Proposed Budget for the Department of Health

Senate Finance Health and Human Resources Subcommittee
January 19, 2009

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Commissioner
Department of Health
VDH Core Public Health Services

- Communicable Disease Prevention, Treatment and Control (TB, STD, HIV, AIDS, Outbreak Investigations, Rabies)
- Emergency Preparedness and Response
- Coordination of Comprehensive State EMS System
- Medical-legal death investigations- Office of Chief Medical Examiner
- Newborn Screening
- Immunizations
- Maternal and Child Health
- Family Planning
VDH Core Public Health Services

- Regulation of Health Care Facilities - COPN
- Radiation Control – Regulation of X-Ray Machines
- Health Promotion, Education, and Injury Prevention
- Protection of Public Drinking Water
- Onsite Sewage Treatment and Private Well Permits
- Restaurant Inspections
- Public Health Data - Vital Records
- Sanitary Control of Shellfish Harvesting and Processing
VDH Strategy in Developing Reduction Plans

- Preserve Capacity to Perform Core Public Health Functions
- Targeted reductions
  - Focus on operating efficiencies, consolidation, and further reducing discretionary spending
- Identify Services That Could be Provided by Private Sector
- Minimize Impact on Services in the Community
  - Protect safety net services and concentrate on vacant positions
- Identify Programs Not Effective in Achieving Goals or Where Original Goal Accomplished
## Total VDH Funding – Introduced Budget

<table>
<thead>
<tr>
<th></th>
<th>Total Funds</th>
<th>FY 2009</th>
<th>FY 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>GF</td>
<td>NGF</td>
</tr>
<tr>
<td>Base Appropriation</td>
<td>$176,455,380</td>
<td>$415,467,480</td>
<td>$176,185,603</td>
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<tr>
<td></td>
<td></td>
<td>$414,344,934</td>
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<tr>
<td>Proposed Reductions</td>
<td>($7,405,458)</td>
<td>($2,949,811)</td>
<td>($12,773,634)</td>
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<tr>
<td></td>
<td></td>
<td>($2,700,390)</td>
<td></td>
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<tr>
<td>Proposed New Funding</td>
<td>$24,680</td>
<td>$104,292</td>
<td>$430,403</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$104,292</td>
<td></td>
</tr>
<tr>
<td>Total Proposed Budget (by fund)</td>
<td>$169,074,602</td>
<td>$412,621,961</td>
<td>$163,842,372</td>
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<tr>
<td></td>
<td></td>
<td>$411,748,836</td>
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<tr>
<td>Total Proposed Budget</td>
<td>$581,696,563</td>
<td>$575,591,208</td>
<td></td>
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</tbody>
</table>

Proposed Revenue/Transfers
- $10,853,748 GF 2009
- $75,000 GF 2010
Total VDH Funding – Introduced Budget by Fund Source

FY 2009

Federal 44%
Dedicated State Special Revenue 3%
Special 24%
General Fund 29%

FY 2010

Federal 43%
Dedicated State Special Revenue 4%
Special 25%
General Fund 28%
Proposed - New Resources (GF)

- **OCME Medico-Legal Death Investigators**
  - For FY 2009, $24,680 (GF) and six (6) positions
  - For FY 2010, $430,403 (GF)

This amendment:
- Enables OCME to meet accreditation requirements which is essential for court appearances and for Forensic Pathologists to attain and retain Board certification
- Alleviates the shortage of death investigators by increasing the number of investigators from 14 to 20 by adding one death investigator to the Central and Tidewater Districts and two death investigators to the Northern and Western Districts
- Provides minimum resources to provide 24/7 coverage
Proposed - New Resources (NGF)

- **Increase HIV/AIDS Health Counselors**
  - For FY 2009, $104,292 (NGF)
  - For FY 2010, $104,292 (NGF) and two (2) positions

**This amendment:**
- Is funded by a new **federal** Centers for Disease Control and Prevention Initiative to support HIV testing
- Department of Planning and Budget (DPB) approved a position level increase for FY 2009. The proposed addition of the two positions in FY 10 will make this increase a base adjustment
## Proposed Staffing Reductions

