

# Arizona Health Care Cost Containment System

## Summary

JLBC: Tim Sweeney  
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DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC
<b>PROGRAM BUDGET</b>			
Administration	156,501,300	172,744,800	166,255,300
Acute Care	3,000,025,100	3,319,263,000	3,872,151,800
Long-Term Care	793,693,600	893,316,200	999,657,100
<b>AGENCY TOTAL</b>	<b>3,950,220,000</b>	<b>4,385,324,000</b>	<b>5,038,064,200</b>

OPERATING BUDGET	3,112.8	3,087.8	3,096.8
<i>Full Time Equivalent Positions</i>			
Personal Services	30,993,300	34,545,900	34,739,900
Employee Related Expenditures	9,681,000	11,027,300	11,667,600
Professional and Outside Services	3,210,200	3,077,100	3,077,100
Travel - In State	83,900	232,100	232,100
Travel - Out of State	13,600	29,600	29,600
Other Operating Expenditures	8,883,200	11,099,900	10,523,600
Equipment	3,030,400	2,409,900	964,900
<b>OPERATING SUBTOTAL</b>	<b>55,895,600</b>	<b>62,421,800</b>	<b>61,234,800</b>
Special Line Items (SLI)	3,894,324,400	4,322,902,200	4,976,829,400
<b>AGENCY TOTAL</b>	<b>3,950,220,000</b>	<b>4,385,324,000</b>	<b>5,038,064,200</b>

<b>FUND SOURCES</b>			
General Fund	674,230,000	860,921,300	1,083,785,500
<u>Other Appropriated Funds</u>			
Budget Neutrality Compliance Fund	5,324,600	5,566,700	5,884,000
Children's Health Insurance Program Fund	83,448,000	82,930,200	69,577,000
County Contribution Fund	7,451,700	7,446,500	0
Donations Fund	1,745,500	0	0
Healthcare Group Fund	0	3,207,400	3,530,500
Risk Management Fund	268,900	0	0
TPTF Emergency Health Services Account	26,222,800	25,829,500	25,916,600
TTHCF Medically Needy Account	77,857,100	78,532,600	75,348,200
SUBTOTAL - Other Appropriated Funds	<u>202,318,600</u>	<u>203,512,900</u>	<u>180,256,300</u>
<b>SUBTOTAL - Appropriated Funds</b>	<b>876,548,600</b>	<b>1,064,434,200</b>	<b>1,264,041,800</b>
<u>Expenditure Authority Funds</u>			
County Funds	246,748,700	279,570,000	298,427,600
Federal Title XIX Funds	2,589,655,500	2,865,428,200	3,378,231,500
Federal Title XXI Funds	135,918,800	77,960,500	0
Third Party Collections	1,233,600	194,700	194,700
Tobacco Settlement Fund	45,047,000	43,494,600	42,743,700
TPTF Proposition 204 Protection Account	55,067,800	54,241,800	54,424,900
SUBTOTAL - Expenditure Authority Funds	<u>3,073,671,400</u>	<u>3,320,889,800</u>	<u>3,774,022,400</u>
<b>SUBTOTAL - Appropriated/Expenditure Authority Funds</b>	<b>3,950,220,000</b>	<b>4,385,324,000</b>	<b>5,038,064,200</b>
Other Non-Appropriated Funds	55,181,000	68,173,300	84,608,200
Federal Funds	57,071,800	59,421,500	63,367,200
<b>TOTAL - ALL SOURCES</b>	<b>4,062,472,800</b>	<b>4,512,918,800</b>	<b>5,186,039,600</b>

<b>CHANGE IN FUNDING SUMMARY</b>		FY 2005 to FY 2006 JLBC	
		\$ Change	% Change
General Fund		222,864,200	25.9%
Other Appropriated Funds		(23,256,600)	(11.4%)
Expenditure Authority Funds		453,132,600	13.6%
Total Appropriated/Expenditure Authority Funds		<u>652,740,200</u>	14.9%
Non Appropriated Funds		20,380,600	16.0%
Total - All Sources		<u>673,120,800</u>	14.9%

