

# ARKANSAS DEPARTMENT OF HEALTH

## **Enabling Laws**

Act 283 of 2014  
Act 146 of 2014  
Act 4 of 2009  
Act 393 of 2009  
Act 384 of 2007  
EO 07-05, PROCLAMATION of Governor Mike Beebe, May 2, 2007  
Act 2306 of 2005  
Act 2310 of 2005  
Act 1954 of 2005

A.C.A 20-7-101 et seq. (Act 96 of 1913), 20-13-201 et seq., 20-15-101 et seq., 20-16-101 et seq., 20-30-101 et seq., 20-56-200 et seq., 20-57-101 et seq., 20-59-101 et seq., 20-60-101 et seq., 20-64-101 et seq., 20-76-101 et seq., 25-9-101 et seq., 27-101-102 et seq., 5-64-101 et seq., 5-65-101 et seq., 5-75-101 et seq., 5-76-101 et seq., 11-5-201 et seq., 14-236-101 et seq., 14-262-101 et seq., 17-33-101 et seq., 17-38-101 et seq., 17-92-101 et seq., 17-104-101 et seq., 17-106-101 et seq., 19-12-101 et seq., 20-8-101 et seq., 20-9-101 et seq., 20-10-801 et seq., 20-27-201 et seq., 20-27-1501 et seq., 20-28-101 et seq., 20-30-101 et seq., 23-85-137 et seq., 23-86-118 et seq., 23-99-701 et seq., and 27-23-112 et seq.

## **History and Organization**

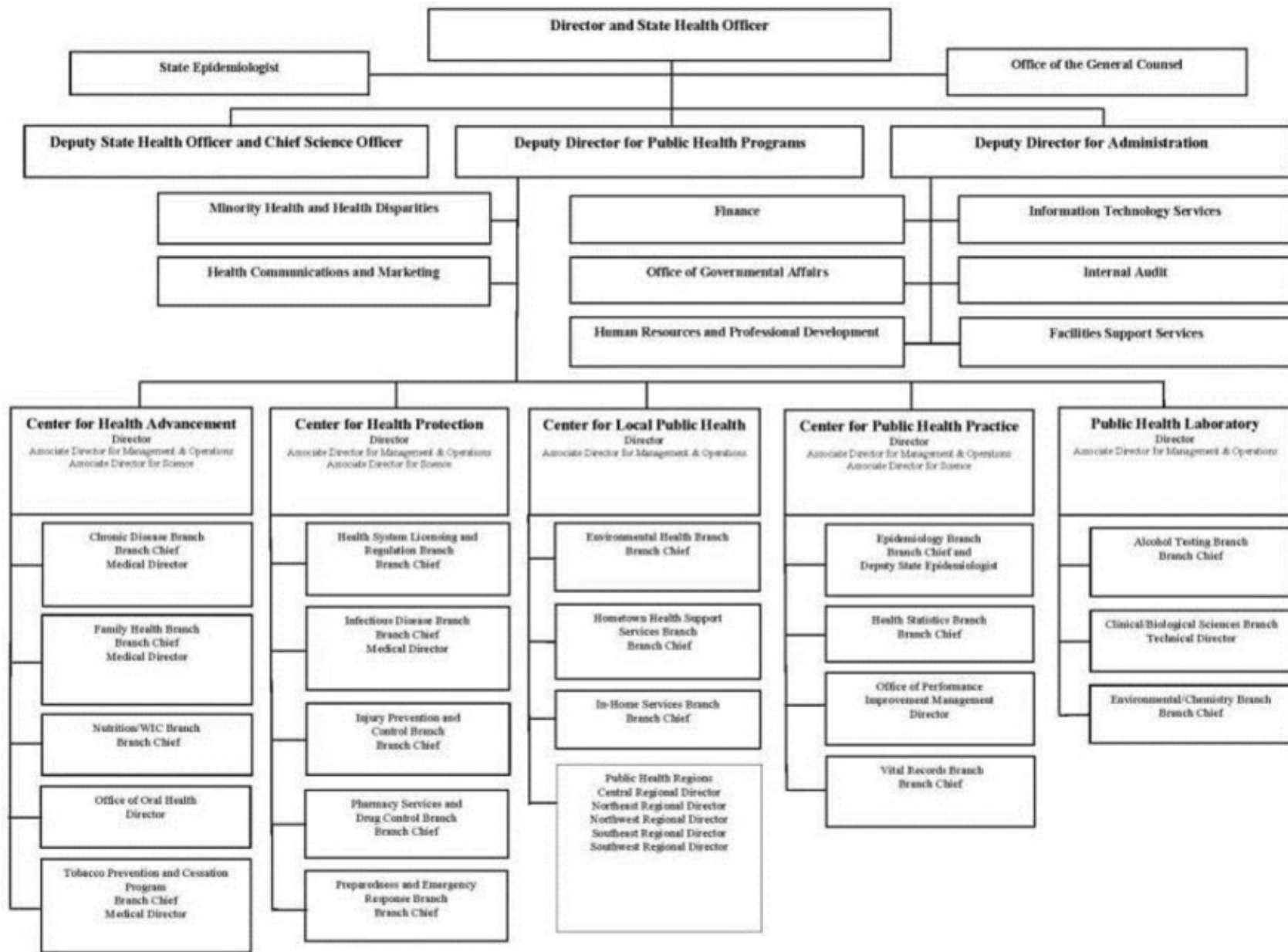
Act 38 of 1971 created the Arkansas Department of Health as a cabinet level agency. Act 1954 of 2005 merged the Arkansas Department of Health into the Department of Human Services and renamed the Agency the Department of Health and Human Services. Act 384 of 2007 gave the Governor the authority to separate the Division of Health out of the Arkansas Department of Health and Human Services and reestablish an Arkansas Department of Health [Department]. The Governor executed the final separation in Executive Order 07-05 on May 2, 2007. The Arkansas Board of Health[Board] was created in 1913, the State Board of Health serves as the rule making authority for the Department and policy advisory body, and has specific statutory authority in issues related to public health. The Director of the Department of Health serves at the pleasure of the Governor and acts as the Secretary of the Board and State Health Officer. With the approval of the Board, the Governor may appoint a Surgeon General who shall serve as a cabinet level advisor to the Governor.

The Department delivers a broad range of public health preventive and regulatory services statewide. Approximately 3,000 public health workers across Arkansas are employed by the Department to provide these services.

In addition to two central office locations, the agency has 94 Local Health Units. Local Health Units are established and maintained through joint efforts of state, county and local governments. The Department is organized into five organization units called *Centers*: Center for Health Advancement, Center for Health Protection, Center for Local Public Health, Center for Public Health Practice and the Public Health laboratory.

Act 393 of 2009 the legislature created a comprehensive trauma care system under the auspices of the Department and Board of Health. This system provides guidelines for the care of trauma victims and is fully integrated with all available resources, including, but not limited to, existing emergency medical services providers, hospitals, or other health care providers that would like to participate in the program.

The mission of the Arkansas Department of Health is to protect and improve the health and well-being of all Arkansans.



## **Agency Commentary**

Approval is requested in the Regular Salaries and Personal Services Matching line items and the continued restoration of 302 authorized positions within Health Operations and 12 authorized positions within Tobacco Prevention and Cessation. These positions have traditionally been restored and allow the Agency flexibility to utilize positions according to the need to provide critical services to the citizens of Arkansas.

The request also includes the reclassification of 9 positions to better align with the job duties and a change in position title for 7 positions.

An Agency transfer is requested to move the 3 positions and associated fringe, as well as the maintenance and operations appropriation from fund center F66 Medicaid Provider Appeals to fund center 34P Health Operations Paying. This movement will allow ADH to cost allocate expenses more efficiently for the Medicaid Provider Appeal service.

Funded appropriation is requested in several fund centers to restore appropriation to funding levels. Unfunded appropriation is requested up to the authorized amount allowing the flexibility to utilize additional federal and other funding sources.

