

Department of Health Services

Family Health

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DESCRIPTION	FY 2005 ACTUAL	FY 2006 ESTIMATE	FY 2007 JLBC
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	89.8	89.8	96.8
Personal Services	2,406,800	2,720,400	2,720,400
Employee Related Expenditures	728,100	890,200	890,200
Professional and Outside Services	276,100	152,900	152,900
Travel - In State	27,900	33,000	33,000
Travel - Out of State	4,700	1,800	1,800
Other Operating Expenditures	1,218,000	1,600,100	1,600,100
Equipment	64,700	0	0
OPERATING SUBTOTAL	4,726,300	5,398,400	5,398,400
SPECIAL LINE ITEMS			
Children's Rehabilitative Services	3,587,000	3,587,000	3,587,000
AHCCCS-Children's Rehabilitative Services	43,009,400	53,934,900	56,500,200
Medicaid Special Exemption Payments	933,900	1,176,900	1,220,800
Adult Cystic Fibrosis	105,200	105,200	105,200
Adult Sickle Cell Anemia	33,000	33,000	33,000
Child Fatality Review Team	97,400	100,000	100,000
County Prenatal Services Grant	804,000	1,148,500	1,148,500
Health Start	0	226,600	226,600
High Risk Perinatal Services	2,806,900	3,630,600	3,630,600
Newborn Screening Program	2,942,800	3,240,700	5,480,100
County Nutrition Services	265,500	330,300	330,300
Breast and Cervical Cancer Screening	687,300	1,091,200	1,091,200
Abstinence Funding	0	1,000,000	1,000,000
Folic Acid	0	200,000	200,000
Ch 314, Professions and occupations; shortage	0	200,000	0
PROGRAM TOTAL	59,998,700	75,403,300	80,051,900
FUND SOURCES			
General Fund	25,289,600	32,440,100	33,387,300
<u>Other Appropriated Funds</u>			
Child Fatality Review Fund	97,400	100,000	100,000
Emergency Medical Services Operating Fund	379,700	450,000	450,000
Newborn Screening Program Fund	2,942,800	3,240,700	5,480,100
TTHCF Medically Needy Account	0	200,000	200,000
SUBTOTAL - Other Appropriated Funds	3,419,900	3,990,700	6,230,100
SUBTOTAL - Appropriated Funds	28,709,500	36,430,800	39,617,400
<u>Expenditure Authority Funds</u>			
Federal Title XIX Funds	31,289,200	38,972,500	40,434,500
SUBTOTAL - Expenditure Authority Funds	31,289,200	38,972,500	40,434,500
SUBTOTAL - Appropriated/Expenditure Authority Funds	59,998,700	75,403,300	80,051,900
Other Non-Appropriated Funds	12,937,400	16,006,500	16,006,500
Federal Funds	143,577,900	158,826,600	158,826,600
TOTAL - ALL SOURCES	216,514,000	250,236,400	254,885,000

CHANGE IN FUNDING SUMMARY

	FY 2006 to FY 2007 JLBC	
	\$ Change	% Change
General Fund	947,200	2.9%
Other Appropriated Funds	2,239,400	56.1%
Expenditure Authority Funds	1,462,000	3.8%
Total Appropriated/Expenditure Authority Funds	4,648,600	6.2%
Non Appropriated Funds	0	0.0%
Total - All Sources	4,648,600	1.9%

COST CENTER DESCRIPTION — The Division of Family Health Services provides public health programs primarily targeted toward women, children and the elderly. The largest program is Children’s Rehabilitative Services (CRS), which provides treatment for seriously physically impaired children. CRS includes children with severe congenital defects, spina bifida, cleft palate, and other serious, yet correctable or improvable conditions. Non-CRS programs include prenatal programs, out-of-wedlock pregnancy prevention programs, nutrition services, and targeted care for specific diseases.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2007
	Actual	Actual	Actual	JLBC
• Number of newborns screened under Newborn Screening Program	86,360	88,882	93,229	92,500

Comments: The number of newborns screened under the Newborn Screening Program increased by 4.9% from FY 2004 to FY 2005 and is due to a growing population and every newborn required to get screened.

RECOMMENDED CHANGES FROM FY 2006

Operating Budget

The JLBC recommends \$5,398,400 for the operating budget in FY 2007. This amount consists of:

	FY 2007
General Fund	\$3,404,600
Federal Title XIX Expenditure Authority	1,993,800

These amounts are unchanged from FY 2006.