<table>
<thead>
<tr>
<th>FTE DISTRIBUTION</th>
<th>Current FTE Level</th>
<th>FY 2009 FTEs Eliminated</th>
<th>FY 2010 FTEs Eliminated</th>
<th>FY 2010 FTE Level with Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Office</td>
<td>765</td>
<td>(25)</td>
<td></td>
<td>740</td>
</tr>
<tr>
<td>Field Offices</td>
<td>189</td>
<td>(4)</td>
<td></td>
<td>185</td>
</tr>
<tr>
<td>Local Health Departments</td>
<td>2,844</td>
<td>(100)</td>
<td>(55)</td>
<td>2,689</td>
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<tr>
<td>Total</td>
<td>3,798</td>
<td>(129)</td>
<td>(55)</td>
<td>3,614</td>
</tr>
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</table>
Proposed Reductions

- **Communicable Disease Prevention and Control**
  - FY 2009  $36,406 (GF)  FY 2010  $696,649 (GF)
  - Maximize NGF resources and enhance resource allocation where appropriate
  - Reduce discretionary spending and create administrative efficiencies
  - Eliminate programs such as Monkey TB Testing and Rabies Awareness Campaign

- **Environmental Health Hazards**
  - FY 2009  $597,810 (GF)  FY 2010  $713,441 (GF)
  - Complete sewage systems research grant
  - Delay hiring, reduce staff
  - Reduce operating expenses
Proposed Reductions

- **Women’s, Infants’ & Children’s Health & Nutrition Services**
  - FY 2009: $658,932 (GF)
  - FY 2010: $1,219,308 (GF)
  - Reduce GF match for WIC Farmer’s Market Program
  - Reduce funding FY2009 for phenylketonuria (PKU) treatment which is covered by DMAS
  - Combine the Newport News Child Development Clinic with the Norfolk Child Development Clinic

- **Community Health Services**
  - FY 2009: $3,798,882 (GF)
  - FY 2010: $4,683,031 (GF)
  - Eliminate vacant positions
  - Defer travel, training, equipment replacement and other discretionary spending
  - Reduce GF support to the two locally administered health districts (Fairfax and Arlington)
Proposed Reductions

- **Scholarships**
  
  FY 2009 $1,105,964 (GF)  
  FY 2010 $1,155,964 (GF)
  
  Eliminate Dental Scholarships in FY2009 and FY2010  
  Reduce Physician Financial Incentives in FY2009 and eliminate in FY2010

- **Administrative and Business Services**
  
  FY 2009 $617,670 (GF)  
  FY 2010 $1,698,699 (GF)
  
  Reduce discretionary expenses  
  Reduce staff in Human Resources, Purchasing, Internal Audit, and Information Technology  
  Maximize NGF resources and enhance resource allocation where appropriate
Proposed Reductions

- **Emergency Medical Services**
  
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>$0</td>
</tr>
<tr>
<td>FY 2010</td>
<td>$1,450,830 (GF)</td>
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</tbody>
</table>

  Reduce staff and create administrative efficiencies
  Redirect the new $.25 of 4-for-Life revenue from the Rescue Squad Assistance Fund to the Virginia Department of State Police for the Medevac program
  Consolidation of Poison Control Services

- **Drinking Water Improvement**
  
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>$132,564 (GF)</td>
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<tr>
<td>FY 2010</td>
<td>$244,071 (GF)</td>
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</tbody>
</table>

  Reduce discretionary spending and delay equipment purchases
Proposed Reductions

- Licensure and Certification
  
  FY 2009  $170,000 (GF)  FY 2010  $170,000 (GF)

  Eliminate GF support for the Managed Care Health Insurance (MCHIP) Program
  Transfer the public hearing responsibilities related to the Certificate of Public Need (COPN) program from the Regional Health Planning Agencies to VDH
Proposed Reductions

- **Pass-Through Funds**
  - FY 2009: $287,230 or 2% of $13.3 million (GF)
  - FY 2010: $740,641 or 5% of $13.6 million (GF)

- **Balance Transfers**
  - FY 2009: $10,853,748 (NGF)
  - FY 2010: $75,000 (NGF)

Unobligated Special Fund Balances identified include:
- Vital Records Automation Fund
- Water Supply Assistance Grant Fund
- Bedding and Upholstery Fund
- Emergency Medical Services Grant Funds