	0
<p>The JLBC recommends a number of technical changes between cost centers in DHS budget, which will have no effect on the General Fund. These changes include transferring funding for the Psychiatric Review Board from Behavioral Health to the Arizona State Hospital, transferring funding for client advocacy from Administration to Behavioral Health, and consolidating costs associated with Attorney General Legal Services into a Special Line Item.</p>		
Laboratory Lease-Purchase	GF	2,371,600
Public Health Changes	GF	(4,658,900)
	OF	1,037,500
Zero-Base Tobacco Tax Programs	OF	(12,817,000)
Family Health Changes	GF	(4,756,100)
Title XIX Enrollment	GF	25,708,700
	TF	84,449,600
Federal Administration	TF	1,901,300
Zero-Base Substance Abuse Funding	GF	(12,135,400)
	OF	(3,350,000)
Fund Shift Behavioral Health	GF	(29,424,800)
	OF	29,424,800
Non-Title XIX Services	GF	(4,500,000)
Arnold v. Sarn Federal Funds	TF	10,270,700
Restoration to Competency	GF	(1,914,700)
	OF	1,914,700
Other Changes	GF	(586,400)
	OF	(1,605,700)

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

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

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.

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~~ 30th 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.

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 - ~~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 of monies is approved by the Joint Legislative Budget Committee.

JLBC RECOMMENDED STATUTORY CHANGES

The JLBC recommends repealing the current versions of statute governing the distribution of the monies in the Medically Needy Account of the Tobacco Tax and Health Care Fund and amending statute to allow the account monies to be used for health care services in AHCCCS and DHS as specified in the General Appropriation Act.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Proposition 303

Proposition 303, passed by the voters in the 2002 General Election, increased the cigarette tax by \$0.60 per pack and also increased the tax on other tobacco products. The proposition allocated the revenue generated by the tax increase to 6 accounts with the following distribution: 42% to the Proposition 204 Protection Account (to be spent prior to the expenditure of tobacco settlement monies on the AHCCCS expansion approved by voters), 27% to the Medically Needy Account, 20% to the Emergency Health Services account for reimbursement of uncompensated care and trauma readiness costs, 5% to the Health

Research Account, 2% to the Health Education Account for early detection programs for the 4 leading causes of death in Arizona, and 4% to the Health Care Adjustment Account to compensate the Tobacco Tax and Health Care Fund accounts for loss of revenue as a result of the decrease in consumption resulting from the new tax. The detail for these accounts is shown in the AHCCCS section. The Proposition also repeals the existing statute governing the Health Education Account and re-enacts the statute. It also requires the Legislature to establish a tobacco revenue, use, spending, and tracking commission. *(Please see the AHCCCS Summary section for more detail on the Proposition 303 Accounts.)*

Medically Needy Account

The JLBC recommendations in the Public Health and Behavioral Health sections and include various changes to the programs funded from the Medically Needy Account of the Tobacco Tax and Health Care Fund. In summary, programs current receive \$29,424,800 in Medically Needy Account monies. The JLBC recommends zero-base budgeting these programs. During the session, the Appropriations Committees will review these programs and determine an appropriate funding level. The zero-based budgeting process will allow the Committees to identify spending overlaps and to explore whether a program is efficiently and effectively meeting its goals. These Medically Needy Account monies are freed up to offset current behavioral health costs. *Table 1* is a consolidated statement of those recommendations.