**AGENCY DESCRIPTION** — The Arizona Health Care Cost Containment System (AHCCCS) is Arizona’s alternative to a traditional fee-for-service Medicaid system. Started in 1982, AHCCCS operates on a health maintenance organization model in which contracted providers receive a predetermined monthly capitation payment for the medical services cost of enrolled members. AHCCCS members gain eligibility through a variety of federal and state programs. In some cases, eligibility based on federal programs is tied to the applicant also being eligible for a cash assistance program, such as Supplemental Security Income (SSI). Although another cash assistance program, Aid to Families with Dependent Children (AFDC), was replaced and its automatic link to eligibility severed, citizens who meet AFDC eligibility criteria as of July 16, 1996 remain eligible for AHCCCS. Low-income pregnant women and children can qualify under a federal “medical assistance only” category. Individuals not qualifying under one of these programs, but with incomes below 100% of the Federal Poverty Level (FPL), can qualify for health coverage under Proposition 204. In addition to an acute medical services program, AHCCCS also operates the Arizona Long-Term Care System (ALTCS), a Medicaid program that provides long-term nursing care in nursing facilities or home and community based settings.

<b>PERFORMANCE MEASURES</b>	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• % of people under age 65 that are uninsured	NA	NA	24	24
• % of children (under 18 years) that are uninsured	NA	NA	22	--

**Comments:** The agency did not submit information for any measure labeled as “NA.”

**RECOMMENDED CHANGES FROM FY 2005**

		<u>FY 2006</u>
<u>Administration</u>		
Lease-Purchase Payoff	GF	\$(1,445,000)
Move SLI Administration to Administration Cost Center	GF EA	129,000 129,000
Elimination of Healthcare Group General Fund Reinsurance Subsidy	GF	(4,000,000)
Healthcare Group Standard Changes	OF	(1,900)
FTE Authority to Match Healthcare Group Appropriation	OF	0
Healthcare Group Phone System Improvements	OF	325,000
Elimination of KidsCare Parents Administration	GF OF	(445,300) (1,497,600)
BNCF Statutory Calculation	OF	317,300
<u>Acute Care</u>		
Traditional Medicaid Caseload and Capitation Rate Growth	GF EA	120,360,500 239,731,100
Proposition 204 Caseload and Capitation Rate Growth	GF EA	76,833,000 152,785,200
Eliminate One-Time Surveys	GF EA	(250,000) (509,800)
Decreased Tobacco Settlement Fund Revenue	GF EA	750,900 (750,900)

Decreased Tobacco Tax Revenue	GF	2,914,200
	OF	(3,097,300)
	EA	183,100
Elimination of Enhanced Title XXI Match Rate	GF EA	9,897,900 (9,897,900)
KidsCare Caseload and Capitation Rate Growth (Children Only)	GF OF	1,867,900 11,289,000
Eliminate KidsCare Parents Services	GF OF	(6,882,100) (23,144,600)
Revised Federal DSH Allotment	GF EA	(6,080,400) (13,525,500)
Statutory GME Inflation Adjustment	GF EA	295,800 376,700
Move SLI Administration to Administration Cost Center	GF EA	(129,000) (129,000)
Revised Critical Access Hospitals Federal Matching Percentage	GF EA	5,100 (5,100)
<u>Long Term Care</u>		
Caseload and Capitation Rate Growth	GF EA	21,595,200 84,745,700
Expiration of County Contribution Fund	GF OF	7,446,500 (7,446,500)

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**JLBC RECOMMENDED FORMAT** — Varies by Program

**OTHER ISSUES FOR LEGISLATIVE CONSIDERATION**

**FY 2005 Supplemental**

The JLBC recommends FY 2005 supplemental adjustments totaling \$215,269,000 for revised caseload estimates in the Traditional Medicaid, Proposition 204, and KidsCare, and ALTCS populations. This amount consists of the following adjustments:

General Fund	58,210,000
CHIP Fund	9,352,300
Proposition 204 Protection Acct.	2,877,200
Medically Needy Account	(583,200)
Emergency Health Services Account	616,000
County Funds	5,612,100
Federal Expenditure Authority	139,184,600

These recommendations are discussed further in the Acute Care and ALTCS sections. The number table at the beginning of this section has not been updated to reflect the recommended supplemental appropriations.