Special Line Items

Children’s Rehabilitative Services

The JLBC recommends \$3,587,000 from the General Fund for Children’s Rehabilitative Services (CRS) in FY 2007. This amount is unchanged from FY 2006. CRS offers comprehensive health care to children suffering from handicapping or potentially handicapping conditions. This line item provides funding for uninsured children in the CRS program who are not eligible for Title XIX coverage. The program served 4,150 children in FY 2005.

AHCCCS-Children’s Rehabilitative Services

The JLBC recommends \$56,500,200 for AHCCCS-CRS in FY 2007. This amount consists of:

General Fund	18,872,500
Federal Title XIX Expenditure Authority	37,627,700

These amounts include the following adjustments:

Title XIX Caseload and Capitation Rate Growth **GF 1,126,600**
EA 1,438,700

The JLBC recommends an increase of \$2,565,300 in FY 2007 for Title XIX caseload and capitation rate growth. This amount consists of \$1,126,600 from the General Fund and \$1,438,700 from Federal Title XIX Expenditure Authority. The recommended amount assumes 6.0% growth for capitation rate growth and 1.41% June over June growth in client population and is expected to serve approximately 191,200 eligible children in FY 2007.

Medicaid Special Exemption Payments

The JLBC recommends \$1,220,800 for Medicaid Special Exemption Payments in FY 2007. This amount consists of:

General Fund	407,800
Federal Title XIX Expenditure Authority	813,000

These amounts include the following adjustments:

Title XIX Caseload and Capitation Rate Growth **GF 20,600**
EA 23,300

The JLBC recommends an increase of \$43,900 in FY 2007 for increased Medicaid Special Exemption Payments related to Title XIX caseload and capitation rate growth. This amount consists of \$20,600 from the General Fund and \$23,300 from Federal Title XIX Expenditure Authority.

This Special Line Item provides the funding necessary for insurance premium tax payments by DHS. The department is required to pay a 2% tax on the capitation payments for CRS. Therefore, any increases in capitation payments associated with caseload growth and inflation necessitate an increase in premium tax payments.

Adult Cystic Fibrosis

The JLBC recommends \$105,200 from the General Fund for Adult Cystic Fibrosis in FY 2007. This amount is unchanged from FY 2006. This line item provides contracted care and treatment services through the CRS program for 15 adult residents of the state suffering from cystic fibrosis.

Adult Sickle Cell Anemia

The JLBC recommends \$33,000 from the General Fund for Adult Sickle Cell Anemia in FY 2007. This amount is unchanged from FY 2006. This line item provides contracted treatment through the CRS program for 8 adults suffering from sickle cell anemia.

Child Fatality Review Team

The JLBC recommends \$100,000 and 2 FTE Positions from the Child Fatality Review Fund for the Child Fatality Review Team in FY 2007. This amount is unchanged from FY 2006.

The program provides funding to organize child fatality review teams in all 15 counties and to study data collected by the 15 teams to determine ways to reduce the state’s child mortality rate. The Child Fatality Review Fund receives revenues from a \$1 surcharge on fees collected on all certified copies of death certificates. Statute limits the revenue to the Child Fatality Review Fund to \$100,000, so the appropriation for this program is limited to \$100,000.

County Prenatal Services Grant

The JLBC recommends \$1,148,500 from the General Fund for the County Prenatal Services Grant in FY 2007. This amount is unchanged from FY 2006. This line item provides grants to counties for programs that focus on increasing prenatal care among women at high risk of not seeking or receiving prenatal care.

Monies from this grant are distributed on a pass-through basis with consideration to population, need and amount received in prior years.

Health Start

The JLBC recommends \$226,600 from the General Fund for Health Start in FY 2007. This amount is unchanged from FY 2006.

This line item provides General Fund monies to county health departments and community organizations to create neighborhood outreach programs staffed with lay health workers who assist high risk pregnant women in obtaining prenatal care services. Funds are distributed to communities with a high incidence of inadequate prenatal care, inadequate infant health care, infants with low birth weight and inadequate childhood immunizations. Monies are awarded on a competitive basis. The program currently has 15 contracts with 9 County Health Departments, 3 Community Health Centers and 3 Community Service agencies.

High Risk Perinatal Services

The JLBC recommends \$3,630,600 for High Risk Perinatal Services in FY 2007. This amount consists of:

General Fund	3,180,600
EMS Operating Fund	450,000

These amounts are unchanged from FY 2006.

This line item provides contracted transport services for high risk expectant mothers and contracted physician follow-up services for uninsured newborns in intensive care centers. The program provides hospital treatment for 5,078 critically ill newborns, maternal transport to 1,404 women, and community health nursing to 5,392 women.

