

DEPARTMENT OF HEALTH (645) – FISCAL YEAR 2015
Legislative Recommendation

D) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Arkansas Department of Health (ADH) is the state agency charged with the responsibility of protecting and improving the health of the people of Arkansas by: assessment of health status and needs, leadership for the development of public health policy and plans, promotion of community-based system of preventive and primary health care, enforcement of regulations for environmental health protection and assurance of quality health care, and provision of quality health services. The Department is also responsible for administering the state's Tobacco Prevention and Cessation Program which is funded by Master Tobacco Settlement Monies. In 2014, the Department added new employees to handle Medicaid Provider Appeals as part of the new Medicaid Expansion package of legislation.

TOTAL FISCAL YEAR 2015 BUDGET

Operations:

The total budget for Arkansas Department of Health Operations appropriation is and \$428,209,603 in FY2015.

Tobacco Prevention and Cessation Program:

The total budget for the ADH- TPCP Program appropriation is \$17,485,112 in FY2015.

FUNDING SOURCES

The ADH budget is funded by General Revenue (21%), Federal Revenue (38%), Special Revenue (5%), Third Party Reimbursement (21%), Fund Balances (>1%), other funds (18%). The TPCP Program Act is funded entirely by Master Tobacco Settlement Funds.

II) SIGNIFICANT CHANGES

FOR OPERATIONS ACT

Health Operations Paying: The appropriation includes an increase of \$463,657 to allow the agency to expend additional funds for extra help and corresponding matching. The agency states they need additional appropriation to allow clinical staff to work at flu clinics, disease outbreak investigations, and fill-ins for extended absences. Increases include the following:

- **Extra Help - \$425,413**
- **Personal Services Matching - \$38,244**

Nuclear Planning Grants Appropriation: This appropriation is funded by Special Revenues collected from assessments against utilities operating nuclear generating facilities in the State. For this appropriation the agency is requesting an additional \$50,000 in this appropriation to restore the appropriation to previous levels. The agency has the potential to receive more funding than what is currently appropriated and needs the permission to spend said funding. Increase is as follows:

- **Grants and Aid - \$50,000**

Medicaid Provider Appeals: This was a separate appropriation act for 2014 and has been added to the Department of Health Operations Bill. The appropriation includes an additional Regular Salaries section adding 3 positions and provides an additional appropriation section with the following:

Medicaid Provider Appeals:

- **Regular Salaries** **\$180,569**
- **Personal Services Matching** **\$41,964**
- **Operating Expenses** **\$30,500**

FY2014 Changes Approved During 2014 Pre-Fiscal Session Hearings:

Health Operations Paying: FY2014 supplemental appropriation of \$385,413 in Extra Help and \$34,225 in Personal Services Matching line items to allow clinical staff to work at flu clinics, disease outbreak investigations, and fill-ins for extended absences.

III) POSITIONS

FOR OPERATIONS ACT:

Total Positions for Fiscal Year 2015: 3,115

Total Positions for Fiscal Year 2014: 3,112

Increase/ (Decrease):3

Extra Help Positions: 233

FOR TOBACCO PREVENTION AND CESSATION PROGRAM ACT:

Total Positions for Fiscal Year 2015: 47

Total Positions for Fiscal Year 2014: 47

Increase/(Decrease): 0

Extra Help Positions: 4

IV) SPECIAL LANGUAGE

FOR OPERATIONS ACT:

- **ARKANSAS PUBLIC SCHOOL ACADEMIC FACILITIES PROGRAM:** Requires ADH to adopt policies before 9/1/2012 to ensure cooperation with the Division of Public School Academic Facilities and Transportation as provided by law.
- **TRANSFER OF FUNDS – HOME HEALTH:** Allows ADH to transfer all unexpended funds relative to Home Health Services reimbursements with reporting requirements. Allows ADH to transfer funds from the Home Health Fund Balance with approval of ALC or JBC.
- **HOME HEALTH POSITION POOL:** Provides 250 pool positions for in-home services, which may be utilized with approval by Dept. of Finance & Administration and Legislative Council.
- **HOME HEALTH ON-CALL AND VISIT PAY:** Identifies positions eligible to receive \$75 per visit and \$60 per day on call pay for being available outside routine working hours on weekdays, weekends, and/or holidays.
- **NUCLEAR DISASTER PLANNING GRANTS:** Establishes eligibility requirements for applicants for Nuclear Disaster Planning Grants and provides that a minimum of \$5,000 must be used for County Emergency Services Offices. The language further states that Pope, Johnson, Yell, Conway and Logan Counties' EMO shall receive an equal distribution of these funds on a quarterly installment.
- **PARKING FEES:** On July 1 of each year, parking fees of \$50,000 are to be paid from the Operations appropriation by the Department of Health from non-general revenue to the War Memorial Stadium Commission.
- **INFORMATION TECHNOLOGY INITIATIVES:** The Department is prohibited from transferring general revenue for expenditures payable from the Information Technology Initiatives appropriation.
- **INDIRECT COST ALLOCATION FUND TRANSFERS:** Division of Health is authorized to transfer funds to the Public Health Fund from other program funds for reimbursement.
- **DEVELOPMENT RESTRICTIONS:** Division of Engineering shall consider the effect of the plan on future development or zoning or adjoining properties.
- **NURSING/DIRECT CARE EDUCATION STIPEND PROGRAM:** ADH is authorized to provide \$5,000 per person per year to Registered or Licensed Practical Nursing students. If accepted, student is under an employment commitment and required to work full-time equal to the number of years of acceptance. If defaulted, repayment of stipend is required.
- **CARRY FORWARD OF FUNDS:** Funds remaining in the Public Health Fund for support of the Trauma System can be carried forward into the next fiscal year.
- **COMMUNITY HEALTH CENTERS:** Funding for CHC's shall be prioritized to ensure proper allocation with federal, state and local guidance. In addition, CHC's are to report on certain performance indicators determined by ADH. ADH

is also instructed to institute a procurement process and allow up to 90 days for the completion of private provider requirements.

- STATE FUND RESTRICTIONS: No state funds are to be used for abortion referrals or services in public schools.
- EXTRA HELP: ADH is authorized to utilize ten extra-help positions for up to 1,500 hours when expertise is required to work on public health emergencies, disasters, other events or drills.
- BREAST CARE PROGRAM: ADH shall budget and expend at least \$4,755,000 on Screening, Treatment, and Outreach of the Breast Care Program and shall provide a report of efforts to the Legislative Women's Caucus prior to each Legislative Session.
- PATIENT CARE PROVIDERS – COMPENSATION, REQUIRED WITHHOLDING, FRINGE BENEFITS AND REPORTING. This language requires the Department of Health to provide increased mileage reimbursement in FY2014, FY2015, and FY2016 to Home Health - Patient Care Providers and to report on the revenues and expenses of the Home Health Program.

FY2014 Changes Approved During 2014 Pre-Fiscal Session Hearings:

- *NEW* IN PERSON ASSISTER PROGRAM EXTRA HELP. This language allows for Extra Help employees working for the federal In Person Assister Program to be employed for up to 2,080 hours in a fiscal year.

FOR TOBACCO PREVENTION & CESSATION ACT:

- TRANSFER RESTRICTIONS: Appropriations shall only be transferred as allowed in this Act.
- TRANSFER OF APPROPRIATIONS: If any budget classifications of maintenance and general operation in this act are found to be inadequate, then a modification of amounts of the budget classification can be requested with approval from ALC and the Chief Fiscal Officer of the State.
- POSITIONS: Nothing in this act shall be construed as a commitment of the State to continue funding any position paid from the proceeds of the Tobacco Settlement funds in the event that the Tobacco Settlement funds are not sufficient to finance the position and shall be disclosed and included to all positions.
- ADVERTISING: No advertising targeting the prevention or reduction of tobacco shall include the name, voice or likeness of any elected official or their immediate family.
- TOBACCO FUND TRANSFER: ADH is authorized to transfer \$500,000 from the Prevention and Cessation Program Account to the Breast Cancer Control Fund to provide for State Medicaid match requirements.
- COMPLIANCE WITH OTHER LAWS: Disbursement of funds shall be limited to the appropriation made available by law.
- LEGISLATIVE INTENT: Any funds disbursed in this act shall be in compliance with Initiated Act 1 of 2000.

UPDATED JANUARY 2014