**Medicare Modernization Act**

The Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA) includes several provisions that will affect state Medicaid programs, including, but not limited to, the following:

- Beginning January 1, 2006, the MMA shifts responsibility for prescription drug costs for those who are eligible for both Medicare and Medicaid (“dual-eligibles”) from state Medicaid programs to Medicare. This provision will result in capitation rate savings in the Acute Care and ALTCS sections, as AHCCCS will no longer be responsible for prescription costs for these members.
- States will be required to make “clawback” payments to Medicare. In order to offset the increased cost to Medicare, states will be required to make payments to Medicare based on a percent of what they would have otherwise spent on prescriptions for dual-eligibles; in FY 2006, this “clawback” percent will be 90%. This provision will result in additional costs to AHCCCS, in both the Acute Care and ALTCS sections, that should be comparable (though not necessarily equal) to the savings associated with transferring prescription coverage for this population to Medicare. Preliminary

estimates indicate that these “clawback” payments could total approximately \$34 million in FY 2006, between the Acute Care and ALTCS programs.

- State Medicaid programs will be responsible for administering the low-income subsidy included in the MMA. State Medicaid agencies and the Social Security Administration will be responsible for determining eligibility for the low-income subsidy that will be provided through Medicare. This requirement may result in additional administrative costs for AHCCCS, and the agency is requesting \$683,300 from the General Fund in FY 2006 for this purpose. This funding, however, has not been added as it is difficult to estimate participation in advance.
- States will be required to screen Medicare beneficiaries seeking the low-income subsidy to determine if they are eligible for Medicaid, and to offer enrollment if they are eligible. This requirement may produce “woodwork” effects increasing AHCCCS enrollment in the Acute Care and ALTCS programs.
- States will have options to fill-in gaps in the Medicare coverage. Dual-eligibles receiving prescriptions through Medicare will be required to make \$1-\$3 co-payments for prescriptions drugs (no co-payments are required under Medicaid). States may choose to subsidize these co-payments using 100% state funds, and AHCCCS is seeking \$2,585,500 from the General Fund in FY 2006 for this purpose. States may also fund prescriptions that are not covered through the new Medicare benefit by using 100% state funds.

Details surrounding these and other provisions of the MMA are still being finalized. Therefore, the specific effect the MMA will have on Arizona and AHCCCS is unknown at this point.

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
<b>Budget Neutrality Compliance (HCA2478/A.R.S. § 36-2928)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> County contributions.		
<b>Purpose of Fund:</b> To provide administrative funding for costs associated with the implementation of the Proposition 204 expansion. Proposition 204 shifted some county administrative functions to the state, for which the counties now compensate the state.		
<b>Funds Expended</b>	5,324,600	5,566,700
<b>Year-End Fund Balance</b>	2,200	0