Table 1 DHS Medically Needy Account - JLBC Recommendation		
	<u>FY 2003 Allocation</u>	<u>FY 2004 Recommendation</u>
<u>Zero-Base</u>		
Primary Care Programs	\$ 5,720,000	-
Qualifying Community Health Centers	4,680,000	-
Mental Health - Non-Title XIX	3,120,000	-
Rural Primary Care Provider Loan Repay Pgm	115,600	-
HIV/AIDS Drug Assistance Program (ADAP)	1,000,000	-
SMI Non-Title XIX Psychotropic Medications	10,790,000	-
Az Statewide Immunization Information System	477,000	-
Hepatitis C Surveillance	350,000	-
Detoxification Services	390,000	-
Renal Disease Management	260,000	-
Nonrenal Disease Management	208,000	-
Evaluations	854,200	-
Telemedicine - DHS	260,000	-
County Public Health	200,000	-
DHS Health Crisis Fund	<u>1,000,000</u>	-
Total	<u>\$29,424,800</u>	
Proposed Behavioral Health GF Offset		- \$29,424,800

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Agreements/IGA (HSA2144/2500/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Intergovernmental agreements between DHS and other state and local entities. Includes subaccounts for Liquor Services Fees authorized under A.R.S. § 4-203.02 (FY 2002 revenue \$38,200) and Arizona State Hospital Rental Income (FY 2002 revenue: \$526,200).		
Purpose of Fund: To fund services which DHS has agreed to perform at the request of, or in conjunction with, public agencies.		
Funds Expended	24,362,100	25,909,300
Year-End Fund Balance	4,519,600	4,519,600
Arizona State Hospital Capital Construction (ADA2466/Laws 2000, Chapter 1, as amended)		Non-Appropriated
Source of Revenue: \$77,500,000 over 4 fiscal years, beginning FY 2000 through FY 2003 from the Budget Stabilization Fund (BSF). While Laws 2000, Chapter 1 originally specified that these BSF transfers would come from BSF interest earnings, Laws 2000, 7 th Special Session, Chapter 1, eliminated the requirement that interest earnings be the source of the BSF transfer.		
Purpose of Fund: For demolition, construction and renovation of the Arizona State Hospital.		
Funds Expended - Capital	29,798,800	39,612,000
Year-End Fund Balance	22,112,000	0
Arizona State Hospital (HSA3120/A.R.S. § 36-545.08)		Appropriated
Source of Revenue: State monies and matching federal monies for disproportionate share payments at the Arizona State Hospital, Title XIX reimbursement for services provided at the Arizona State Hospital, and monies collected for services to clients at the state hospital.		
Purpose of Fund: To provide treatment of patients at the Arizona State Hospital, or to place Arizona State Hospital patients in the community.		
Funds Expended	8,189,700	6,605,700
Year-End Fund Balance	2,361,300	3,555,600
Building Renewal (HSA2133/A.R.S. § 36-545.09)		Appropriated
Source of Revenue: From lease of state-owned property (the former Southern Arizona Mental Health Center) in Tucson.		
Purpose of Fund: To maintain the property.		
Funds Expended - Capital	35,600	0
Year-End Fund Balance	792,400	0
Child Fatality Review (HSA3036/A.R.S. § 36-3504)		Appropriated
Source of Revenue: A \$1 surcharge on fees collected on all certified copies of death certificates, up to \$100,000. Any revenue collected in excess of \$100,000 is transferred from the fund to the Child Abuse Prevention Fund in the Department of Economic Security.		
Purpose of Fund: To organize county child fatality review teams and to study data collected by these teams to determine ways to reduce the state's child mortality rate.		
Funds Expended	90,300	100,000
Year-End Fund Balance	260,500	278,000
Children's Behavioral Health Tobacco Settlement (HSA Account 63021/A.R.S. § 36-503.02)		Non-Appropriated
Source of Revenue: Monies appropriated from the Tobacco Litigation Settlement Account. Statute did not create a separate fund for Children's Behavioral Health purposes, so monies remain with the State Treasurer. The account received a one-time appropriation of \$20,000,000 from tobacco settlement funds in FY 2001.		
Purpose of Fund: To provide behavioral health services to children who receive behavioral health services through DHS, the Department of Economic Security, the Department of Juvenile Corrections or the Administrative Office of the Courts. Monies may also be used to support telemedicine programs designed to facilitate the provision of behavioral health services to persons living in medically underserved areas.		
Funds Expended	4,382,400	11,457,900
Year-End Fund Balance	11,457,900	0