The restoration of Capital Outlay is requested for the normal replacement of necessary equipment for the local health units, Public Health Lab equipment and other program operations.

A request to increase the current fee schedule is submitted for food service permits and licensure fees. These increases will stabilize the program areas ensuring sufficient funding to continue services at the current level.

The Arkansas Department of Health (ADH) has 94 local health units located in 75 counties. Each of the health units has telehealth capabilities allowing them to have real-time video interfacing to promote access to care particularly in rural areas. In addition, the ADH provides 4 types of services through these statewide units:

Clinical Services are provided to prevent disease, illness and injury; protect against health threats and share knowledge with the community. These services are an essential and cost-effective public investment.

- Infectious Disease Prevention and Control services identify and treat tuberculosis and sexually transmitted infections; provide testing, counseling and prevention education for HIV; maintain surveillance for infectious diseases and intervene to prevent or manage outbreaks.
- Immunizations services include childhood and adult immunizations for diseases such as influenza, tetanus, diphtheria, pertussis, measles and polio. ADH provided more than 400,000 immunizations during FY13.
- Breast and Cervical Cancer Prevention and Control provides breast and cervical cancer screenings, diagnosis and treatment to women over age 40 that are uninsured or underinsured. Over 25,000 screenings were completed in FY13.

- Women, Infants and Children (WIC) program provides vouchers to purchase nutritious foods to supplement diets, nutrition counseling and breastfeeding education and support to low-income eligible pregnant women, new mothers and children up to age 5. There are 102 WIC clinic sites in 75 counties that served an average of 93,461 participants each month in FY13.
- Women's Health Services provides, for women of childbearing age, access to family planning, pregnancy testing, prenatal care and other services designed to avoid unwanted pregnancy, improve birth outcomes and maintain health.

In-Home Services encompasses an array of healthcare programs and services provided under physicians' orders to patients in their homes and other settings. The goal is to offer all eligible Arkansans an opportunity to receive safe, effective and cost-efficient health care services at home. All of these services can be accessed through local health units.

- Home Health allows patients recovering from a serious illness or living with a chronic disease to receive skilled nursing; physical, occupational and speech therapy; nurse aide and social work services.
- Personal Care/ElderChoices provide assistance with activities of daily living such as hygiene, diet (including meal preparation), household chores, respite for caregivers and other services that promote independent living at home and delay or prevent the need to go to a nursing home.
- Hospice is a special caring service for terminally ill patients who wish to remain with family at home.
- Maternal Infant is a short-term program designed to get expectant mothers and infants off to a good start.
- Community-based Case Management for the Elderly assists older Arkansans who have difficulty with daily living activities and need multiple services that require coordination at the community level.

Environmental Health Services works to prevent premature death and avoidable illness and disability that may result from interactions between people and the environment.

- Food and milk programs ensure the safety of consumer products at the manufacturing, wholesale and retail levels. In FY13, the ADH inspected over 29,000 restaurants.
- On-site wastewater programs help ensure the safety of water resources by regulating basic sewage systems, responding to environmental complaints and approving individual sewage systems.
- Swimming pool and swim beach safety programs review plans for recreational facilities and test water quality to prevent waterborne diseases.
- Marine sanitation program ensures safety of water resources by regulating wastewater disposal at marinas and on marine craft.
- Clean Indoor Air program enforces ACT 8 of 2006, which protects patrons of public businesses from secondhand smoke.
- Tattoo and body art programs inspect tattoo facilities and license artists.
- Engineering programs enforce the federal laws for public water systems, inspect facilities and train and certify public water system workers to ensure the safety of drinking water.

- Heating, ventilation, air conditioning and refrigeration (HVAC/R) programs train and license HVAC/R professionals.
- Plumbing programs train and license plumbing professionals.

Community Services assists in improving the health of citizens by promoting healthy behaviors and providing assistance with the development of health services and systems of care.

- Hometown Health Improvement (HHI) initiatives support community-related health development efforts in all 75 counties in the state and provide support for 73 coalitions. These initiatives do essential work to improve the health of those in their communities. HHI mobilizes community partnerships to identify and solve health problems by promoting and encouraging healthy behaviors and lifestyles. This support includes coalition development, community assessments and program planning. Hometown Health was implemented in 1998.
- Rural Health and Primary Care works with numerous organizations to coordinate rural health resources and activities statewide. This office administers several grant programs for small hospitals and committees seeking to improve or enhance health services in rural areas of our state. Rural Health and Primary Care provides technical assistance to organizations and communities wishing to expand access to primary care for underserved populations. It works to recruit and retain health care professionals in rural areas and underserved areas of Arkansas and provides technical assistance to the 29 Critical Access Hospitals in the state.

In addition to our local health units, the ADH maintains two central offices where a variety of other programs and activities occur through our various centers: Health Advancement, Health Protection, Local Public Health, Public Health Practice and Public Health Laboratory. Programs in these areas include tobacco cessation and prevention, newborn screening, physical activity and chronic disease management, infant mortality, injury prevention, statewide trauma system and oral health.

Since the enactment of the Arkansas Trauma System Act of 2009, 69 hospitals have been designated as trauma centers at the following levels:

Level I (provides comprehensive clinical care and is a community resource; i.e., has education, research, and outreach components): 5

Level II (provides comprehensive clinical care; from a clinical standpoint, a Level II provides the same care as a Level I): 5

Level III (provides treatment for mild and moderate single system injuries; most traumatic injuries can be treated at a Level III facility): 19

Level IV (provides stabilization for severely injured patients; transfer to a higher level trauma center is usually required): 40

In a state that prior to 2009 had no trauma system, Arkansas has seen hospital transfer acceptance for severe trauma patients reduce to an average of seven minutes and twenty seconds.

The Health Statistics Center collects, manages and analyzes health-related data and statistics; conducts research and provides consultation and training; and produces publications and reports. The Vital Records Section issues over 340,000 certified copies of records each year.

The Department's Public Health Laboratory provides laboratory analysis and reporting of clinical and environmental samples, alcohol testing, microbiological testing of water for private individuals, neonatal screening of newborns, identification of organisms referred from clinical laboratories for microbiological testing, FDA compliance certification of milk industry dairy laboratories and unknown biological and chemical substance testing. The lab performs over a million tests a year.

The mission of the Department of Health is to protect and improve the health and well-being of all Arkansans. At the Arkansas Department of Health we work to accomplish that mission by helping Arkansans to improve their own health, protect the public from epidemics, and provide preventive health services in your communities. While improved public health conditions and advances made in modern medicine have eliminated many of the threats we faced in the past, those problems have been replaced by new challenges that pose major obstacles to healthy living in today's world. Numbered among the current significant challenges before us are the obesity epidemic, tobacco use, teen pregnancy, poor dental health, high infant mortality, and poor health literacy. This means as public health professionals we have a huge responsibility to address these problems as well as new and emerging public health threats such as Hepatitis C, electronic cigarettes, and vector borne diseases such as Chikungunya and Dengue just to name a few. Dedicated public health professionals working in a variety of scientifically-based disciplines are already working to address these problems. Our public health workforce is working every day at the local level through a statewide service network to provide prevention services and to address threats to the public's health.

## **Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS DEPARTMENT OF HEALTH  
FOR THE YEAR ENDED JUNE 30, 2013

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Findings

The Cross County Local Health Unit (LHU) opened a bank account on January 15, 2013, with monies from the Cross County Quorum Court. This account was reportedly to be used for outreach family planning purposes within the community, with specific emphasis on teen pregnancy. A review of transactions from January 15, 2013, through April 30, 2014, revealed \$10,993 in deposits and \$7,059 in disbursements. The bank account and its transactions are not recorded in the Agency's accounting system or financial statements. Several deficiencies in internal controls and instances of non-

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Recommendations

Review the activity in the above mentioned bank account and determine whether the disbursements were appropriately used for outreach family planning purposes. If it is determined that the disbursements were not for outreach family planning purposes, the Agency should consider reimbursing the appropriate amount to the Cross County Quorum Court. Additionally, we recommend the Agency strengthen its controls and procedures to ensure proper accountability and reporting of all bank accounts used and controlled by the Agency to carry out its missions and purposes.