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
<b>Children's Health Insurance Program (HCA2409/A.R.S. § 36-2995)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Includes the federal Title XXI matching monies for Arizona's State Children's Health Insurance Program (SCHIP), called KidsCare. General Fund monies are used to leverage the federal monies and are not included in the reported CHIP Fund expenditures.		
<b>Purpose of Fund:</b> To provide health insurance for low-income children 19 years of age and under. The eligibility limit for the program has been set at 200% of the Federal Poverty Level, which is approximately \$36,800 for a family of 4.		
<b>Funds Expended</b>	83,448,000	82,930,200
<b>Year-End Fund Balance</b>	2,248,100	0
<b>County Contributions (HCA2120 Acute Care/HCA2223 Long Term Care/ A.R.S. § 36-2912 Acute Care/A.R.S. § 36-2953 Long Term Care)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Statutorily prescribed county contributions.		
<b>Purpose of Fund:</b> For the provision of acute medical and long term care services to AHCCCS eligible populations. County contributions and state General Fund appropriations serve as the state match for federal Medicaid (Title XIX) dollars.		
<b>Funds Expended</b>	246,748,700	279,570,000
<b>Year-End Fund Balance</b>	0	0
<b>County Contribution (Laws 2003, Chapter 263)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Statutorily prescribed county contributions for FY 2004 and FY 2005.		
<b>Purpose of Fund:</b> For the provision of long term care services to AHCCCS eligible populations. County contributions and state General Fund appropriations serve as the state match for federal Medicaid (Title XIX) dollars.		
<b>Funds Expended</b>	7,451,700	7,446,500
<b>Year-End Fund Balance</b>	0	0
<b>Donations (HCA3197/ A.R.S. § 36-2913)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Through FY 2004, premiums paid by employers and employees enrolled in Healthcare Group. Beginning in FY 2005, this fund no longer receives revenue from Healthcare Group premiums.		
<b>Purpose of Fund:</b> Through FY 2004, monies were appropriated from this fund to provide for administrative costs of the Healthcare Group program. Beginning in FY 2005, administrative funding is appropriated from the Healthcare Group Fund.		
<b>Funds Expended</b>	1,745,500	0
<b>Year-End Fund Balance</b>	0	0
<b>Employee Recognition (HCA2025/A.R.S. § 36-2903)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Private donations.		
<b>Purpose of Fund:</b> To be used for the agency's employee recognition program.		
<b>Funds Expended</b>	18,100	18,100
<b>Year-End Fund Balance</b>	11,300	0
<b>Federal (HCA2120 Acute Care/HCA2223 Long Term Care/ A.R.S. § 36-2913 Acute Care/A.R.S. § 36-2953 Long Term Care)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal funding through the U.S. Department of Health & Human Services, Centers for Medicare and Medicaid Services.		
<b>Purpose of Fund:</b> For AHCCCS' administrative costs and for the provision of acute and long term care services to categorically eligible populations.		
<b>Funds Expended</b>	2,725,574,300	2,943,388,700
<b>Year-End Fund Balance</b>	0	0

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
<b>Federal - Medicaid in the Public Schools (MIPS) (HCA2120/A.R.S. § 36-2913)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal funding through the U.S. Department of Health & Human Services, Centers for Medicare and Medicaid Services.		
<b>Purpose of Fund:</b> To reimburse schools participating in the MIPS program for services provided to children with disabilities who are Title XIX eligible. All federal Medicaid monies must flow through AHCCCS, therefore, the Title XIX monies are obtained by AHCCCS and then passed on to the participating schools.		
<b>Funds Expended</b>	56,784,100	58,589,400
<b>Year-End Fund Balance</b>	0	0
<b>Federal Grants (HCA2000/A.R.S. § 36-2913)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grant monies.		
<b>Purpose of Fund:</b> To provide funding for the Healthy Start South Phoenix Project and the Healthy Start Infrastructure/Capacity Building Projects.		
<b>Funds Expended</b>	287,700	832,100
<b>Year-End Fund Balance</b>	2,200	0
<b>Healthcare Group (HCA3197/A.R.S. § 36-2912.01)</b>		<b>Partially-Appropriated</b>
<b>Source of Revenue:</b> Beginning in FY 2005, premiums paid by employers and employees enrolled in Healthcare Group, including monies to fund the administration of the Healthcare Group program. Monies will no longer be deposited into the Donations Fund.		
<b>Purpose of Fund:</b> Beginning in FY 2005, a portion of this fund is appropriated to fund the administrative costs of Healthcare Group, instead of the Donations Fund. The rest of the fund is non-appropriated, and used to pay medical claims for members of Healthcare Group. Healthcare Group is operated by AHCCCS, and is a premium based health insurance program available to small businesses and self-employed persons. In both FY 2004 and FY 2005, \$4,000,000 is appropriated from the General Fund for reinsurance costs of the program.		
<b>Funds Expended - Administration (Appropriated)</b>	0	3,207,400
<b>Funds Expended - Services (Non-Appropriated)</b>	34,324,600	43,176,200
<b>Year-End Fund Balance</b>	6,404,500	1,598,300
<b>Intergovernmental Service (HCA2438/A.R.S. § 36-2927)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies collected from the State of Hawaii.		
<b>Purpose of Fund:</b> To be used for costs associated with information technology services provided by AHCCCS to the State of Hawaii for the design, development, implementation, operation, and maintenance of a Medical Management Information System.		
<b>Funds Expended</b>	7,366,700	8,779,200
<b>Year-End Fund Balance</b>	1,606,200	25,000
<b>Proposition 202 - Trauma &amp; Emergency Services (HCA2494/A.R.S. § 36-2903.07)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Receives gaming monies from the Arizona Benefits Fund.		
<b>Purpose of Fund:</b> For unrecovered trauma center readiness and emergency services costs.		
<b>Funds Expended</b>	6,098,400	15,106,900
<b>Year-End Fund Balance</b>	5,091,900	8,490,900
<b>Third Party Collections (HCA3791 Acute Care/HCA3019 Long Term Care/A.R.S. § 36-2913)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Collections from third-party payers and revenues from lien and estate recoveries.		
<b>Purpose of Fund:</b> To provide acute medical services to AHCCCS members. Of funds expended, \$1,233,600 in FY 2004 and \$194,700 in FY 2005 are used as programmatic offsets and are included in AHCCCS expenditure authority. The remainder represents contractor costs, and is non-appropriated.		
<b>Funds Expended</b>	2,218,900	1,112,000
<b>Year-End Fund Balance</b>	1,902,600	1,821,600