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Disease Control Research (DIA2090/A.R.S. § 36-274)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature and any gifts, contributions or other monies received by the Disease Control Research Commission from any other source, including Proposition 204.		
Purpose of Fund: To be used for projects or services that may advance research in the causes, epidemiology and prevention of disease, including discovery and development.		
Appropriated Funds Expended	2,000,000	1,000,000
Non-Appropriated Funds Expended	2,780,400	4,121,800
Year-End Fund Balance	4,483,600	1,679,400
Donations (HSA3010/2025/A.R.S. § 36-132)		Non-Appropriated
Source of Revenue: Individual donations for various health related purposes.		
Purpose of Fund: For specific purposes as designated by the donors. Monies donated pursuant to A.R.S. § 36-213 and A.R.S. § 36-204 for the Arizona State Hospital are accounted for separately.		
Funds Expended	229,800	278,000
Year-End Fund Balance	1,043,600	1,125,500
Emergency Medical Services Operating (HSA2171/A.R.S. § 36-2218)		Appropriated
Source of Revenue: The fund receives 48.9% of the Medical Services Enhancement Fund revenues, which are collected from a 13% surcharge on fines charged for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: To fund local and state emergency medical services systems.		
Funds Expended	5,461,100	4,407,300
Year-End Fund Balance	2,312,800	2,158,000
Environmental Laboratory Licensure Revolving (HSA3017/A.R.S. § 36-495.15)		Appropriated
Source of Revenue: Fees collected for environmental lab licensure, fees derived from department-sponsored workshops, and monies from gifts, grants, and donations.		
Purpose of Fund: For costs associated with licensing environmental laboratories by the Department of Health Services.		
Funds Expended	539,900	790,400
Year-End Fund Balance	587,100	496,700
Federal Child Care and Development (HSA2008/U.S. P.L 104-193)		Appropriated
Source of Revenue: Federal formula grant.		
Purpose of Fund: A portion of the Federal Child Care and Development Block Grant provides the Assurance and Licensure division with monies for the licensure of child care facilities. Prior to FY 2002, these monies were appropriated in the Department of Economic Security budget and passed on to DHS.		
Funds Expended	344,100	401,300
Year-End Fund Balance	0	0
Federal Grants (HSA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Grants and reimbursements from the federal government. The total for FY 2002 includes \$101,953,600 in grants for the Federal Women, Infants, and Children (WIC) program, and \$26,896,500 for the Substance Abuse Block Grant. Federal reimbursement for the Title XIX program is not included in this fund and can be found in the Title XIX Services and County Contributions Fund (HSA2144).		
Purpose of Fund: To provide health services in accordance with the terms of each specific grant.		
Funds Expended	185,134,100	199,235,700
Year-End Fund Balance *	(1,279,300)	98,800

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
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Indirect Cost (HSA9001/A.R.S. § 36-108) Appropriated

Source of Revenue: Charges made to Federal Funds and interagency agreements in order to reimburse the agency for a portion of the administrative costs of the programs.

Purpose of Fund: To pay a portion of the administrative personnel and overhead costs associated with various federal programs and interagency agreements.

Funds Expended	4,801,100	6,590,800
Year-End Fund Balance	5,145,700	4,054,900

Indirect Cost Recovery(HSA9000/A.R.S. § 36-108) Non-Appropriated

Source of Revenue: Prior to FY 2000, charges made to Federal Funds and interagency agreements in order to reimburse the agency for a portion of the administrative costs of the programs were placed in this non-appropriated fund. In FY 2000, this Indirect Cost Fund became appropriated. Monies were left in this fund to address outstanding obligations.

Purpose of Fund: Prior to FY 2000, this fund paid a portion of the administrative personnel and overhead costs associated with various federal programs and interagency agreements.