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS DEPARTMENT OF HEALTH  
FOR THE YEAR ENDED JUNE 30, 2013

Findings

Recommendations

compliance were noted in conjunction with this account.

- This account was opened without knowledge or approval of the Agency's Chief Financial Officer.
- In addition to the \$10,000 provided by the County during this period for outreach family planning purposes, the County reimbursed the LHU an additional \$983 for items such as cleaning supplies, office supplies, and food/plastic utensils. Also, a \$10 check, reportedly for record maintenance fees, was deposited into this account instead of the bank account where Agency fees are normally deposited.
- None of the disbursements were made in accordance with prescribed procurement procedures. Employees were often paid as vendors for performing services, which may be in conflict with ethics laws; support documentation was frequently inadequate or insufficient; and the LHU did not demonstrate independent supervisory review of purchases made via check and debit card transactions.
- Disbursements totaling \$5,888 were for goods and services that do not appear to be related to or associated with outreach family planning purposes. Descriptions of such purchases include, but are not limited to, cleaning services and supplies, clerical services, office supplies, food/plastic utensils, floor tile replacement, landscaping, a cell phone with prepaid minutes, and fuel/truck rental. The appropriateness of the remaining \$1,171 in disbursements is still considered questionable.
- The LHU failed to issue IRS Form 1099-MISC to those vendors who received compensation greater than or equal to \$600 in calendar year 2013.

Failure to adhere to Arkansas law, the State Financial Management Guide, and internal Agency policies and procedures could lead to the misuse and misappropriation of assets as well as inaccurate financial reporting.

During the testing of equipment, a lack of managerial oversight and controls related to

Agency Response:

The Agency agrees with the recommendation and has issued a directive to the Local Health Units regarding opening and maintaining bank accounts. Also, the directive will be part of training for Local Health Unit Administrators. All local bank accounts will require authorization from the Agency's Chief Financial Officer, and those accounts will be subjected to internal audit for adequate internal controls, proper expenditures, and routine reconciliations. Also, the Agency will follow the state procedure to report vendor compensation in order for a 1099 Miscellaneous Reporting form to be issued. Furthermore, the Department agrees to review the expenditures of the account to determine whether the disbursements were used for family planning outreach purposes and refund to the County those funds not supporting the purpose of the funding.

Strengthen management oversight and internal controls to ensure proper accountability



DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 ARKANSAS DEPARTMENT OF HEALTH  
 FOR THE YEAR ENDED JUNE 30, 2013

Findings

fixed assets was detected, which contributed to the deficiencies noted below. Assets that are not properly safeguarded could potentially be misused or lost.

- Three laptop computers and one scanner, with a combined cost of \$3,735, could not be located. A total of 75 items, which cost \$125,130, were selected for observation.
- The Women, Infants, and Children (WIC) program office failed to perform an annual inventory observation as required by the Agency's policies and procedures. The last inventory observation for this office was completed during calendar year 2009.
- Of the 75 items selected for observation, two items (laptop computers) were not properly documented when transferred between program areas, as required by the Agency's policies and procedures.

Recommendations

of equipment assets.

Agency Response:

The Agency agrees with the findings and recommendations that the Agency strengthen management oversight and internal controls to ensure proper accountability of equipment assets. The three laptops and scanner could not be located when requested by audit staff. Two of the laptops and the scanner were subsequently located, and it was determined that they were transferred to two different local health units without proper documentation. The Agency has not been able to locate the remaining laptop. A missing asset investigation report was completed and a request was made to DF&A to drop the item from our records. The WIC program failing to perform an annual inventory observation was a contributing factor in failing to locate the missing asset. The Agency will ensure that directives go out to all programs that annual audits be performed.

**Employment Summary**

	Male	Female	Total	%
White Employees	374	1543	1917	75 %
Black Employees	64	507	571	22 %
Other Racial Minorities	11	60	71	3 %
Total Minorities			642	25 %
Total Employees			2,559	100 %

## **Cash Fund Balance Description as of June 30, 2014**

Fund Account	Balance	Type	Location
1632100	\$2,056,455	Checking	Bank of America, Security State Bank - Howard Lake

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

None

Revenue Receipts Cycle:

Same day line of credit draws are made to expense Women, Infant and Children (WIC) food instruments presented for payment.

Fund Balance Utilization:

Payment of negotiable WIC food instruments.

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Fund Account	Balance	Type	Location
1632200	\$0	Checking	Bank of America; Security State Bank - Howard Lake

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

None

Revenue Receipts Cycle:

Same day line of credit draws are made to expense Women, Infant and Children (WIC) food instruments presented for payment through the Farmer's Market Program.

Fund Balance Utilization:

Payment of negotiable WIC Farmer's Market food instruments.

## Publications

### A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Alcohol Test Log	A.C.A. 5-65-204(b)	N	N	300	Provides logbook for law enforcement to document breath tests as is required in Operator and Senior Operator Training Manuals by the Office of Alcohol Testing.	300	900.00
Annual Report State Board of Health	A.C.A. 20-7-121	N	Y	1,000	A.C.A. 20-7-121 requires publication and is distributed to the State Library, State Board of Health members, internally, DHHS Region 6 states (LA,OK,NM, and TX), Arkansas' Congressional delegation, other State agencies, and partner organizations (AE Med. Soc., AR Children's Hosp., AR Hosp. Assn.).	1000	4373.00
Arkansas Regulations for alcohol Testing	A.C.A. 5-65-201	N	N	0	Provide regulatory information to law enforcement, the judicial system and the public. Information is provided on the agency website.	0	0.00
Arkansas Regulations for Breath Alcohol Ignition Interlock Devices	A.C.A. 5-65-118(j)(1)	N	N	0	Provide regulatory information to law enforcement, the judicial system and the public. Information is provided on the agency website.	0	0.00
Blood Alcohol Report Forms	A.C.A. 5-65-204	N	N	5,000	Provides the required form for submission of a blood or other bodily fluid sample for alcohol analysis. These require two pressure sensitive copies of the form attached to the official document.	5000	445.00
Induced Abortions Data	A.C.A. 20-16-904	N	Y	0	A.C.A. 20-16-904 requires data be provided on agency website and paper copies upon request.	0	0.00

**A.C.A. 25-1-201 et seq.**

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Intoximeter EC/IR II Senior Operator Training Manual	A.C.A. 5-65-204(b)	N	N	0	Provides course book for Senior Operator classes for law enforcement in breath testing and provides regulatory information to law enforcement, the judicial system and the public. Information is provided on the agency website.	0	0.00
Intoximeter EC/IRII Operator Training Manual	A.C.A. 5-65-204(b)	N	N	0	Provides course book for Operator classes for law enforcement in breath testing and provides regulatory information to law enforcement, the judicial system and the public. Information is provided on the agency website.	0	0.00
Mechanical Codes	A.C.A. 17-38-101	N	N	0	To adopt, publish and revise rules and regulations and to provide the heating and air conditioning industry with code books which outline the minimum standards for HVAC installations. Information is provided on the national website.	0	0.00
Plumbing & Fuel Gas Codes	A.C.A. 17-31-101	N	N	0	To adopt, publish and revise rules and regulations and to provide the plumbing industry with code books which outline the minimum standards for plumbing/gas installations. Information is provided on the national website.	0	0.00
Rules and Regulations for Control of Sources of ionizing Radiation	A.C.A. 20-21-207 Item 3	N	N	50	Formulate, adopt, promulgate, and repeal codes, rules, and regulations which may provide for licensing or registration.	0	0.00
Rules and Regulations Pertaining to Radiologic Technology Licensure	A.C.A. 17-106-105 Item (a)(1)(D)	N	N	50	Adopt, publish, and revise such rules and regulations.	0	0.00