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
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**Arizona Tobacco Litigation Settlement Fund (TRA2561/A.R.S. § 36-2901.02) Non-Appropriated**

**Source of Revenue:** Monies received from tobacco companies as part of a lawsuit settlement.

**Purpose of Fund:** Established by Proposition 204 (enacted in the 2000 General Election) to provide funding to expand the AHCCCS program to 100% of the Federal Poverty Level and for 6 public health programs. Also includes previously enacted appropriations.

Balance Forward	13,200	0
Tobacco Settlement Payments and Interest	<u>92,648,200</u>	<u>90,304,100</u>
<b>Total Available</b>	92,661,400	90,304,100
<b>Funds Expended</b>		
AHCCCS Proposition 204 State Match	45,047,000	43,494,600
Administrative Adjustments	804,900	0
<b>Transfers</b>		
ASH Construction	0	0
Behavioral Health	46,809,500	46,809,500
Healthy Families	0	0
AZ Health Education System	0	0
Teenage Pregnancy Prevention	0	0
Disease Control Research	0	0
Health Start	0	0
WIC Food Program	<u>0</u>	<u>0</u>
<b>Total</b>	46,809,500	46,809,500
<b>Year End Fund Balance</b>	0	0

**Tobacco Tax and Health Care (RVA1306/A.R.S. § 36-771) Non-Appropriated**

**Source of Revenue:** The fund consists of certain tax monies collected on cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and all interest earned on these monies.

**Purpose of Fund:** To Arizona Health Care Cost Containment System (AHCCCS) for the Medically Needy Account (70%), the Arizona Department of Health Services (DHS) for the Health Education Account (23%), the Health Research Account (5%), and the State Department of Corrections (DOC) for the Corrections Fund Adjustment Account (2%). Under A.R.S. § 36-775, the amount transferred to the Corrections Fund Account is to reflect only the actual amount needed to offset decreases in the Corrections Fund resulting from lower tax revenues. Any unexpended Corrections Fund Adjustment Account amounts are to be transferred out proportionally to the other 3 accounts.

Please see the table following the summary of funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Tax and Health Care Fund.

**Tobacco Tax and Health Care - Medically Needy Account (HCA1306/A.R.S. § 36-774) Non-Appropriated**

**Source of Revenue:** The account receives 70¢ of each dollar deposited in the Tobacco Tax and Health Care Fund, administered by the Department of Revenue, and 27¢ of each dollar deposited into the Tobacco Products Tax Fund, also administered by the Department of Revenue. The fund also receives a portion of the monies reverting from the Corrections Fund Adjustment Account and an allocation from the Healthcare Adjustment Account.

**Purpose of Fund:** For health care services including, but not limited to, preventive care, transplants and the treatment of catastrophic illness or injury. Eligible recipients include persons statutorily determined to be medically indigent, medically needy, or low-income children. A portion of the monies is transferred to the DHS for statutorily established services, grants and pilot programs.

Please see the table following the summary of funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Tax and Health Care Fund.

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
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**Tobacco Tax and Health Care - Premium Sharing Demonstration Project** (HCA2151/A.R.S. § 36-2923)

**Non-Appropriated**

**Source of Revenue:** Consisted of annual transfers from the Tobacco Tax and Health Care Fund - Medically Needy Account and premiums collected from participants of the Premium Sharing Program. The Premium Sharing Program was eliminated in FY 2004, and no deposits have been made since FY 2003.