Newborn Screening Program

The JLBC recommends \$5,480,100 and 18.5 FTE Positions from the Newborn Screening Program Fund for the Newborn Screening Program in FY 2007. This amount would fund the following adjustment:

Additional Newborn Screening Tests OF 2,239,400

The JLBC recommends an increase of \$2,239,400 and 7 FTE Positions from the Newborn Screening Program Fund in FY 2007 to expand the types of screenings.

This line item funds the centralized testing of all newborns in the state for a standard set of metabolic disorders. In FY 2007, the program will provide screening for approximately 95,300 newborns. The program also provides for follow-up counseling for the parents of affected newborns. The State Health Laboratory currently holds the contract for testing.

Laws 2005, Chapter 172 expanded the screenings program to include congenital (environmental/inherited) as well as metabolic disorders, thereby increasing the number of disorders for which infants are tested from 8 to 29. The legislation also requires DHS to test for hearing loss. In order to pay for the increased tests, the bill also increased the fee limits for newborn screenings from \$20 to \$30 for first blood and hearing screening, and from \$20 to \$40 for second blood and hearing screening.

Four of the additional 7 FTE Positions will be used for follow up on positive blood work screenings. DHS projects an increase of approximately 5,000 positive screenings that will require follow up due to the increased screening. These additional 4 FTE Positions will keep the workload of each Follow-Up Specialist at the current level of 1,500 cases. The remaining 3 positions will be used for follow-up services in the new Hearing Screening tests.

County Nutrition Services

The JLBC recommends \$330,300 from the General Fund for County Nutrition Services in FY 2007. This amount is unchanged from FY 2006. This line item provides funding to rural counties participating in the Nutritional

Assessment Program, which provides screening, education, counseling and referrals to persons identified as needing nutrition services. Funding is provided to all rural counties except La Paz. Funds go directly to county health departments except Santa Cruz, where the state contracts with Mariposa Community Health Center in Nogales.

Breast and Cervical Cancer Screening

The JLBC recommends \$1,091,200 and 1 FTE Position from the General Fund for the Breast and Cervical Cancer Screening line item in FY 2007. This amount is unchanged from FY 2006.

The Well Woman Healthcheck program contracts for cancer screening for women over age 40 that do not have health insurance and have incomes less than 250% of the Federal Poverty Level. Woman who are diagnosed with breast and cervical cancer through this program are eligible to receive treatment through AHCCCS. The program is expected to serve 1,487 women in FY 2006.

Abstinence Funding

The JLBC recommends \$1,000,000 from the General Fund for Abstinence Funding in FY 2007. This amount is unchanged from FY 2006. The recommended amount supplements approximately \$1,100,000 in non-appropriated funding for this program in FY 2007. Monies in this line item support community-based prevention programs to promote abstinence and decision making for healthy life choices.

Folic Acid

The JLBC recommends \$200,000 from the Medically Needy Account of the Tobacco Tax and Health Care Fund for Folic Acid in FY 2007. This amount is unchanged from FY 2006.

This Special Line Item provides for the distribution of folic acid to women of child bearing age to help prevent neural tube defects (birth defects of a baby's brain and spine). Monies in this line item will be used only to purchase supplements.

Modular Dental Buildings

The JLBC recommends no funding from the General Fund in FY 2007 for modular dental buildings. This amount would fund the following adjustment:

Eliminate Funding for Construction of Modular Dental Buildings GF (200,000)

The JLBC recommends a decrease of \$(200,000) from the General Fund in FY 2007 to eliminate one-time funding for this special line item.

Laws 2005, Chapter 314 appropriated \$200,000 from the General Fund in FY 2006 for the construction of rural modular dental buildings to address the shortage of dental providers in rural areas.

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JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Program

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

The amounts appropriated for Children's Rehabilitative Services and for AHCCCS-Children's Rehabilitative Services are intended to cover all costs in full for contracts for the provision of services to clients, unless a transfer of monies is approved by the Joint Legislative Budget Committee.

The Department of Health Services may transfer up to \$350,000 in revenues from the Indirect Cost Fund to the Arizona Health Care Cost Containment System for the purpose of meeting indirect cost state match requirements related to AHCCCS - Children's Rehabilitative Services program.

The Department of Health Services shall distribute all monies appropriated for the County Prenatal Services Grant on a pass-through basis with consideration to population, need and amount received in prior years.

Of the \$3,630,600 appropriated for High Risk Perinatal Services \$583,000 shall be distributed to counties.

SUMMARY OF FUNDS - SEE AGENCY SUMMARY