**A.C.A. 25-1-201 et seq.**

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Shaken Baby Syndrome Pamphlet	Act 1128 of 2011	N	N	38,000	Act 1128 of 2011 requires that ADH develop and disseminate to hospitals and free-standing birthing clinics Shaken Baby Syndrome educational materials.	38000	5616.00
State Controlled Substances List	A.C.A. 5-64-216	N	Y	45	List is required by A.C.A. 5-64-216, printed copies are provided upon request and is available on the agency web site.	0	0.00
Urine Adulterant List	A.C.A. 20-7-309	N	Y	12	List is required by A.C.A. 20-7-309 and is available on the agency web site.	0	0.00
Women's Right to Receive Adequate Information before Terminating a Pregnancy; Unborn Pain Awareness Act	A.C.A. 20-16-904, A.C.A. 20-16-1105	N	N	100	Materials designed to inform the women of public and private agencies, including adoption agencies, and services available to assist a woman through pregnancy, upon childbirth, and while the child is dependent. Materials are to be provided on a "secure website" and updated on an annual basis.	100	555.00

## Change in Fee Schedule

CURRENT FEE STRUCTURE			PROPOSED CHANGE				Reason for Change
Description	Fee Amount	Estimated Receipts 2014-2015	Authorizing Act or AR Code	Fee Amount	Estimated Receipts		
					2015-2016	2016-2017	
Food Permit Increase	\$35.00	\$474,000	ACA 19-6-301	\$75.00	\$1,370,500	\$1,370,500	To stabilize the program and provide flexibility to develop more cost efficient ways of performing daily activities which is ensuring the citizens of Arkansas have safe food to consume.
Licensure Fees	\$802.00	\$395,000	ACA 20-9-214	\$1,282.00	\$645,400	\$645,400	Over the last several years, this program has used the fund balance to meet ongoing operational costs. Without sufficient funding the Section may have to reduce services.

**ARKANSAS PLANNING BUDGETING & ADMINISTRATIVE SYSTEM**  
**STATE CONTRACTS OVER \$50,000 AWARDED TO MINORITY OWNED BUSINESSES**  
 Fiscal Year 2016  
 Required by A.C.A. 25-36-104

**AGENCY: 0645 ARKANSAS DEPARTMENT OF HEALTH**

Minority Business	Total Contract Awarded	Minority Type per A.C.A. 15-4-303 (2)					
		African American	Hispanic American	American Indian	Asian American	Pacific Islander American	Disabled Veteran
Advantage Communications	\$400,000	X					

<b>TOTAL NUMBER OF MINORITY CONTRACTS AWARDED</b>	<u>1</u>
<b>TOTAL EXPENDITURES FOR CONTRACTS AWARDED</b>	<u>\$9,794,372</u>
<b>% OF MINORITY CONTRACTS AWARDED</b>	<u>2.99 %</u>

# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	
34C Rural Health Facilities	119,288	0	40,500	0	130,000	0	40,500	0	65,500	0	65,500	0	40,500	0	65,500	0	65,500	0	
34D Emergency Medical Services	5,975	0	44,945	0	44,945	0	44,945	0	69,728	0	69,728	0	44,945	0	69,728	0	69,728	0	
34P Health Operations Paying	270,809,621	2,817	294,588,406	2,792	323,538,442	3,094	294,209,885	2,792	320,102,712	3,097	320,102,712	3,097	294,328,568	2,792	320,221,641	3,097	320,221,641	3,097	
38D Nuclear Planning Grants	325,000	0	325,000	0	375,000	0	325,000	0	375,000	0	375,000	0	325,000	0	375,000	0	375,000	0	
59T Trauma System	21,825,264	17	23,064,104	18	28,625,235	18	23,148,327	18	28,592,492	18	28,592,492	18	23,149,349	18	28,593,514	18	28,593,514	18	
604 Tobacco Prevention & Cessation Programs	11,971,696	34	16,791,767	35	17,485,112	47	16,778,670	35	17,380,822	47	17,380,822	47	16,781,539	35	17,383,691	47	17,383,691	47	
803 Health Building & Local Health Grant Trust	904,584	0	1,676,017	0	1,842,090	0	1,676,017	0	1,950,000	0	1,950,000	0	1,676,017	0	1,950,000	0	1,950,000	0	
B72 WIC Food Instruments - Cash	64,183,735	0	74,724,683	0	74,724,683	0	74,724,683	0	75,813,059	0	75,813,059	0	74,724,683	0	75,813,059	0	75,813,059	0	
F66 Medicaid Provider Appeals	196,492	3	264,908	3	253,033	3	267,455	3	0	0	0	0	267,578	3	0	0	0	0	
<b>NOT REQUESTED FOR THE BIENNIUM</b>																			
167 Information Technology Initiatives	359,848	0	0	0	636,175	0	0	0	0	0	0	0	0	0	0	0	0	0	
34E Rural Physician Incentives	0	0	0	0	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total</b>	<b>370,701,503</b>	<b>2,871</b>	<b>411,520,330</b>	<b>2,848</b>	<b>447,694,715</b>	<b>3,162</b>	<b>411,215,482</b>	<b>2,848</b>	<b>444,349,313</b>	<b>3,162</b>	<b>444,349,313</b>	<b>3,162</b>	<b>411,338,179</b>	<b>2,848</b>	<b>444,472,133</b>	<b>3,162</b>	<b>444,472,133</b>	<b>3,162</b>	

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	15,100,893	3.9	12,654,429	3.0	5,175,777	1.3	5,175,777	1.3	5,175,777	1.3	6,303,152	1.5	3,172,193	0.8	3,172,193	0.8	
General Revenue	4000010	89,978,568	23.5	85,301,946	20.5	84,802,664	20.6	84,802,664	20.6	84,802,664	20.6	84,828,774	20.6	84,828,774	20.7	84,828,774	20.7	
Federal Revenue	4000020	116,519,840	30.4	157,225,654	37.7	157,225,654	38.3	157,225,654	38.3	157,225,654	38.3	157,225,654	38.1	157,225,654	38.4	157,225,654	38.4	
Special Revenue	4000030	3,931,146	1.0	3,912,543	0.9	4,235,087	1.0	4,285,087	1.0	4,285,087	1.0	4,235,087	1.0	4,285,087	1.0	4,285,087	1.0	
Special Revenue Restricted	4000031	16,116,701	4.2	15,684,599	3.8	17,377,955	4.2	17,377,955	4.2	17,377,955	4.2	17,377,955	4.2	17,377,955	4.2	17,377,955	4.2	
Federal Funds-ARRA	4000244	35,442	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Manufacturer Rebate	4000341	24,286,839	6.3	24,875,112	6.0	24,875,112	6.1	24,875,112	6.1	24,875,112	6.1	24,875,112	6.0	24,875,112	6.1	24,875,112	6.1	
Other	4000370	195,726	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Third Party Reimbursement	4000490	82,789,457	21.6	83,257,813	20.0	83,257,813	20.3	83,257,813	20.3	83,257,813	20.3	83,257,813	20.2	83,257,813	20.4	83,257,813	20.4	
Tobacco Settlement	4000495	14,293,183	3.7	14,257,275	3.4	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	
Transfer from DHS	4000510	196,492	0.1	264,908	0.1	267,455	0.1	267,455	0.1	267,455	0.1	267,578	0.1	267,578	0.1	267,578	0.1	
Transfer to Medicaid Match	4000660	(900,572)	(0.2)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	
Transfers / Adjustments	4000683	(2,965,209)	(0.8)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	
Various Program Support	4000730	23,777,426	6.2	21,151,661	5.1	21,367,099	5.2	21,367,099	5.2	21,367,099	5.2	21,459,672	5.2	21,459,672	5.2	21,459,672	5.2	
<b>Total Funds</b>		<b>383,355,932</b>	<b>100.0</b>	<b>416,696,107</b>	<b>100.0</b>	<b>410,952,058</b>	<b>100.0</b>	<b>411,002,058</b>	<b>100.0</b>	<b>411,002,058</b>	<b>100.0</b>	<b>412,198,239</b>	<b>100.0</b>	<b>409,117,280</b>	<b>100.0</b>	<b>409,117,280</b>	<b>100.0</b>	
Excess Appropriation/(Funding)		(12,654,429)		(5,175,777)		263,424		33,347,255		33,347,255		(860,060)		35,354,853		35,354,853		
<b>Grand Total</b>		<b>370,701,503</b>		<b>411,520,330</b>		<b>411,215,482</b>		<b>444,349,313</b>		<b>444,349,313</b>		<b>411,338,179</b>		<b>444,472,133</b>		<b>444,472,133</b>		

Variance in fund balances is due to unfunded appropriation.