**Purpose of Fund:** To provide medical services to eligible members through a cost sharing arrangement. This program was eliminated in FY 2004, and the FY 2005 expenditures are expected to pay all remaining claims and close out the program.

Please see the table following the Summary of Funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Tax and Health Care Fund.

**Tobacco Products Tax** (RVA1310/A.R.S. § 36-770)

**Partially-Appropriated**

**Source of Revenue:** The fund consists of certain tax monies collected on cigarettes, cigars, smoking tobacco, plug tobacco, snuff and other forms of tobacco, and all interest earned on these monies. These taxes were enacted in Proposition 303, approved by voters in the 2002 General Election.

**Purpose of Fund:** To Arizona Health Care Cost Containment System (AHCCCS) for the Proposition 204 Protection Account (42%), Medically Needy Account (27%), and the Emergency Health Services Account (20%), the Arizona Department of Health Services (DHS) for the Health Education Account (2%), the Health Research Account (5%), and the Healthcare Adjustment Account (4%).

Please see the table following the summary of funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Products Tax Fund.

**Tobacco Products Tax - Proposition 204 Protection Account** (HCA1303/A.R.S. § 36-778)

**Non-Appropriated**

**Source of Revenue:** This account receives 42¢ of each dollar deposited into the Tobacco Products Tax Fund, administered by the Department of Revenue.

**Purpose of Fund:** To fund state match costs in AHCCCS for the Proposition 204 program. These monies are non-appropriated and must be spent before any other state monies on the Proposition 204 program.

Please see the table following the summary of funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Products Tax Fund.

**Tobacco Products Tax - Emergency Health Services Account** (HCA1304/A.R.S. § 36-776)

**Appropriated**

**Source of Revenue:** This account receives 20¢ of each dollar deposited into the Tobacco Products Tax Fund, administered by the Department of Revenue.

**Purpose of Fund:** For primary care services, reimbursement of uncompensated care costs, and trauma center readiness costs.

Please see the table following the summary of funds for consolidated information on the expenditures from each account receiving a distribution from the Tobacco Products Tax Fund.

<b>Tobacco Tax and Health Care Fund and Tobacco Products Tax Fund</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Medically Needy Account</b>		
<u>Funds Available</u>		
Balance Forward	\$3,591,900	\$0
Transfer In - Tobacco Tax and Health Care Fund	70,167,800	68,024,300 <sup>1/</sup>
Transfer In - Health Education Account	0	0
Transfer In - Tobacco Products Tax Fund	37,564,700	39,477,800 <sup>1/</sup>
Interest and Revertments	(130,100)	767,500
<b>Total Funds Available</b>	<b>\$111,194,300</b>	<b>\$108,269,600</b>
 <b>AHCCCS Allocations</b>		
<u>GF Offsets</u>		
Traditional Medicaid State Match Appropriation	59,445,900	57,991,500
Proposition 204 State Match Appropriation	17,318,800	20,541,100
 <u>Other AHCCCS Funding</u>		
Transplants	11,600	100,000
Adult Emergency Dental Care State Match	1,092,400	0
 Total AHCCCS Allocations	 77,868,700	 78,632,600
 <b>DHS Allocations</b>		
Behavioral Health GF Offset	28,297,600	29,424,800
DHS Health Crisis Fund	969,800	795,400
<b>Total DHS Allocations</b>	<b>29,267,400</b>	<b>30,220,200</b>
 <b>Total AHCCCS/DHS Allocations</b>	 <b>\$107,136,100</b>	 <b>\$108,852,800</b>
<b>Administrative Adjustments</b>	<b>4,058,200</b>	<b>0</b>
<b>Balance Forward</b>	<b>\$0</b>	<b>\$(583,200) <sup>2/</sup></b>
 <b>AHCCCS Premium Sharing Fund</b>		
<u>Funds Available</u>		
Balance Forward	\$6,299,700	\$75,600
Transfer In - Tobacco Tax Medically Needy	0	0
Interest Revenue	78,100	0
Premiums Collected	74,100	0
<b>Total Funds Available</b>	<b>\$6,451,900</b>	<b>\$75,600</b>
 <u>Allocations</u>		
Administrative Expenses	\$84,500	\$0
Services	6,291,800	75,600
<b>Balance Forward</b>	<b>\$75,600</b>	<b>\$0</b>
 <b>AHCCCS Proposition 204 Protection Account</b>		
<u>Funds Available</u>		
Balance Forward	\$0	\$0
Transfer In - Tobacco Products Tax Fund	58,433,900	55,535,600 <sup>1/</sup>
Transfer In - Emergency Health Services Account	0	1,583,400
Interest Revenue	21,900	0
<b>Total Funds Available</b>	<b>\$58,455,800</b>	<b>\$57,119,000</b>
 <u>Allocations</u>		
AHCCCS State Match	\$55,067,800	\$57,119,000 <sup>1/</sup>
Administrative Adjustments	3,388,000	0
<b>Balance Forward</b>	<b>\$0</b>	<b>\$0</b>

