

DEPARTMENT OF HEALTH SERVICES - ADMINISTRATION

A.R.S. § 36-103

General Fund and Other Appropriated Funds	FY 1998 Actual	FY 1999 Estimate	FY 2000 Approved	FY 2001 Approved
FTE Positions	342.3	342.3	400.0 ^{1/}	400.0 ^{1/}
Personal Services	7,209,400	7,515,800	6,792,000	6,927,900
Employee Related Expenditures	1,564,100	1,600,800	1,392,300	1,470,400
Professional and Outside Services	296,100	264,600	213,900	213,900
Travel - In State	39,400	54,900	54,900	54,900
Travel - Out of State	12,400	12,300	6,100	6,100
Other Operating Expenditures	4,940,400	5,421,700	4,584,800	4,585,000
Equipment	514,100	165,400	165,400	165,400
Operating Subtotal	14,575,900	15,035,500	13,209,400	13,423,600
Assurance and Licensure	4,565,200	4,760,300	5,218,100 ^{2/}	5,294,600 ^{2/}
Newborn Screening Fund - Indirect Costs	0	420,200	478,600	478,600
Indirect Cost Fund	0	0	5,225,100	5,079,400
Total	19,141,100	20,216,000	24,131,200	24,276,200
Additional Appropriations				
Urgent Care Centers; Standards, Ch. 333	0	0	0	100,000
Total Appropriations	19,141,100	20,216,000	24,131,200 ^{3/}	24,376,200 ^{3/}
<u>Fund Summary</u>				
General Fund	19,141,100	19,795,800	18,167,500	18,558,200
Nursing Care Institution Resident Protection Fund	0	0	260,000	260,000
Newborn Screening Fund	0	420,200	478,600	478,600
Indirect Cost Fund	0	0	5,225,100	5,079,400
Total Appropriations	19,141,100	20,216,000	24,131,200	24,376,200

Program Description — *The Administration program encompasses most centralized functions including the Director's Office, business and financial services, and information technology services. The program also provides Assurance and Licensure services which include the monitoring and enforcement of statutes and rules concerning home and community-based adult health care, behavioral health and child care facilities.*

Information Technology Project — The FY 2000 approved amount includes a reduction of \$(50,700) in Professional and Outside Services and \$(64,500) in Other Operating Expenditures for a total reduction of \$(115,200) to reflect the elimination of funding for the agency's computer re-engineering project. The project has been ongoing since FY 1996, and its final phase is scheduled for completion in FY 1999.

Other Operating Expenditures — The approved FY 2000 amount includes an increase of \$75,000 for

Other Operating Expenditures. This amount is continued in FY 2001.

DPS Fingerprint Transfer — Laws 1998, Chapter 280 consolidated the state's fingerprinting requirements for employees that provide services to children and vulnerable adults within the Department of Public Safety (DPS). This function was previously performed by several state agencies, including DHS. The approved FY 2000 amount includes the transfer of (4) FTE Positions and \$(101,900) from DHS to DPS for this purpose. This amount is continued in FY 2001.

^{1/} Includes 203.0 FTE Positions funded from Special Line Items in FY 2000 and FY 2001.

^{2/} Includes adjustment for Office of the Attorney General legal services. (See the Salary Adjustment table at the front of this report for more information.)

^{3/} General Appropriation Act funds are appropriated as a Modified Lump Sum for the Program.

DEPARTMENT OF HEALTH SERVICES - ADMINISTRATION Cont'd)

50% Out-of-State Travel Reduction — The approved FY 2000 amount includes a decrease of \$(6,200) in Travel - Out of State. This amount is continued in FY 2001.

Assurance and Licensure — Provides licensure services which include the monitoring and enforcement of statutes and rules intended to assure health and safety standards for home and community-based adult health care facilities, nursing homes, residential behavioral health facilities, and child care facilities.

The FY 2000 approved amount includes an increase of \$152,500 and 2.8 FTE Positions to address a complaint investigation backlog in the division's Medical Facilities program. The additional personnel were also approved for Assurance and Licensure's Long-Term Care program to address a 10% growth in the number of nursing homes licensed by DHS since FY 1996. In FY 2001, this amount is reduced by \$(16,200) due to the elimination of one-time expenditures.

The approved FY 2000 amount also includes an increase of 2 FTE Positions and \$300,000 for licensing enhancements in other areas of Assurance and Licensure. This amount is continued in FY 2001.

The line item also contains \$260,000 in funding in FY 2000 and FY 2001 from the Nursing Care Institution Resident Protection Fund, which consists of monies collected from penalties assessed on health facilities. These monies are used for the protection of the health or property of residents of nursing facilities that are found deficient. In total, the Assurance and Licensure Special Line Item includes funding for 117.6 FTE Positions in FY 2000 and FY 2001.

Newborn Screening Fund - Indirect Costs — Provides funding for the indirect administrative costs of the Newborn Screening program, such as accounting, procurement, and personal services. The approved FY 2000 amount includes an increase of \$58,400 from the Newborn Screening Fund for increased indirect costs. This amount is continued in FY 2001.

Indirect Cost Fund — Contains funding for the Indirect Cost Fund, which consists of charges made to federal and non-appropriated funds and interagency agreements for the administrative overhead costs associated with operating the programs. The approved amount includes funding for 85.4 FTE Positions in FY 2000 and FY 2001.

Additional Appropriations: Urgent Care Centers; Standards, (Chapter 333) — This legislation requires DHS to license urgent care centers that either do not operate under a hospital's license, or do not fall under the same definition as a qualifying community health center. The bill also appropriates \$100,000 from the General Fund to DHS in FY 2001 to perform this new regulatory function.

Additional Legislation: Omnibus Reconciliation Bill; Health (Chapter 176) — Transfers the fingerprinting requirements added by Laws 1998, Chapter 161 from the Department of Health Services to the new DPS Fingerprint Processing Unit established by Laws 1998, Chapter 270. This legislation also allows DPS to charge fees for fingerprinting services pursuant to A.R.S. § 41-1750 (J).

Abortion Clinics; Regulation (Chapter 311) — This legislation establishes licensure requirements and standards for abortion clinics and requires DHS to adopt rules on abortion clinics' physical facilities and clinical practices.