Funds Expended	0	0
Year-End Fund Balance	821,900	0

Internal Services (HSA4202/A.R.S. § 36-108) Non-Appropriated

Source of Revenue: Charges from other DHS funds.

Purpose of Fund: Revolving Fund used by DHS warehouse for the purchase of goods.

Funds Expended	187,300	25,000
Year-End Fund Balance	291,600	66,600

Medical Services Enhancement (TRA2186/A.R.S. § 36-2219.01) Non-Appropriated

Source of Revenue: A 13% penalty assessment on fines, violations, forfeitures, and penalties imposed by the courts for criminal offenses, civil motor vehicle statute violations, and game and fish violations

Purpose of Fund: Monies are distributed on a percentage basis to various non-appropriated and appropriated funds.

Funds Transferred		
Department of Economic Security		
Spinal and Head Injuries Trust	2,079,400	2,342,100
Department of Health Services		
EMS Operating	4,621,900	5,206,100
Substance Abuse Services	2,230,600	2,342,200
General Fund	<u>519,800</u>	<u>585,600</u>
Total Funds Transferred	9,451,700	10,476,000

Medical Services Stabilization (HSA3037/A.R.S. § 36-2922) Non-Appropriated

Source of Revenue: Transfer from AHCCCS Medical Services Stabilization Fund.

Purpose of Fund: To offset increases above the appropriated amount in the cost of providing behavioral health care services to the medically indigent, medically needy or to low income children.

Funds Expended	8,000,000	2,000,000
Year-End Fund Balance	2,500,000	500,000

Newborn Screening Program (HSA2184/A.R.S. § 36-694.01) Appropriated

Source of Revenue: A fee of \$20 as part of the hospital charges for each child born in Arizona.

Purpose of Fund: To provide monies for the centralized testing of all newborns in the state for a standard set of metabolic disorders. Every 4 years the department solicits bids for the contracting of these tests. The State Health Lab holds the current contract. In addition, the fund provides monies for follow-up counseling for the parents of affected infants.

Funds Expended	2,483,000	3,690,000
Year-End Fund Balance	1,700,800	1,265,100

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Nursing Care Institution Resident Protection (HSA2329/A.R.S. § 36-446.08)		Appropriated
Source of Revenue: Civil penalties paid by nursing care institution administrators and assisted living facility managers for violations of their licenses or certifications.		
Purpose of Fund: For the protection of the health and property of residents of nursing care facilities that are found deficient.		
Funds Expended	0	38,000
Year-End Fund Balance	629,100	791,100
Oral Health HSA2329/A.R.S. § 36-138)		Non-Appropriated
Source of Revenue: Monies received from Arizona Health Care Cost Containment System (AHCCCS) contracts for dental services.		
Purpose of Fund: To provide dental services to Medicaid-eligible children identified by the DHS Oral Health program.		
Funds Expended	0	62,600
Year-End Fund Balance	0	0
Poison Control (HSA2112/Laws 1999, Chapter 176)		Appropriated
Source of Revenue: Revenues from the Telecommunications Services Excise Tax, which is a 1.1% surcharge on local telephone bills. The fund receives revenues from this tax equal to 0.3% of local telephone bills. The remainder of the surcharge, equal to 0.8% of local telephone bills, is allocated to the Telecommunication Devices for the Deaf (TDD) Fund, administered by the Commission for the Deaf and the Hard of Hearing.		
Purpose of Fund: To fund the Poison Control Center, located in Maricopa County, and the University of Arizona Poison Control Center, which provide poison control education, services, and treatment information.		
Funds Expended	1,850,000	1,850,000
Year-End Fund Balance	1,926,100	2,559,700
Prescription Drug Advisory Council (HSA9740/Laws 2002, Chapter 67)		Non-Appropriated
Source of Revenue: Gifts, grants and donations.		
Purpose of Fund: To fund costs associated with providing administrative support and assistance to the Council. DHS may only provide support and assistance to the Council if a minimum of \$100,000 is deposited in this fund.		
Funds Expended	0	19,800
Year-End Fund Balance	0	80,200
Risk Assessment (HSA2427/A.R.S. § 36-1693)		Non-Appropriated
Source of Revenue: Fees collected from persons, private entities, or state agencies other than the Department of Environmental Quality, for risk assessments performed by DHS. The fund may also receive legislative appropriations, gifts, grants, or donations. In FY 2001, FY 2002, and FY 2003, the fund receives transfers of \$216,000 each year from the Water Quality Assurance Revolving Fund.		
Purpose of Fund: To conduct health effects studies and risk assessments of public health risks from environmental exposure, to evaluate and calculate cleanup standards, to communicate health risks to the public, and for administrative costs of those activities.		
Funds Expended	125,600	216,000
Year-End Fund Balance	121,100	121,100
Serious Mental Illness Services (HSA2464/A.R.S. § 36-503.02)		Non-Appropriated
Source of Revenue: Monies appropriated from the Tobacco Litigation Settlement Account, other legislative appropriations and interest earned on these monies. The fund received a one-time appropriation of \$70,000,000 from tobacco settlement funds in FY 2001.		
Purpose of Fund: To fund Community Housing, Vocational Rehabilitation, and other recovery support services to persons with serious mental illnesses.		
Funds Expended	21,777,700	18,945,900
Year-End Fund Balance	18,945,900	0

