

# Governor's Introduced Budget for the Department of Health

House Appropriations

Health and Human Resources Subcommittee

January 31, 2011

*The Virginia Department of Health (VDH) is dedicated to promoting and protecting the health of all Virginians.*

Karen Remley, MD, MBA, FAAP  
Commissioner  
Department of Health



# VDH - Who We Are

## Communicable Disease Prevention and Control

- Treatment and Control of TB, STD and other communicable diseases
- VDH conducts more than 365 disease outbreak investigations annually

## Environmental Health Hazards Protection

- Restaurant Inspections
- Well and Septic Tank Permits and Inspections
- Rabies

# VDH - Who We Are

## Drinking Water Protection

## Emergency Preparedness and Response

- Infectious Disease Outbreaks (H1N1)

## Emergency Medical Services

- Training and Certification of Emergency Responders
- Financial Assistance to Emergency Medical Service Providers and Localities

## Medical Examiners and Anatomical Services

# VDH - Who We Are

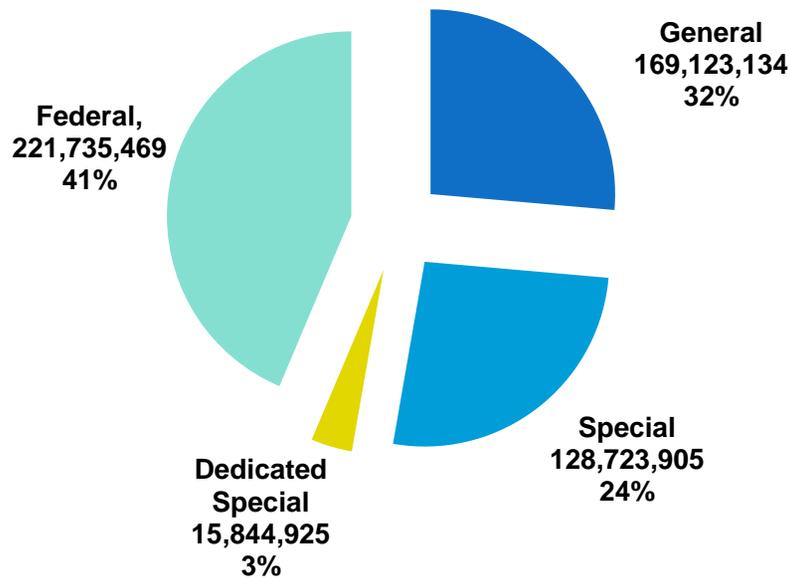
## Preventive Health Services

- Family Planning
- Prenatal Care
- Immunizations
- Obesity
- Chronic Disease
- Health Assessment, Promotion and Education

## Vital Records and Health Statistics

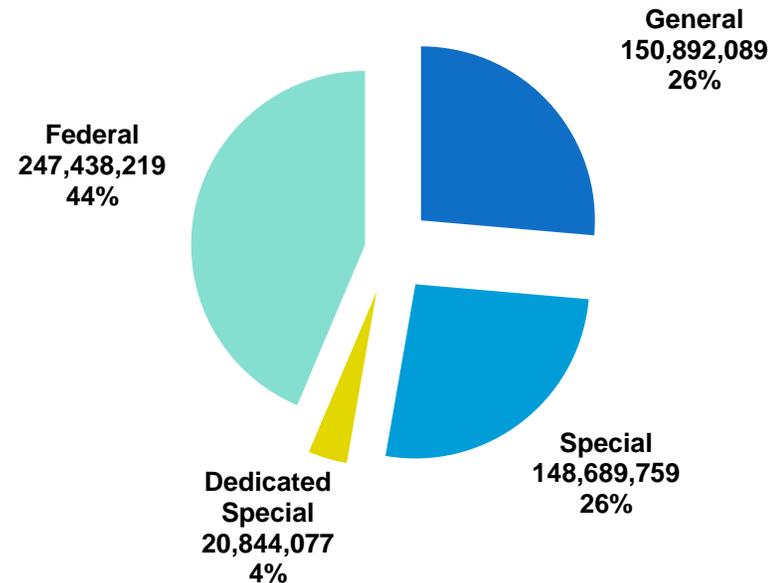
# VDH Funding & Staffing – FY 2008 to FY 2011

