

Governor's Introduced Budget for the Department of Health

Senate Finance Health and Human
Resources Subcommittee

January 24, 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 VIRGINIA
DEPARTMENT
OF HEALTH
Protecting You and Your Environment

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

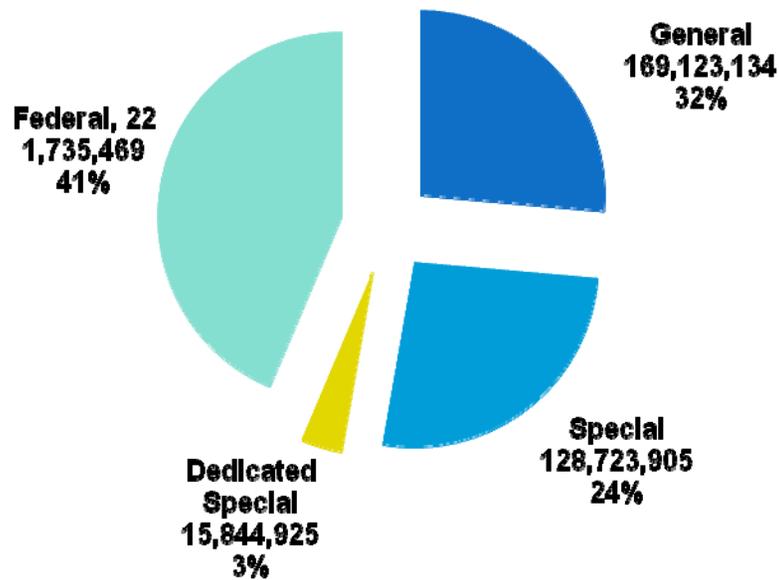
Preventive Health Services

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

Vital Records and Health Statistics

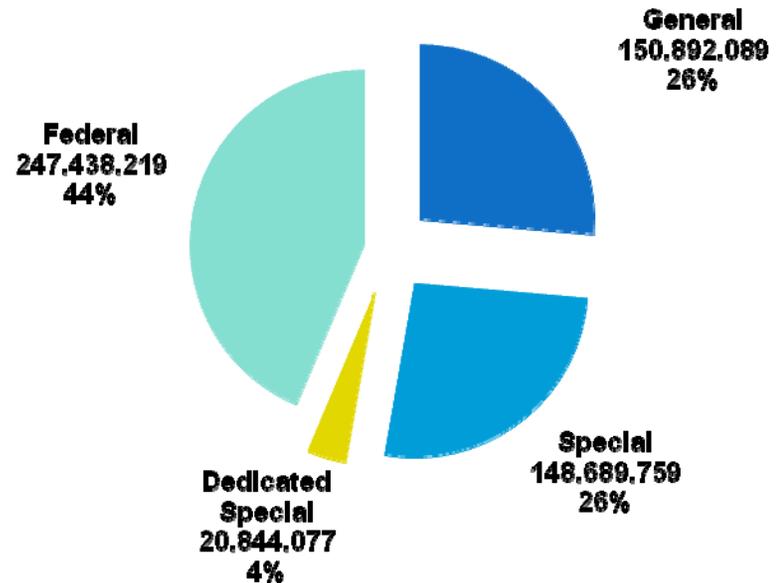
VDH Funding & Staffing – FY 2008 to FY 2011

**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.

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.