

Arizona Health Care Cost Containment System

Summary

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	FY 2009 ACTUAL	FY 2010 ESTIMATE	FY 2011 BASELINE
PROGRAM BUDGET			
Administration	183,389,700	192,886,800	192,218,100
Acute Care	4,931,617,600	5,928,911,400	6,552,653,900
Long-Term Care	1,201,174,100	1,289,876,000	1,303,554,300
Higher Federal Match Rate Savings - State	(359,648,000)	(581,861,700)	(356,885,200)
Higher Federal Match Rate Savings - Federal	359,648,000	581,861,700	356,885,200
Payment Deferral	0	(344,201,700)	143,100
5th Special Session Reduction	0	(7,662,100)	(7,662,100)
AGENCY TOTAL	6,316,181,400	7,059,810,400	8,040,907,300
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	3,201.4	3,017.4	2,978.4
Personal Services	34,870,000	38,674,400	38,774,400
Employee Related Expenditures	14,340,700	15,787,800	15,832,700
Professional and Outside Services	2,672,100	3,667,100	3,681,800
Travel - In State	56,800	91,700	94,700
Travel - Out of State	14,400	37,500	40,000
Other Operating Expenditures	8,554,200	(342,232,300)	2,442,100
Equipment	102,000	319,200	319,200
OPERATING SUBTOTAL	60,610,200	(283,654,600)	61,184,900
Special Line Items (SLI)	6,255,571,200	7,343,465,000	7,979,722,400
AGENCY TOTAL	6,316,181,400	7,059,810,400	8,040,907,300
FUND SOURCES			
General Fund	1,156,262,900	1,178,047,500	1,760,609,200
<u>Other Appropriated Funds</u>			
Budget Neutrality Compliance Fund	2,130,800	2,993,500	3,117,300
Children's Health Insurance Program Fund	121,935,900	114,978,200	81,352,400
Healthcare Group Fund	3,724,400	6,179,700	6,179,700
Temporary Medical Coverage Fund	3,138,000	0	0
TPTF Emergency Health Services Account	22,131,800	23,331,800	19,222,900
TTHCF Medically Needy Account	50,803,300	53,738,100	38,295,800
SUBTOTAL - Other Appropriated Funds	203,864,300	201,221,300	148,168,100
SUBTOTAL - Appropriated Funds	1,360,127,100	1,379,268,800	1,908,777,300
<u>Expenditure Authority Funds</u>			
County Funds	54,172,300	314,601,300	319,350,500
Federal Title XIX Funds	4,729,464,600	5,198,468,700	5,664,005,600
Third Party Collections Fund	0	194,700	194,700
Tobacco Litigation Settlement Fund	125,588,500	118,280,200	108,211,300
TPTF Proposition 204 Protection Account	46,828,900	48,996,700	40,367,900
SUBTOTAL - Expenditure Authority Funds	4,956,054,300	5,680,541,600	6,132,130,000
SUBTOTAL - Appropriated/Expenditure Authority Funds	6,316,181,400	7,059,810,400	8,040,907,300
<u>Other Non-Appropriated Funds</u>			
Other Non-Appropriated Funds	76,232,700	109,194,300	112,297,500
Federal Funds	34,099,000	54,300,400	50,083,900
TOTAL - ALL SOURCES	6,426,513,100	7,223,305,100	8,203,288,700

CHANGE IN FUNDING SUMMARY

	<u>FY 2010 to FY 2011 Baseline</u>	
	\$ Change	% Change
General Fund	582,561,700	49.5%
Other Appropriated Funds	(53,053,200)	(26.4%)
Expenditure Authority Fund	451,588,400	7.9%
Total Appropriated/Expenditure Authority Funds	981,096,900	13.9%
Non-Appropriated Funds	(1,113,300)	(0.7%)
Total - All Sources	979,983,600	13.6%

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.