Tobacco Tax and Health Care Fund and Tobacco Products Tax Fund (Continued)	FY 2004	FY 2005
<b>AHCCCS Emergency Health Services Account</b>		
<u>Funds Available</u>		
Balance Forward	\$0	\$0
Transfer In - Tobacco Products Tax Fund	27,825,700	26,445,500 <sup>1/</sup>
Interest Revenue	46,900	0
<b>Total Funds Available</b>	<b>\$27,872,600</b>	<b>\$26,445,500</b>
<u>Allocations</u>		
AHCCCS State Match Appropriation	\$21,222,800	\$25,829,500
Trauma Center Appropriation	5,000,000	0
Administrative Adjustments	66,400	0
Transfer to Proposition 204 Protection Account	1,583,400	0
<b>Balance Forward</b>	<b>\$0</b>	<b>\$616,000</b>
<b>DHS Health Crisis Fund</b>		
<u>Funds Available</u>		
Balance Forward	\$30,200	\$204,600
Transfer In - AHCCCS Medically Needy Account	969,800	795,400
<b>Total Funds Available</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<u>Allocations</u>		
Allocation	\$795,400	\$1,000,000
<b>Balance Forward</b>	<b>\$204,600</b>	<b>\$0</b>
<b>DHS Health Education Account</b>		
<u>Funds Available</u>		
Balance Forward	\$1,611,000	\$5,777,300
Transfer In - Tobacco Tax and Health Care Fund	22,996,400	22,350,800
Transfer In - Tobacco Products Tax Fund	2,782,600	3,887,500
Interest Revenue	51,500	160,100
<b>Total Funds Available</b>	<b>\$27,441,500</b>	<b>\$32,175,700</b>
<u>Allocations</u>		
DHS Operating	\$22,593,600	\$29,531,100
Leading Causes of Death - Prevention and Detection	370,300	2,644,600
Administrative Adjustments / Encumbrances	(1,299,700)	0
<b>Balance Forward</b>	<b>\$5,777,300</b>	<b>\$0</b>
<b>DHS Health Research Account</b>		
<u>Funds Available</u>		
Balance Forward	\$3,826,400	\$3,864,000
Transfer In - Tobacco Tax and Health Care Fund	4,999,100	4,858,900
Transfer In - Tobacco Products Tax Fund	6,956,400	6,881,100
Interest Revenue	58,500	78,000
<b>Total Funds Available</b>	<b>\$15,840,400</b>	<b>\$15,682,000</b>
<u>Allocations</u>		
Disease Control Research Commission	\$5,476,400	\$5,970,300
Alzheimers	1,000,000	1,000,000
Biotechnology (Laws 2002, Ch. 186)	500,000	500,000
Biotechnology (Laws 2002, Ch. 320)	5,000,000	5,000,000
Administrative Adjustments	0	2,198,100
<b>Balance Forward</b>	<b>\$3,864,000</b>	<b>\$1,013,600</b>
<sup>1/</sup> Based on revised FY 2005 Tobacco Tax revenue estimate; non-appropriated expenditures do not match Summary numbers table		
<sup>2/</sup> Based on current FY 2005 appropriation; actual ending balance will not be negative.		

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