WITH FEE INCREASE



# Department Appropriation Summary

## Historical Data

## Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	
34C Rural Health Facilities	119,288	0	40,500	0	130,000	0	40,500	0	65,500	0	65,500	0	40,500	0	65,500	0	65,500	0	
34D Emergency Medical Services	5,975	0	44,945	0	44,945	0	44,945	0	69,728	0	69,728	0	44,945	0	69,728	0	69,728	0	
34P Health Operations Paying	270,809,621	2,817	294,588,406	2,792	323,538,442	3,094	294,209,885	2,792	320,102,712	3,097	320,102,712	3,097	294,328,568	2,792	320,221,641	3,097	320,221,641	3,097	
38D Nuclear Planning Grants	325,000	0	325,000	0	375,000	0	325,000	0	375,000	0	375,000	0	325,000	0	375,000	0	375,000	0	
59T Trauma System	21,825,264	17	23,064,104	18	28,625,235	18	23,148,327	18	28,592,492	18	28,592,492	18	23,149,349	18	28,593,514	18	28,593,514	18	
604 Tobacco Prevention & Cessation Programs	11,971,696	34	16,791,767	35	17,485,112	47	16,778,670	35	17,380,822	47	17,380,822	47	16,781,539	35	17,383,691	47	17,383,691	47	
803 Health Building & Local Health Grant Trust	904,584	0	1,676,017	0	1,842,090	0	1,676,017	0	1,950,000	0	1,950,000	0	1,676,017	0	1,950,000	0	1,950,000	0	
B72 WIC Food Instruments - Cash	64,183,735	0	74,724,683	0	74,724,683	0	74,724,683	0	75,813,059	0	75,813,059	0	74,724,683	0	75,813,059	0	75,813,059	0	
F66 Medicaid Provider Appeals	196,492	3	264,908	3	253,033	3	267,455	3	0	0	0	0	267,578	3	0	0	0	0	
<b>NOT REQUESTED FOR THE BIENNIUM</b>																			
167 Information Technology Initiatives	359,848	0	0	0	636,175	0	0	0	0	0	0	0	0	0	0	0	0	0	
34E Rural Physician Incentives	0	0	0	0	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total</b>	<b>370,701,503</b>	<b>2,871</b>	<b>411,520,330</b>	<b>2,848</b>	<b>447,694,715</b>	<b>3,162</b>	<b>411,215,482</b>	<b>2,848</b>	<b>444,349,313</b>	<b>3,162</b>	<b>444,349,313</b>	<b>3,162</b>	<b>411,338,179</b>	<b>2,848</b>	<b>444,472,133</b>	<b>3,162</b>	<b>444,472,133</b>	<b>3,162</b>	

Funding Sources		%		%		%		%		%		%		%		%		%
Fund Balance	4000005	15,100,893	3.9	12,654,429	3.0	5,175,777	1.3	5,175,777	1.3	5,175,777	1.3	4,287,252	1.1	3,172,193	0.8	3,172,193	0.8	
General Revenue	4000010	89,978,568	23.5	85,301,946	20.5	84,802,664	20.7	84,802,664	20.7	84,802,664	20.7	84,828,774	20.8	84,828,774	20.8	84,828,774	20.8	
Federal Revenue	4000020	116,519,840	30.4	157,225,654	37.7	157,225,654	38.4	157,225,654	38.4	157,225,654	38.4	157,225,654	38.5	157,225,654	38.6	157,225,654	38.6	
Special Revenue	4000030	3,931,146	1.0	3,912,543	0.9	3,912,543	1.0	3,962,543	1.0	3,962,543	1.0	3,912,543	1.0	3,962,543	1.0	3,962,543	1.0	
Special Revenue Restricted	4000031	16,116,701	4.2	15,684,599	3.8	15,684,599	3.8	15,684,599	3.8	15,684,599	3.8	15,684,599	3.8	15,684,599	3.9	15,684,599	3.9	
Federal Funds-ARRA	4000244	35,442	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Manufacturer Rebate	4000341	24,286,839	6.3	24,875,112	6.0	24,875,112	6.1	24,875,112	6.1	24,875,112	6.1	24,875,112	6.1	24,875,112	6.1	24,875,112	6.1	
Other	4000370	195,726	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	
Third Party Reimbursement	4000490	82,789,457	21.6	83,257,813	20.0	83,257,813	20.4	83,257,813	20.4	83,257,813	20.4	83,257,813	20.4	83,257,813	20.5	83,257,813	20.5	
Tobacco Settlement	4000495	14,293,183	3.7	14,257,275	3.4	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	14,257,275	3.5	
Transfer from DHS	4000510	196,492	0.1	264,908	0.1	267,455	0.1	267,455	0.1	267,455	0.1	267,578	0.1	267,578	0.1	267,578	0.1	
Transfer to Medicaid Match	4000660	(900,572)	(0.2)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	(356,135)	(0.1)	
Transfers / Adjustments	4000683	(2,965,209)	(0.8)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	(1,533,698)	(0.4)	
Various Program Support	4000730	23,777,426	6.2	21,151,661	5.1	21,367,099	5.2	21,367,099	5.2	21,367,099	5.2	21,459,672	5.3	21,459,672	5.3	21,459,672	5.3	
<b>Total Funds</b>		<b>383,355,932</b>	<b>100.0</b>	<b>416,696,107</b>	<b>100.0</b>	<b>408,936,158</b>	<b>100.0</b>	<b>408,986,158</b>	<b>100.0</b>	<b>408,986,158</b>	<b>100.0</b>	<b>408,166,439</b>	<b>100.0</b>	<b>407,101,380</b>	<b>100.0</b>	<b>407,101,380</b>	<b>100.0</b>	
Excess Appropriation/(Funding)		(12,654,429)		(5,175,777)		2,279,324		35,363,155		35,363,155		3,171,740		37,370,753		37,370,753		
<b>Grand Total</b>		<b>370,701,503</b>		<b>411,520,330</b>		<b>411,215,482</b>		<b>444,349,313</b>		<b>444,349,313</b>		<b>411,338,179</b>		<b>444,472,133</b>		<b>444,472,133</b>		

Variance in fund balances is due to unfunded appropriation.

WITHOUT FEE INCREASE

## Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
3,154	2653	236	2889	265	15.88 %	3,162	2587	279	2866	296	18.18 %	3,162	2564	284	2848	314	18.91 %

## **Analysis of Budget Request**

**Appropriation:** 34C - Rural Health Facilities

**Funding Sources:** MRH - Rural Health Services Revolving Fund

The Department of Health's Rural Health Facilities appropriation, in accordance with A.C.A. 20-12-401 et seq., provides matching funds for applicants on a fifty/fifty basis for assisting the stabilization of necessary medical services provided by county, local, commercial or nonprofit organizations. If the applicant completes a community health needs assessment, the applicant shall be eligible to match funds on a 25/75 basis. The state portion shall at no time exceed two hundred thousand dollars (\$200,000) per county, local, commercial, or nonprofit operation.