Administration

KidsCare FMAP Adjustment	GF	\$(44,500)
	OF	44,500
KidsCare Parents Elimination	GF	(160,300)
	OF	(508,400)
BNCF Statutory Adjustment	GF	(123,800)
	OF	123,800

Acute Care

Traditional Medicaid Population	GF	113,002,400
	OF	(15,442,300)
	EA	220,251,400
Proposition 204 Services	GF	129,201,600
	OF	(4,108,900)
	EA	224,168,800
KidsCare Services	GF	(9,171,700)
	OF	(27,864,500)
KidsCare Parents Elimination	GF	(1,670,100)
	OF	(5,297,400)
Payments to Hospitals	GF	89,900
	EA	583,300

Long Term Care

Caseload and Capitation Rate Growth	GF	8,293,500
	EA	4,625,300
Medicare Clawback Payment	GF	480,000
	EA	279,500

Temporary Federal Assistance

ARRA Backfill	GF	224,976,500
	EA	(224,976,500)

Payment Deferral

June 2010 Acute Care Payments	GF	117,688,200
	EA	226,656,600

Due to the temporary nature of the enhanced FMAP, the Baseline includes the enhanced FMAP in a separate line. While costs shown in the individual cost center narratives reflect the regular FMAP, the AHCCCS summary table includes the enhanced FMAP savings in a new Higher Federal Match Rate Savings-State line item.

Higher Federal Match Rate Savings - State

The Baseline includes \$(356,885,200) from the General Fund to continue the reduction as the result of temporary federal assistance in FY 2011. FY 2011 adjustments would be as follows:

ARRA Backfill	GF	224,976,500
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The Baseline includes an increase of \$224,976,500 from the General Fund in FY 2011 to account for the end of the enhanced federal match rate in December 2010.

The 2009 American Recovery and Reinvestment Act (ARRA) increased the Federal Medical Assistance percentage (FMAP) for Title XIX populations from October 1, 2008 until December 31, 2010. Typically, Arizona receives approximately a 2:1 match for most Title XIX services, but ARRA increases this amount to approximately a 3:1 match from October 1, 2008 to December 31, 2010. In FY 2010, the blended rate would have been 65.76%; but due to the enhanced FMAP, the

federal government will pay 75.93% of Title XIX costs. In FY 2011, the enhanced FMAP is expected to remain at 75.93% from July-December 2010; but if average unemployment falls below 7.13% in either quarter, the enhanced FMAP will decrease. Without further federal legislation, the FMAP will return to 65.85% from January-June 2011.

In order to qualify for the enhanced FMAP, states cannot:

- lower existing eligibility limits for Title XIX populations;
- increase county percent of state match;
- increase monthly premiums for Title XIX enrollees; or
- change redetermination periods.

States are allowed to reduce benefit levels, however, as long as they comply with other federal regulations. These limitations are applicable only during the time in which a state receives the enhanced FMAP and do not apply to Title XXI populations (KidsCare), administrative services (typically funded at 50%), disproportionate share hospital payments, nor any program which already receives an enhanced FMAP.

Due to the temporary nature of the enhanced FMAP, the Baseline includes the enhanced FMAP in a separate statewide adjustment. All costs shown in the individual cost center narratives reflect the regular FMAP.

Higher Federal Match Rate Cost - Federal

The Baseline includes \$356,885,200 from Title XIX Expenditure Authority to continue the increase as a result of temporary federal assistance in FY 2011. FY 2011 adjustments would be as follows:

ARRA Backfill EA (224,976,500)

The Baseline includes a decrease of \$(224,976,500) from Federal Title XIX Expenditure Authority in FY 2011 to account for the end of the enhanced federal match rate in December 2010.