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Spinal and Head Injuries Trust (HSA2335/A.R.S. § 36-211)		Appropriated
Source of Revenue: Revenues consist of a 13% penalty assessment on fines, violations, forfeitures, and penalties imposed by the courts for criminal offenses, civil motor vehicle statute violations, and game and fish violations. The fund also receives 22% of monies deposited in the Medical Services Enhancement Fund..		
Purpose of Fund: To provide for costs associated with the prevention and rehabilitation of spinal and head injuries. DHS received a one-time appropriation from this fund in FY 2002 for costs associated with trauma centers.		
Funds Expended	3,000,000	0
Year-End Fund Balance	0	0
State Hospital Land Earnings (HSA3128/A.R.S. § 36-211)		Appropriated
Source of Revenue: Monies received from interest on the Arizona State Hospital's Permanent Land Fund, as established through Arizona's Enabling Act, Section 25, and the monies derived from the lease of these lands and miscellaneous revenue.		
Purpose of Fund: For the benefit and support of the Arizona State Hospital.		
Funds Expended	389,200	650,000
Year-End Fund Balance	603,400	379,700
Substance Abuse Services (HSA2227/A.R.S. § 36-2005)		Appropriated
Source of Revenue: The fund receives 23.6% of monies collected from Medical Services Enhancement Fund, which is a 13% penalty levied on criminal offenses, motor vehicle civil violations and game and fish violations. Monies are deposited into 2 subaccounts.		
Purpose of Fund: To provide alcohol and other drug screening, education or treatment for persons court-ordered to attend and who do not have the financial ability to pay for the services, to contract for preventive or rehabilitative and substance abuse services, and to provide priority for treatment services to pregnant substance abusers.		
Funds Expended	1,850,000	3,350,000
Year-End Fund Balance	2,243,300	344,300
Temporary Assistance for Needy Families (TANF) (HSA2007/A.R.S. § 35-142)		Appropriated
Source of Revenue: Federal TANF funds.		
Purpose of Fund: To provide perinatal services for women under 30 who are eligible for TANF or Arizona Works, and to provide abstinence-only education programs intended to prevent out-of-wedlock pregnancy.		
Funds Expended	480,900	100,000
Year-End Fund Balance	86,600	6,600
Title XIX Services and County Contributions (HSA2144/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: The fund receives federal match dollars for treating behavioral health problems in Title XIX-eligible persons, federal match dollars for Title XIX-eligible persons in the Children's Rehabilitative Services (CRS) program, and Maricopa and Pima Counties' contributions for treating persons with behavioral health problems.		
Purpose of Fund: This fund is simply a receiving account. Revenues and expenditures related to behavioral health and the CRS program have been separated from the Agreements Fund for information purposes.		
Funds Expended	231,897,800	366,945,500
Year-End Fund Balance	0	0
Arizona Tobacco Litigation Settlement (A.R.S. § 36-2901.02)		Non-Appropriated
Source of Revenue: Monies received from the Tobacco Litigation Master Settlement Agreement. Funds are transferred to this account for DHS programs. <i>(See AHCCCS section for further detail on this fund.)</i>		