Funding for this appropriation consists of General Improvement Fund transfers or other funds made available by the General Assembly and held in a revolving fund (A.C.A. 19-5-1039 MRH - Rural Health Services Revolving Fund).

The Agency's Base Level Request is \$40,500 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is \$25,000 each year to restore the appropriation up to the funding level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 34C - Rural Health Facilities

**Funding Sources:** MRH - Rural Health Services Revolving Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	119,288	40,500	130,000	40,500	65,500	65,500	40,500	65,500	65,500
<b>Total</b>	<b>119,288</b>	<b>40,500</b>	<b>130,000</b>	<b>40,500</b>	<b>65,500</b>	<b>65,500</b>	<b>40,500</b>	<b>65,500</b>	<b>65,500</b>
Funding Sources									
Fund Balance 4000005	202,188	82,900		42,400	42,400	42,400	1,900	0	0
<b>Total Funding</b>	<b>202,188</b>	<b>82,900</b>		<b>42,400</b>	<b>42,400</b>	<b>42,400</b>	<b>1,900</b>	<b>0</b>	<b>0</b>
Excess Appropriation/(Funding)	(82,900)	(42,400)		(1,900)	23,100	23,100	38,600	65,500	65,500
<b>Grand Total</b>	<b>119,288</b>	<b>40,500</b>		<b>40,500</b>	<b>65,500</b>	<b>65,500</b>	<b>40,500</b>	<b>65,500</b>	<b>65,500</b>

Expenditure of appropriation is contingent upon available funding.

## Change Level by Appropriation

**Appropriation:** 34C - Rural Health Facilities  
**Funding Sources:** MRH - Rural Health Services Revolving Fund

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>40,500</b>	<b>0</b>	<b>40,500</b>	<b>100.0</b>	<b>40,500</b>	<b>0</b>	<b>40,500</b>	<b>100.0</b>
C01	Existing Program	25,000	0	65,500	161.7	25,000	0	65,500	161.7

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>40,500</b>	<b>0</b>	<b>40,500</b>	<b>100.0</b>	<b>40,500</b>	<b>0</b>	<b>40,500</b>	<b>100.0</b>
C01	Existing Program	25,000	0	65,500	161.7	25,000	0	65,500	161.7

### Justification

C01	This request is to restore appropriation to funding levels
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## **Analysis of Budget Request**

**Appropriation:** 34D - Emergency Medical Services

**Funding Sources:** MEM - Emergency Medical Services Revolving Fund

The Department of Health's Emergency Medical Services appropriation will provide for certification processing and expenses of on-site examinations for Emergency Medical Technicians (EMTs), maintenance of certification software, educational programs, maintenance of EMT-Instructor certification for agency personnel, and other purposes consistent with A.C.A. 20-13-101 et seq.

Funding for this appropriation consists of certification and renewal fees held in the MEM - Emergency Medical Services Revolving Fund.

The Agency's Base Level request is \$44,945 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is \$24,783 each year to restore appropriation up to the funding level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 34D - Emergency Medical Services  
**Funding Sources:** MEM - Emergency Medical Services Revolving Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	5,975	35,217	35,217	35,217	60,000	60,000	35,217	60,000	60,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Emerg Medical Srvs/Trauma Sys	5900046	0	9,728	9,728	9,728	9,728	9,728	9,728	9,728	9,728
<b>Total</b>		<b>5,975</b>	<b>44,945</b>	<b>44,945</b>	<b>44,945</b>	<b>69,728</b>	<b>69,728</b>	<b>44,945</b>	<b>69,728</b>	<b>69,728</b>
<b>Funding Sources</b>										
Fund Balance	4000005	17,494	52,579		52,362	52,362	52,362	52,145	27,362	27,362
Various Program Support	4000730	41,060	44,728		44,728	44,728	44,728	44,728	44,728	44,728
<b>Total Funding</b>		<b>58,554</b>	<b>97,307</b>		<b>97,090</b>	<b>97,090</b>	<b>97,090</b>	<b>96,873</b>	<b>72,090</b>	<b>72,090</b>
Excess Appropriation/(Funding)		(52,579)	(52,362)		(52,145)	(27,362)	(27,362)	(51,928)	(2,362)	(2,362)
<b>Grand Total</b>		<b>5,975</b>	<b>44,945</b>		<b>44,945</b>	<b>69,728</b>	<b>69,728</b>	<b>44,945</b>	<b>69,728</b>	<b>69,728</b>

## Change Level by Appropriation

**Appropriation:** 34D - Emergency Medical Services  
**Funding Sources:** MEM - Emergency Medical Services Revolving Fund

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>44,945</b>	<b>0</b>	<b>44,945</b>	<b>100.0</b>	<b>44,945</b>	<b>0</b>	<b>44,945</b>	<b>100.0</b>
C01	Existing Program	24,783	0	69,728	155.1	24,783	0	69,728	155.1

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>44,945</b>	<b>0</b>	<b>44,945</b>	<b>100.0</b>	<b>44,945</b>	<b>0</b>	<b>44,945</b>	<b>100.0</b>
C01	Existing Program	24,783	0	69,728	155.1	24,783	0	69,728	155.1

### Justification

C01	This request is to restore appropriation to funding levels
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## **Analysis of Budget Request**

**Appropriation:** 34P - Health Operations Paying

**Funding Sources:** PHD - Administration Paying

The Department of Health is comprised of the Center for Health Protection, the Center for Health Advancement, the Center for Local Public Health, the Center for Public Health Practice, the Office of Minority Health and Health Disparities, the Arkansas Public Health Laboratory and Health Administration, which includes the Offices of the Director, Chief Financial Officer and the Office of System Technology. The Department has 2 central office locations and 94 Local Health Units located throughout the State. This organizational structure enables the Department to provide public health policy and assessment, as well as preventive and regulatory services for the State's citizens.

This appropriation provides for the operations of the Department of Health. Duties include the operation of the Breast and Cervical Cancer Control programs; the collection, analysis, and communication of data regarding health events, disease incidence, the healthcare system, and health status indicators; the protection of the public's health by ensuring safe food and drinking water and maintaining the quality of health facilities and services through monitoring, laboratory testing, and evaluation; educating the public concerning healthy behavior and providing accessible personal health services; and providing in-home services to individuals so they may remain at home instead of receiving extended hospitalization or nursing home placement.

Funding for this appropriation consists of general revenue (BAA - Public Health Fund), federal funding, special revenues, Third Party Reimbursement, Tobacco Settlement Funding and other funding. Federal revenues include Immunization and Vaccines for Children, Ryan White Care Act Title II, Public Health Preparedness and Response/BIO, Bioterrorism Hospital Preparedness Program, Epidemiology and Laboratory Capacity for Infectious Diseases, Title X Family Planning Services Program, National Cancer Prevention and Control Program, Chronic Disease Prevention and Health Promotion Programs, Maternal and Child Health, and Women Infants and Children (WIC). Special revenues include the Cigarette Tax; licensing fees for Cosmetology, Radiology, Plumbing, Pharmacy, HVAC, Health Facilities, Waterworks and the Athletic Commission; Milk Inspection and Marine Sanitation Fees; and Nuclear Planning and Response Funds. Third Party Reimbursement funding includes Medicaid and Insurance funding. Other Funding, as indicated as Various Program Support, includes fees related to Vital Records, Immunization, Rabies, Swimming Pools, etc.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency's Base Level request is \$294,209,885 in FY16 and \$294,328,568 in FY17 with two thousand seven hundred ninety-two (2,792) positions.