Payment Deferral

The Baseline includes an increase of \$344,344,800 for a Payment Deferral in FY 2011. This amount consists of:

General Fund	117,688,200
Federal Title XIX Expenditure Authority	226,656,600

The FY 2010 Health and Welfare Budget Reconciliation Bill (Laws 2009, 3rd Special Session, Chapter 10) required AHCCCS to delay capitation payments in FY 2010. To offset this deferral, the FY 2010 General Appropriation Act (Laws 2009, 1st Regular Session, Chapter 12, Section 48) made an advanced appropriation of \$344,344,800 in FY 2011. Included in this appropriation was \$143,100 to

pay 0.5% interest for 1 month. The General Fund portion of the deferral in FY 2011 slightly decreases due to a change in FMAP from 65.75% to 65.85%. The increase of \$344,344,800 is the difference of making 11 payments in FY 2010 and making 12 payments (1 rollover FY 2010 payment and 11 regular FY 2011 payments) in FY 2011. The Baseline would continue the policy of rolling over \$344,344,800 of FY 2011 payments into FY 2012.

The payments deferred from FY 2010 to FY 2011 were appropriated in Laws 2009, 1st Regular Session, Chapter 12, Section 48 and will not appear in the General Appropriation Act.

5th Special Session Reduction

The Baseline includes \$(7,662,100) from the General Fund in FY 2011 to continue the 5th Special Session FY 2010 Lump Sum Reduction. This lump sum reduction would be allocated to specific line items in the FY 2011 General Appropriation Act.

FORMAT — Varies by Program

FOOTNOTES

Standard Footnotes

Before making fee-for-service program or rate changes that pertain to fee for-service rate categories, the Arizona Health Care Cost Containment System Administration shall report its expenditure plan for review by the Joint Legislative Budget Committee.

The Arizona Health Care Cost Containment System Administration 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, the Arizona Health Care Cost Containment System Administration shall report its expenditure plan for review by the Joint Legislative Budget Committee. Before the administration implements any changes in policy affecting the amount, sufficiency, duration, and scope of health care services and who may provide services, the administration 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 administration shall submit the policy changes for review by the Joint Legislative Budget Committee.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Capitation Rates

The Baseline includes 0% capitation increases in FY 2011. If capitation rates were grown at 5% in FY 2011, this would cost an additional \$64,528,000 from the General Fund in FY 2011.

FY 2010 Supplemental

AHCCCS is estimated to have an \$82,571,500 post-ARRA enhanced match General Fund shortfall in FY 2010. This shortfall has 4 components:

- Caseload Growth: \$22,467,700
- Tobacco Tax Revenue Shortfall: \$28,180,000
- Tobacco Settlement Shortfall: \$10,068,900
- ARRA Shortfall: \$21,854,900

These 4 items are discussed in more detail below.

Caseload Growth

For the first 4 months of FY 2010, AHCCCS caseloads have been higher than forecasted. The FY 2010 budget allowed for caseload growth of 11.8% from June 2009 to June 2010. Revised forecasts now estimate that caseloads will grow by 14.4% during that same time period.

Tobacco Tax Revenue Shortfall

For the past 3 years, tobacco revenues have been declining. This decline is likely the result of 2 significant tax increases, as well as the poor economy.

In the November 2006 election the voters approved Proposition 203, which included an 80¢ increase in the tobacco tax to fund early childhood programs. In addition, voters also approved Proposition 201, which included a 2¢ increase to fund enforcement of the Smoke-Free Arizona Act.

In March 2009, the federal government raised federal taxes on cigarettes by 62¢ per pack. Together, federal and state cigarette taxes are now \$3.01 per pack.

Previous budgets have already provided backfills for tobacco tax revenue. The FY 2008 Revised Budget backfilled \$26,418,000 from the General Fund and the FY 2009 Revised Budget provided a \$16,540,700 General Fund backfill. Both of these backfills were continued into the following years. The Baseline estimates that FY 2010 will need an additional \$28,180,000 General Fund backfill to account for lost revenue.

Tobacco Settlement Shortfall

The tobacco settlement forecast has been updated to reflect the Attorney General’s mid-range forecast of \$108,211,300 in FY 2010.