**FY 2008  
Chapter 847  
Total - \$535,427,433**



**FTEs**  
**GF – 1,664**  
**NGF – 2,107**  
**Total –3,771**

**FY 2011  
Chapter 874  
Total - \$567,864,144**



**FTEs**  
**GF – 1,554**  
**NGF – 2,059**  
**Total –3,613**

# Federal Funds

**VDH has 162 federal grants and contracts**

**Major Programs supported with federal funds:**

- **Nutritional Services**
  - **Women, Infants and Children (WIC)**
  - **Child and Adult Feeding Programs**
  - **Summer Feeding Programs**
- **Emergency Preparedness and Response**
  - **H1N1**
  - **Bioterrorism**

# Federal Funds

- **Maternal and Child Health**
- **HIV Prevention and Control**
- **Safe Drinking Water**

# The Future

- State/Local Partnership remains intact however, resources are stretched exceedingly thin
- VDH is uniquely tasked by law to provide services that are not available in the private sector
- Federal Health Reform funding will not address key public health issues
- National Accreditation of State and Local Public Health agencies is on the horizon

# Introduced Budget

	FY2011		FY2012	
	GF	NGF	GF	NGF
Base Appropriation	\$150,892,089	\$416,972,055	\$146,701,940	\$416,842,786
Proposed Reductions/Technical Adjustments	(\$1,467,020)		(\$3,310,690)	
GF Supplanted with Fee Increases				\$604,415
Proposed Restorations of Funding/New Funding	\$3,600,000	\$114,625	\$7,712,088	\$3,275,041
Total Proposed Budget by Fund	\$153,025,069	\$417,086,680	\$151,103,338	\$420,722,242
Total Proposed Budget by FY	\$570,111,749		\$571,825,580	

# General Fund Reductions

- **Create GF savings by continuing the strict agency-wide controls on discretionary spending, travel, and hiring put into place during FY 2010**

FY 2011 (\$1,467,020) GF

FY 2012 (\$1,467,020) GF

- **Transfer central office Dental Program activities and administrative costs to the Maternal and Child Health Block Grant**

FY 2012 (\$715,504) GF

- **Reduce GF support in the Office of Family Health Services**

FY 2012 (\$1,000,000) GF

- **Transfer hearings officer from the Office of Family Health Services to the Office of Emergency Medical Services**

FY 2012 (\$128,166) GF

# Restore General Fund

## Medical Examiner and Anatomical Services

- Restores FY 2012 GF appropriation for the operation of the Office of the Chief Medical Examiner (OCME).
- A proposed increase of \$2.5 million in Vital Record fees was earmarked for OCME. When the increase did not pass, the FY 2012 GF dollars were not restored to OCME, creating a significant shortfall.

**FY2012                      \$2,500,000 GF**

## Environmental Health Services

- Restores FY 2012 GF appropriation in the Marina Program and Shellfish Program when proposed new fees for these programs were not approved.

Marina Program

**FY 2012                      \$64,250 GF**

Shellfish Program

**FY 2012                      \$150,150 GF**

# Increased Fees

## Health Care Facility Licensure Fees

**FY 2012 \$604,415 NGF**

- General fund dollars for FY 2012 were not restored when these fee increases did not pass last year. Increased fees are necessary to avoid a general fund deficit of \$604,415 in the Office.
- Licensure fees for nursing homes, inpatient hospitals, and outpatient surgical centers have not been increased since 1979
- Hospice fees were last increased in 2005 and home care in 2006.
- Increased fees will help to make these programs more self-sustaining, and less reliant on general funds.