Purpose of Fund: Monies are used for Public Health programs established by Proposition 204, as well as Behavioral Health.		
Funds Expended	42,574,800	46,809,500
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Tobacco Tax and Health Care - Health Crisis Fund (HSA2312/A.R.S. § 36-797)		Non-Appropriated
Source of Revenue: The account receives transfers from the Medically Needy Account, which is managed by AHCCCS. The transfers shall be sufficient to maintain an annual fund balance of \$1,000,000.		
Purpose of Fund: Monies may only be used for expenses incurred for a health crisis which is declared by the Governor by Executive Order. The fund balance shall not exceed \$1,000,000 but may fall below that amount during a fiscal year as a result of approved expenditures. Expenditures shall not exceed \$1,000,000 annually.		
Funds Expended	1,000,000	1,000,000
Year-End Fund Balance	0	0
Tobacco Tax and Health Care - Health Education Account (HSA1308/A.R.S. § 36-772)		Non-Appropriated
Source of Revenue: The account receives 23¢ of each dollar deposited in the Tobacco Tax and Health Care Fund.		
Purpose of Fund: Monies are used for community-based education and evaluation, and other programs to discourage tobacco use among the general public, specifically targeting minors and culturally diverse populations.		
Transfer to Other Accounts	25,000,000	5,000,000
Transfer to AHCCCS	2,822,000	0
Funds Expended	25,431,900	21,103,300
Year-End Fund Balance	4,250,700	4,643,000
Tobacco Tax and Health Care - Health Research Account (DSA2096/A.R.S. § 36-773)		Non-Appropriated
Source of Revenue: The account receives 5¢ of each dollar deposited in the Tobacco Tax and Health Care Fund.		
Purpose of Fund: Monies are used for research into the prevention and treatment of tobacco-related disease and addiction.		
Appropriated Funds Expended	0	5,500,000
Non-Appropriated Funds Expended	5,364,300	8,016,800
Year-End Fund Balance	4,022,800	0
Tobacco Tax and Health Care - Subsidiary Medically Needy Account (HSA1306/A.R.S. § 36-774)		Non-Appropriated
Source of Revenue: The account receives funding from the Medically Needy Account of the Tobacco Tax and Health Care Fund, which is managed by AHCCCS. The fund shows \$0 Year-End Balances because all monies remaining unexpended at the end of the fiscal year revert to the AHCCCS Medically Needy Account. <i>(See Tobacco Tax Table in the AHCCCS section or in the Public Health section for more detailed information.)</i>		
Purpose of Fund: Monies are used for a variety of health programs that are intended to increase primary care and mental health services for uninsured and low-income populations.		
Appropriated Funds Expended	14,141,000	17,817,000
Non-Appropriated Funds Expended	14,926,500	15,347,800
Year-End Fund Balance	0	0
Vital Records Electronic Systems (HSA9739/A.R.S. § 36-342.01)		Non-Appropriated
Source of Revenue: 40% of fees collected for searches, copies of records, applications to file delayed records, requests for supplementary birth certificates, following adoption, legitimation, paternity determination, surgical alterations, and chromosomal counts, or amendments to existing records.		
Purpose of Fund: To develop a new vital records automated system.		
Funds Expended	0	300,000
Year-End Fund Balance	0	400,000

* As reported by the agency. Actual ending balance will not be negative.

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