

Department of Health Services
Summary

A.R.S. § 36-103

Director: Susan Gerard

JLBC Analyst: John Malloy/Jenna Goad/Amy Upston

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Approved
PROGRAM BUDGET			
Administration	33,035,200	37,134,500	39,209,700
Public Health	38,387,100	62,663,900	53,913,300
Family Health	71,734,800	83,583,000	93,018,600
Behavioral Health	905,144,500	963,409,400	1,052,648,100
Arizona State Hospital	61,698,400	72,951,400	75,616,900
AGENCY TOTAL	1,110,000,000	1,219,742,200	1,314,406,600
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,735.5	1,771.9	1,821.4 ^{1/}
Personal Services	40,018,600	48,777,700	50,413,200
Employee Related Expenditures	12,927,500	16,842,600	18,293,100
Professional and Outside Services	8,742,000	9,536,300	9,613,500
Travel - In State	221,000	280,300	280,300
Travel - Out of State	28,000	21,600	21,600
Other Operating Expenditures	16,640,800	17,497,300	17,939,000
Equipment	899,000	337,500	337,500
OPERATING SUBTOTAL	79,476,900	93,293,300	96,898,200
Special Line Items (SLI)	1,030,523,100	1,126,448,900	1,217,508,400
AGENCY TOTAL	1,110,000,000	1,219,742,200	1,314,406,600^{2/3/4/5/6/}
FUND SOURCES			
General Fund	476,671,400	549,247,600	583,432,200
<u>Other Appropriated Funds</u>			
Arizona Medical Board Fund	66,200	0	0
Arizona State Hospital Fund	7,626,500	7,964,600	6,032,600
ASH Land Earnings Fund	300,900	350,000	350,000
Capital Outlay Stabilization Fund	1,406,200	1,576,100	1,578,100
Child Fatality Review Fund	99,600	100,000	100,000
Emergency Medical Services Operating Fund	4,500,500	5,231,200	5,360,500
Environmental Laboratory Licensure Revolving Fund	842,100	946,100	976,400
Federal Child Care and Development Fund Block Grant	727,200	802,200	829,200
Hearing and Speech Professionals Fund	152,100	329,800	343,200
Indirect Cost Fund	6,879,900	7,705,300	9,053,000
Newborn Screening Program Fund	3,267,300	6,076,500	6,829,600
Nursing Care Institution Resident Protection Fund	0	166,500	438,000
Poison Control Fund	1,618,800	0	0
Substance Abuse Services Fund	2,500,000	2,500,000	2,500,000
TTHCF Health Research Account	1,000,000	1,000,000	1,000,000
TTHCF Medically Needy Account	33,753,600	37,924,800	35,324,800
Vital Records Electronic Systems Fund	0	500,000	502,200
SUBTOTAL - Other Appropriated Funds	64,740,900	73,173,100	71,217,600
SUBTOTAL - Appropriated Funds	541,412,300	622,420,700	654,649,800
<u>Expenditure Authority Funds</u>			
Federal Title XIX Funds	568,587,700	597,321,500	659,756,800
SUBTOTAL - Expenditure Authority Funds	568,587,700	597,321,500	659,756,800
SUBTOTAL - Appropriated/Expenditure Authority Funds	1,110,000,000	1,219,742,200	1,314,406,600
Other Non-Appropriated Funds	97,188,600	112,955,000	115,305,000
Federal Funds	241,450,500	227,682,300	227,040,600
TOTAL - ALL SOURCES	1,448,639,100	1,560,379,500	1,656,752,200

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.

- 1/ Includes 438.5 GF, 177.2 OF, and 41 EA FTE Positions funded from Special Line Items in FY 2008.
- 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/ The department shall report to the Joint Legislative Budget Committee by March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be no more than 2%. Before implementation of any changes in capitation rates for the AHCCCS-Children's Rehabilitative Services Special Line Item and any Title XIX Behavioral Health line items, the Department of Health Services shall report its expenditure plan for review by the Joint Legislative Budget Committee. Before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the department shall submit the policy changes for review by the Joint Legislative Budget Committee. (General Appropriation Act footnote)
- 4/ 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 Chairpersons of the Senate and House of Representatives Appropriations Committees, and the Director of the Joint Legislative Budget Committee by the 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. (General Appropriation Act footnote)
- 5/ 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 Nontitle XIX, Arnold v. Sarn, Vital Records Maintenance, Folic Acid, Children's Behavioral Health Services, Children's Behavioral Health State Match for Title XIX, Mental Health Nontitle XIX, Substance Abuse Nontitle XIX, Mental Health and Substance Abuse State Match for Title XIX, Seriously Emotionally Handicapped Children, Children's Rehabilitative Services, AHCCCS - Children's Rehabilitative Services, Adult Cystic Fibrosis, Adult Sickle Cell Anemia, High Risk Perinatal Services, County Prenatal Services Grant, Community Placement Treatment, Dual Eligible Copay Subsidy, Sexually Violent Persons, County Tuberculosis Provider Care and Control, Kidney Program, County Nutrition Services, Community Health Centers, Vaccines, Renal and Nonrenal Disease Management, AIDS Reporting and Surveillance, Telemedicine, University of Arizona Poison Center Funding, Poison Control Center Funding, Vital Records Management and Women's Services shall require review by the Joint Legislative Budget Committee. The department may transfer monies between the amounts appropriated for Proposition 204 Children's Behavioral Health Services, Proposition 204 Seriously Mentally Ill Services, and Proposition 204 General Mental Health and Substance Abuse without review by the Joint Legislative Budget Committee but may not transfer monies to and from these line items to any other line item except as provided above without review by 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 reviewed by the Joint Legislative Budget Committee or unless otherwise permitted to be expended for administrative costs as specified in this act. 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 reviewed by the Joint Legislative Budget Committee. (General Appropriation Act footnote)
- 6/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Program.