# Health Care Facility Licensure Fees

Fee	Current	Proposed
Hospitals	$\leq$ 50 Beds -- \$75 minimum 51-333 Beds - \$1.50 per bed > 333 Beds -- \$500 maximum	\$350 plus \$2.00 per bed
Outpatient Surgical Center	\$75 per facility	\$700 per facility
Nursing Homes	$\leq$ 50 Beds -- \$75 minimum 51-333 Beds - \$1.50 per bed > 333 Beds -- \$500 maximum	\$950 plus \$8.00 per bed
Home Care Organizations	\$500 per license	\$650
Hospice Facility	\$500 per license	\$650
Hospice Program	\$500 per license	\$650
Late Fee for Hospice and Home Care Application	\$50	\$50
Hospice or Home Care License Reissue or Replacement	\$250	\$325
Home Care Licensure Exemption Processing Fee	\$75	\$75

# Additional General Fund

## Communicable Disease Prevention and Control

- Provides additional GF to support the AIDS Drug Assistance Program (ADAP)  
**FY 2011      \$ 3.6 million GF**  
**FY 2012      \$ 3.6 million GF**
- Provides GF support for the Governor's Lyme Disease Task Force  
**FY 2012      \$15,000 GF**

# Additional General Fund

## Family Health Services

- Provide support to expand access to Plan First Family Planning Services

**FY 2012    \$500,000 GF    1 FTE**

## Aid to Community Human Services Organizations

- Provide funding to support Operation Smile

**FY 2012    \$500,000 GF**

# Additional Non General Fund Appropriation

## Environmental Health Hazards Protection

- Provides NGF appropriation for the Chesapeake Bay Protection and Restoration mandate  
**FY 2012     \$109,158 NGF**

## Communicable Disease Prevention and Control

- Provides NGF appropriation for the Epidemiology and Laboratory Capacity Grant  
**FY 2012     \$321,000 NGF**

# Additional Non General Fund Appropriation

## Performance and Quality Improvement

- Provides NGF appropriation for new Centers for Disease Control Infrastructure Improvement Grant  
**FY 2012     \$300,000 NGF**

## Health Research Planning and Coordination

- Provides NGF appropriation for National Office of Minority Health Grant Program to eliminate health disparities  
**FY 2012     \$140,000 NGF**

# Additional Non General Fund Appropriation

## Family Health Services

- Provide appropriation for the Maternal, Infant and Early Childhood Home Visiting Grant program.  
**FY 2012 \$500,000 NGF**
- Provide GF match and NGF appropriation for the Title V State Abstinence Education Grant program  
**FY 2012 \$382,688 GF \$507,285 NGF**
- Provide appropriation for the First Time Motherhood/New Parent Initiative  
**FY 2012 \$370,938 NGF**

# Additional FTEs

The Introduced Budget includes 67 additional FTEs:

- 1 FTE is a transfer from VITA
- 1 FTE to support the Plan First Initiative
- 65 NGF Restricted FTEs to address increased demand for services and support federal grants

# Rate Increases

VDH, like all other agencies, is contending with increased fees levied by Internal Service Fund agencies:

- VITA Rate Increases
- DRES Fees

# VDH Role in the Medicaid Information Technology Architecture Project

- MITA – a CMS initiative to transform the Medicaid Management Information System into an enterprise-wide architecture capable of addressing future Medicaid needs.
- Providers' use of electronic health records and the ability to exchange that information is a major component of the MITA vision.
- VDH was awarded a \$11.6M grant to facilitate the development of a statewide health information exchange. This includes the creation of the government gateway that will facilitate the exchange of health information with state agencies.
- The electronic exchange of client information can
  - Streamline eligibility processes for various VDH programs and services
  - Facilitate the reporting of health information, e.g. communicable diseases, immunizations, birth and death records

# VDH Role in the Medicaid Information Technology Architecture Project

- VDH plays a key role within the MITA framework by participating in the planning of the architecture and processes that will support this enterprise gateway or portal.
- VDH participates in the Health Information Technology Standards Advisory Committee to establish nationally recognized data standards that will be used in the exchange of health information.

# GF Support of Vital Records

The total GF appropriation needed to fully support Vital Records operations is \$6.4 million annually.

- Operating Funds: \$5.4 million
- Automation Fund: \$1 million