ARRA Shortfall

AHCCCS is estimated to receive approximately \$560,006,800 of ARRA enhanced FMAP, or \$(21,854,900) less than the appropriation offset of \$581,861,700.

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
Budget Neutrality Compliance Fund (HCA2478/A.R.S. § 36-2928)		Appropriated
Source of Revenue: County contributions.		
Purpose of Fund: 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.		
Funds Expended	2,130,800	2,993,500
Year-End Fund Balance	711,000	0
Children's Health Insurance Program Fund (HCA2409/A.R.S. § 36-2995)		Appropriated
Source of Revenue: Includes the Federal Title XXI matching monies for Arizona's State Children's Health Insurance Program (CHIP), called KidsCare. General Fund monies are used to leverage the federal monies and are not included in the reported CHIP Fund expenditures.		
Purpose of Fund: 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 \$44,100 for a family of 4.		
Funds Expended	121,935,900	114,978,200
Year-End Fund Balance	3,399,700	3,399,700

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
County Funds (HCA2120 Acute Care/HCA2223 Long Term Care/ A.R.S. § 36-2912 Acute Care/A.R.S. § 36-2953 Long Term Care)		Non-Appropriated
Source of Revenue: Statutorily prescribed county contributions.		
Purpose of Fund: For the provision of acute medical and long term care services to Arizona Health Care Cost Containment System (AHCCCS) eligible populations. County contributions and state General Fund appropriations serve as the state match for federal Medicaid (Title XIX) dollars.		
Funds Expended	54,172,300	314,601,300
Year-End Fund Balance	0	0
Employee Recognition Fund (HCA2025/A.R.S. § 36-2903)		Non-Appropriated
Source of Revenue: Private donations.		
Purpose of Fund: To be used for the agency's employee recognition program.		
Funds Expended	20,500	25,000
Year-End Fund Balance	15,400	10,400
Federal - Medicaid Direct Services (HCA2120/A.R.S. § 36-2913)		Non-Appropriated
Source of Revenue: Federal funding through the U.S. Department of Health & Human Services, Centers for Medicare and Medicaid Services.		
Purpose of Fund: To reimburse schools participating in the Direct Services Claiming 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.		
Funds Expended	27,505,200	27,099,300
Year-End Fund Balance	0	0
Federal Funds (HCA2000 Acute Care/A.R.S. 36-2913)		Non-Appropriated
Source of Revenue: Federal grant monies.		
Purpose of Fund: To provide federal match for non-appropriated state expenditures.		
Funds Expended	6,593,800	27,201,100
Year-End Fund Balance	95,100	95,100
Federal Title XIX Funds (HCA2120/HCA2223 Long Term Care/ A.R.S. § 36-2913 Acute Care A.R.S. § 36-2953 Long Term Care)		Non-Appropriated
Source of Revenue: Federal funding through the U.S. Department of Health & Human Services, Centers for Medicare and Medicaid Services.		
Purpose of Fund: For AHCCCS' administrative costs and for the provision of acute and long term services to categorically eligible populations.		
Funds Expended	4,729,464,600	5,198,468,700
Year-End Fund Balance	96,705,400	96,865,400
Healthcare Group Fund (HCA3197/A.R.S. § 36-2912.01)		Partially-Appropriated
Source of Revenue: Premiums paid by employers and employees enrolled in Healthcare Group, including monies to fund the administration of the Healthcare Group program.		
Purpose of Fund: A portion of this fund is appropriated to fund the administrative costs of Healthcare Group. 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.		
Appropriated Funds Expended	3,724,400	6,179,700
Non-Appropriated-Funds Expended	59,933,600	53,799,800
Year-End Fund Balance	11,629,000	9,982,400