The Agency's Change Level request for appropriation is \$25,892,827 in FY16 and \$25,893,073 in FY17, and consists of the following:

- Regular Salaries and Personal Services Matching totaling \$12,963,418 in FY16 and \$12,963,664 in FY17 that consist of: restoration of three hundred two (302) various positions that were not budgeted in FY15, eight (8) classification changes, seven (7) title changes to address agency needs, and three (3) positions being transferred from Appropriation F66-Medicaid Provider Appeals.
- Unfunded Appropriation totaling \$11,175,101 each year to restore appropriation to the FY15 authorized level and allow flexibility to utilize federal and other funding. The request consists of the following:
  1. Extra Help and associated Personal Services Matching totaling \$255,251,
  2. Overtime and associated Personal Services Matching totaling \$34,740,
  3. Operating Expenses totaling \$3,460,212,
  4. Conference & Travel totaling \$61,285,
  5. Professional Fees totaling \$2,555,555,
  6. Grants and Aid totaling \$4,707,573,
  7. Breast Care Program totaling \$100,485.
- Operating Expenses totaling \$30,500 each year being transferred from Appropriation F66-Medicaid Provider Appeals.
- Capital Outlay totaling \$1,750,000 each year of the biennium for the normal replacement of necessary equipment for the local health units, and other necessary needs of operation for the Public Health Lab and other branch operations of the Agency.

The Agency is also proposing increases in two (2) fees. No additional positions or appropriation is being requested as a result of the fee increases. The fees are as follows:

- Food Permit Increase - proposing an increase from \$35 to \$75 due to increasing costs, and
- Licensure Fees - proposing an increase from \$802 to \$1,282 due to funding shortages.

The Executive Recommendation provides for the Agency Request with various position classification changes, and no title changes.

# Appropriation Summary

**Appropriation:** 34P - Health Operations Paying

**Funding Sources:** PHD - Administration Paying

## Historical Data

## Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	111,158,008	116,281,267	128,163,843	116,141,470	125,401,503	125,401,503	116,233,570	125,493,803	125,493,803
<b>#Positions</b>		<b>2,817</b>	<b>2,792</b>	<b>3,094</b>	<b>2,792</b>	<b>3,097</b>	<b>3,097</b>	<b>2,792</b>	<b>3,097</b>	<b>3,097</b>
Extra Help	5010001	3,162,844	1,351,157	1,586,737	1,351,157	1,586,737	1,586,737	1,351,157	1,586,737	1,586,737
<b>#Extra Help</b>		<b>121</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>
Personal Services Matching	5010003	41,379,128	40,471,664	44,868,422	40,775,705	44,479,090	44,479,090	40,800,443	44,503,874	44,503,874
Overtime	5010006	24,619	92,340	120,559	92,340	120,559	120,559	92,340	120,559	120,559
Operating Expenses	5020002	55,320,267	68,480,724	71,940,936	68,480,724	71,971,436	71,971,436	68,480,724	71,971,436	71,971,436
Conference & Travel Expenses	5050009	427,904	1,182,280	1,243,565	1,182,280	1,243,565	1,243,565	1,182,280	1,243,565	1,243,565
Professional Fees	5060010	32,362,234	36,900,472	39,456,027	36,900,472	39,456,027	39,456,027	36,900,472	39,456,027	39,456,027
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	19,787,503	18,375,625	23,083,198	18,375,625	23,083,198	23,083,198	18,375,625	23,083,198	23,083,198
Refunds/Reimbursements	5110014	3,441	11,613	11,613	11,613	11,613	11,613	11,613	11,613	11,613
Capital Outlay	5120011	1,252,181	468,500	1,750,000	0	1,750,000	1,750,000	0	1,750,000	1,750,000
Breast Care Program	5900048	5,896,527	10,972,764	10,998,984	10,898,499	10,998,984	10,998,984	10,900,344	11,000,829	11,000,829
ARRA of 2009	5900052	34,965	0	314,558	0	0	0	0	0	0
<b>Total</b>		<b>270,809,621</b>	<b>294,588,406</b>	<b>323,538,442</b>	<b>294,209,885</b>	<b>320,102,712</b>	<b>320,102,712</b>	<b>294,328,568</b>	<b>320,221,641</b>	<b>320,221,641</b>

Funding Sources										
Fund Balance	4000005	0	0		0	0	0	2,015,900	0	0
General Revenue	4000010	70,296,568	65,619,946		65,025,987	65,025,987	65,025,987	65,052,097	65,052,097	65,052,097
Federal Revenue	4000020	75,665,811	106,287,707		106,287,707	106,287,707	106,287,707	106,287,707	106,287,707	106,287,707
Special Revenue	4000030	3,069,848	2,987,543		3,310,087	3,310,087	3,310,087	3,310,087	3,310,087	3,310,087
Special Revenue Restricted	4000031	16,116,701	15,684,599		17,377,955	17,377,955	17,377,955	17,377,955	17,377,955	17,377,955
Federal Funds-ARRA	4000244	35,442	0		0	0	0	0	0	0
Third Party Reimbursement	4000490	82,789,457	83,257,813		83,257,813	83,257,813	83,257,813	83,257,813	83,257,813	83,257,813
Transfer from DHS	4000510	0	0		0	267,455	267,455	0	267,578	267,578
Transfer to Medicaid Match	4000660	(900,572)	(356,135)		(356,135)	(356,135)	(356,135)	(356,135)	(356,135)	(356,135)
Various Program Support	4000730	23,736,366	21,106,933		21,322,371	21,322,371	21,322,371	21,414,944	21,414,944	21,414,944
<b>Total Funding</b>		<b>270,809,621</b>	<b>294,588,406</b>		<b>296,225,785</b>	<b>296,493,240</b>	<b>296,493,240</b>	<b>298,360,368</b>	<b>296,612,046</b>	<b>296,612,046</b>
Excess Appropriation/(Funding)		0	0		(2,015,900)	23,609,472	23,609,472	(4,031,800)	23,609,595	23,609,595
<b>Grand Total</b>		<b>270,809,621</b>	<b>294,588,406</b>		<b>294,209,885</b>	<b>320,102,712</b>	<b>320,102,712</b>	<b>294,328,568</b>	<b>320,221,641</b>	<b>320,221,641</b>

Agency is requesting to transfer Appropriation F66- Medicaid Provider Appeals into this Appropriation 34P- Health Operations Paying.

WITH FEE INCREASE

# Appropriation Summary

**Appropriation:** 34P - Health Operations Paying

**Funding Sources:** PHD - Administration Paying

## Historical Data

## Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	111,158,008	116,281,267	128,163,843	116,141,470	125,401,503	125,401,503	116,233,570	125,493,803	125,493,803
<b>#Positions</b>		<b>2,817</b>	<b>2,792</b>	<b>3,094</b>	<b>2,792</b>	<b>3,097</b>	<b>3,097</b>	<b>2,792</b>	<b>3,097</b>	<b>3,097</b>
Extra Help	5010001	3,162,844	1,351,157	1,586,737	1,351,157	1,586,737	1,586,737	1,351,157	1,586,737	1,586,737
<b>#Extra Help</b>		<b>121</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>	<b>231</b>
Personal Services Matching	5010003	41,379,128	40,471,664	44,868,422	40,775,705	44,479,090	44,479,090	40,800,443	44,503,874	44,503,874
Overtime	5010006	24,619	92,340	120,559	92,340	120,559	120,559	92,340	120,559	120,559
Operating Expenses	5020002	55,320,267	68,480,724	71,940,936	68,480,724	71,971,436	71,971,436	68,480,724	71,971,436	71,971,436
Conference & Travel Expenses	5050009	427,904	1,182,280	1,243,565	1,182,280	1,243,565	1,243,565	1,182,280	1,243,565	1,243,565
Professional Fees	5060010	32,362,234	36,900,472	39,456,027	36,900,472	39,456,027	39,456,027	36,900,472	39,456,027	39,456,027
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	19,787,503	18,375,625	23,083,198	18,375,625	23,083,198	23,083,198	18,375,625	23,083,198	23,083,198
Refunds/Reimbursements	5110014	3,441	11,613	11,613	11,613	11,613	11,613	11,613	11,613	11,613
Capital Outlay	5120011	1,252,181	468,500	1,750,000	0	1,750,000	1,750,000	0	1,750,000	1,750,000
Breast Care Program	5900048	5,896,527	10,972,764	10,998,984	10,898,499	10,998,984	10,998,984	10,900,344	11,000,829	11,000,829
ARRA of 2009	5900052	34,965	0	314,558	0	0	0	0	0	0
<b>Total</b>		<b>270,809,621</b>	<b>294,588,406</b>	<b>323,538,442</b>	<b>294,209,885</b>	<b>320,102,712</b>	<b>320,102,712</b>	<b>294,328,568</b>	<b>320,221,641</b>	<b>320,221,641</b>