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
Hospital Loan Residency Fund (HCA2532/A.R.S. § 36-2921)		Non-Appropriated
Source of Revenue: Received a \$1,000,000 deposit from the General Fund in FY 2007. In future years, will also include any repaid loan money received from the participating hospitals.		
Purpose of Fund: To provide interest free loans to fund start-up and ongoing costs for residency programs in accredited hospitals, with priority given to rural areas.		
Funds Expended	0	0
Year-End Fund Balance	0	0
IGA and ISA Fund (HCA2500/A.R.S. § 36-2925)		Non-Appropriated
Source of Revenue: Monies voluntarily given to AHCCCS from local governments and tribal communities in order to obtain a federal match.		
Purpose of Fund: To expand funding for Graduate Medical Education or other payments to hospitals.		
Funds Expended	0	12,330,000
Year-End Fund Balance	0	0
Intergovernmental Service Fund (HCA2438/A.R.S. § 36-2927)		Non-Appropriated
Source of Revenue: Monies collected from the State of Hawaii.		
Purpose of Fund: 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.		
Funds Expended	8,362,200	8,059,700
Year-End Fund Balance	1,675,600	1,515,200
Proposition 202 - Trauma and Emergency Services Fund (HCA2494/A.R.S. § 36-2903.07)		Non-Appropriated
Source of Revenue: Receives gaming monies from the Arizona Benefits Fund.		
Purpose of Fund: For unrecovered trauma center readiness and emergency services costs.		
Funds Expended	0	27,479,000
Year-End Fund Balance	15,085,200	12,318,800
Temporary Medical Coverage Fund (HCA2529/A.R.S. § 36-2930)		Appropriated
Source of Revenue: Received a one-time General Fund deposit of \$6,500,000 in FY 2007 in addition to revenue from premium payments. This program was suspended beginning in FY 2009, and AHCCCS was instructed to use the \$3,200,000 appropriated from this fund to pay for reconciliation obligations incurred for claims with dates of services before July 1, 2008. This program has since been eliminated.		
Purpose of Fund: To pay for the services and costs associated with persons who are eligible for temporary medical coverage.		
Funds Expended	3,138,000	0
Year-End Fund Balance	0	0
Third Party Collections Fund (HCA3791 Acute Care/HCA3019 Long Term Care/ A.R.S. § 36-2913)		Partially-Appropriated
Source of Revenue: Collections from third-party payers and revenues from lien and estate recoveries.		
Purpose of Fund: To provide acute medical services to AHCCCS members.		
Appropriated Funds Expended	0	194,700
Non-Appropriated Funds Expended	7,916,400	7,500,800
Year-End Fund Balance	556,700	422,000
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.		
Funds Expended	125,588,500	118,280,200
Year-End Fund Balance	19,200	19,200

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
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Tobacco Tax and Health Care Fund (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 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. These taxes were enacted in Proposition 200 and approved by voters in the 1994 General Election.

(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 Fund - Medically Needy Accounts Partially-Appropriated
(HCA1306/A.R.S. § 36-774)

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. These taxes were enacted in Proposition 200 and approved by voters in the 1994 General Election.

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.

Tobacco Products Tax Fund (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 and approved by voters in the 2002 General Election.

Purpose of Fund: To AHCCCS for the Proposition 204 Protection Account (42%), Medically Needy Account (27%), and the Emergency Health Services Account (20%), 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 Fund - Emergency Health Services Account Appropriated
(HCA1304/A.R.S. § 36-776)

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.

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

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.

Tobacco Tax and Health Care Fund and Tobacco Products Tax Fund	FY 2009	FY 2010 ^{1/}
Medically Needy Account		
<u>Funds Available</u>		
Balance Forward	\$ 2,939,000	\$ 3,278,800
Transfer In - Tobacco Tax and Health Care Fund	53,479,100	47,869,700
Transfer In - Tobacco Products Tax Fund	30,104,300	25,950,900
Interest and Revertments	3,000	0
Total Funds Available	\$86,525,400	\$ 77,099,400
AHCCCS Allocations		
<u>GF Offsets</u>		
Traditional Medicaid State Match Appropriation	\$50,803,300	\$ 53,738,100
Total AHCCCS Allocations	\$50,803,300	\$ 53,738,100
DHS Allocations		
Behavioral Health GF Offset	\$25,785,500	\$ 34,924,800
Folic Acid	333,600	400,000
Community Health Centers	3,415,600	900,000
Total DHS Allocations	\$29,534,700	\$ 36,224,800
Other Allocations		
<i>Total AHCCCS/DHS Allocations</i>	\$80,338,000	\$89,962,900
Administrative Adjustments	2,908,600	0
Balance Forward	\$ 3,278,800	\$ (12,863,500) ^{2/}
AHCCCS Proposition 204 Protection Account		
<u>Funds Available</u>		
Balance Forward	\$ 0	\$ 6,200
Transfer In - Tobacco Products Tax Fund	46,828,900	40,368,000
Total Funds Available	\$46,828,900	\$ 40,374,200
<u>Allocations</u>		
AHCCCS State Match	\$46,828,900	\$48,996,700
Balance Forward	\$ 0	\$ (8,622,500) ^{2/}
AHCCCS Emergency Health Services Account		
<u>Funds Available</u>		
Balance Forward	\$ 6,200	\$ 0
Transfer In - Tobacco Products Tax Fund	22,131,800	19,222,900
Total Funds Available	\$22,138,000	\$19,222,900
<u>Allocations</u>		
AHCCCS State Match Appropriation	\$22,131,800	\$23,331,800
Balance Forward ^{3/}	\$ 6,200	\$ (4,108,900) ^{2/}

Tobacco Tax and Health Care Fund and Tobacco Products Tax Fund	FY 2009	FY 2010 ^{1/}
DHS Health Education Account		
<u>Funds Available</u>		
Balance Forward	\$ 8,305,800	\$ 3,805,700
Transfer In - Tobacco Tax and Health Care Fund	18,979,900	15,728,600
Transfer In - Tobacco Products Tax Fund	2,333,200	1,922,300
Total Funds Available	\$29,618,900	\$21,456,600
<u>Allocations</u>		
Tobacco Education and Prevention Program	\$21,751,900	\$21,751,900
Leading Causes of Death - Prevention and Detection	4,061,300	4,061,300
Balance Forward	\$ 3,805,700	\$ (4,356,600) ^{2/}
Health Research Account		
<u>Funds Available</u>		
Balance Forward	\$ 7,245,800	\$ 4,646,300
Transfer In - Tobacco Tax and Health Care Fund	3,819,900	3,419,200
Transfer In - Tobacco Products Tax Fund	5,541,700	4,805,700
Interest Revenue	82,800	0
Total Funds Available	\$16,690,200	\$12,871,200
<u>Allocations</u>		
Arizona Biomedical Research Commission	\$ 5,543,900	\$ 5,543,900
Alzheimer's	1,000,000	0
Public Health	0	1,000,000
Autism Training - Department of Economic Security	0	200,000
Biotechnology (Laws 2002, Ch. 186)	500,000	500,000
<i>Bioresearch Non-Appropriated Allocation ^{4/}</i>	5,000,000	5,000,000
Balance Forward	\$ 4,646,300	\$ 627,300
<p>^{1/} Based on revised revenue estimates.</p> <p>^{2/} Actual balances will not be negative.</p> <p>^{3/} Any unencumbered funds in the Emergency Health Services Account are transferred to the Proposition 204 Protection Account at the end of each year.</p> <p>^{4/} Laws 2002, Chapter 320 appropriated \$5,000,000 annually from FY 2003 to FY 2007 to the Translational Genomics Research Institute (TGen). The Arizona Biomedical Research Commission signed a contract with TGen to continue this appropriation through FY 2012 through the commission's non-appropriated grant program.</p>		