Funding Sources										
General Revenue	4000010	70,296,568	65,619,946		65,025,987	65,025,987	65,025,987	65,052,097	65,052,097	65,052,097
Federal Revenue	4000020	75,665,811	106,287,707		106,287,707	106,287,707	106,287,707	106,287,707	106,287,707	106,287,707
Special Revenue	4000030	3,069,848	2,987,543		2,987,543	2,987,543	2,987,543	2,987,543	2,987,543	2,987,543
Special Revenue Restricted	4000031	16,116,701	15,684,599		15,684,599	15,684,599	15,684,599	15,684,599	15,684,599	15,684,599
Federal Funds-ARRA	4000244	35,442	0		0	0	0	0	0	0
Third Party Reimbursement	4000490	82,789,457	83,257,813		83,257,813	83,257,813	83,257,813	83,257,813	83,257,813	83,257,813
Transfer from DHS	4000510	0	0		0	267,455	267,455	0	267,578	267,578
Transfer to Medicaid Match	4000660	(900,572)	(356,135)		(356,135)	(356,135)	(356,135)	(356,135)	(356,135)	(356,135)
Various Program Support	4000730	23,736,366	21,106,933		21,322,371	21,322,371	21,322,371	21,414,944	21,414,944	21,414,944
<b>Total Funding</b>		<b>270,809,621</b>	<b>294,588,406</b>		<b>294,209,885</b>	<b>294,477,340</b>	<b>294,477,340</b>	<b>294,328,568</b>	<b>294,596,146</b>	<b>294,596,146</b>
Excess Appropriation/(Funding)		0	0		0	25,625,372	25,625,372	0	25,625,495	25,625,495
<b>Grand Total</b>		<b>270,809,621</b>	<b>294,588,406</b>		<b>294,209,885</b>	<b>320,102,712</b>	<b>320,102,712</b>	<b>294,328,568</b>	<b>320,221,641</b>	<b>320,221,641</b>

Agency is requesting to transfer Appropriation F66- Medicaid Provider Appeals into this Appropriation 34P- Health Operations Paying.

WITHOUT FEE INCREASE

## Change Level by Appropriation

**Appropriation:** 34P - Health Operations Paying  
**Funding Sources:** PHD - Administration Paying

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	294,209,885	2,792	294,209,885	100.0	294,328,568	2,792	294,328,568	100.0
C01	Existing Program	14,447,104	302	308,656,989	104.9	14,447,227	302	308,775,795	104.9
C04	Reallocation	30,500	0	308,687,489	104.9	30,500	0	308,806,295	104.9
C05	Unfunded Appropriation	11,175,101	0	319,862,590	108.7	11,175,101	0	319,981,396	108.7
C07	Agency Transfer	236,955	3	320,099,545	108.8	237,078	3	320,218,474	108.8
C10	Reclass	3,167	0	320,102,712	108.8	3,167	0	320,221,641	108.8
C14	Title Change	0	0	320,102,712	108.8	0	0	320,221,641	108.8

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	294,209,885	2,792	294,209,885	100.0	294,328,568	2,792	294,328,568	100.0
C01	Existing Program	14,447,104	302	308,656,989	104.9	14,447,227	302	308,775,795	104.9
C04	Reallocation	30,500	0	308,687,489	104.9	30,500	0	308,806,295	104.9
C05	Unfunded Appropriation	11,175,101	0	319,862,590	108.7	11,175,101	0	319,981,396	108.7
C07	Agency Transfer	236,955	3	320,099,545	108.8	237,078	3	320,218,474	108.8
C10	Reclass	3,167	0	320,102,712	108.8	3,167	0	320,221,641	108.8
C14	Title Change	0	0	320,102,712	108.8	0	0	320,221,641	108.8

### Justification

C01	This request restores 302 currently authorized positions. The capital outlay request is for the normal replacement of necessary equipment for the local health units, and other needs of operation of the Public Health Lab and other branch operations of the Agency.
C04	This request is to reallocate the operating expenses from fund center F66 to this fund center
C05	This request is to restore appropriation allowing flexibility to utilize additional federal and other funding opportunities.
C07	This request is to transfer 3 positions from fund center F66 to this fund center
C10	This request is for reclassification of 8 positions to better align the position to the job duties.
C14	This request is to change the title from "Lactation Consultant" to "Lactation Assistant" for 7 positions.

**CARRY FORWARD OF ANY REMAINING FUND BALANCES  
FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015**

Agency: AR Department of Health

Program: Health Operations Paying

Act #: Act 1375 of 2013 Section(s) #: 5, 14

Estimated Carry Forward Amount \$ 2,147,655.00 Funding Source: Third Party Reimbursement

**Accounting Information:**

Business Area: 0645 Funds Center: 34P Fund: BAA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

**Justification for carry forward of fund balance:**

The funds will be used to support the operations for In-Home Services Program.

**Actual Funding Carry Forward Amount** \$ 2,013,909.00

**Current status of carry forward funding:**

The funds will be used for Salary and Operating Expenses for the In-Home Services Program for FY 2015.

Dr. Nathaniel Smith

Director

08-04-2014

Date

## **Analysis of Budget Request**

**Appropriation:** 38D - Nuclear Planning Grants

**Funding Sources:** SNP - Arkansas Nuclear Planning and Response Fund

The grants for Nuclear Planning appropriation provides grants to the Arkansas Department of Emergency Management for local governments located in close proximity to nuclear-powered electricity generating facilities in the State. These grants are used to maintain nuclear disaster response procedures and precautions as a part of the Division of Health's Nuclear Planning and Response Program, A.C.A. 20-21-401 et seq., which provides for the following:

- Continuous radiation surveillance
- Training and education of residents in the affected areas
- Protective measures/procedures/plans and such other actions to be taken in the event of a radiation incident or accident

Funding for this appropriation consists of Special Revenue (A.C.A. 19-6-435 SNP - Arkansas Nuclear Planning and Response Fund), including assessments against utilities operating nuclear generating facilities within the State.

The Agency's Base Level Request is \$325,000 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is \$50,000 each year to restore appropriation up to the FY15 authorized level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 38D - Nuclear Planning Grants

**Funding Sources:** SNP - Arkansas Nuclear Planning and Response Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	325,000	325,000	375,000	325,000	375,000	375,000	325,000	375,000	375,000
<b>Total</b>	<b>325,000</b>	<b>325,000</b>	<b>375,000</b>	<b>325,000</b>	<b>375,000</b>	<b>375,000</b>	<b>325,000</b>	<b>375,000</b>	<b>375,000</b>
<b>Funding Sources</b>									
Special Revenue 4000030	325,000	325,000		325,000	375,000	375,000	325,000	375,000	375,000
<b>Total Funding</b>	<b>325,000</b>	<b>325,000</b>		<b>325,000</b>	<b>375,000</b>	<b>375,000</b>	<b>325,000</b>	<b>375,000</b>	<b>375,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>325,000</b>	<b>325,000</b>		<b>325,000</b>	<b>375,000</b>	<b>375,000</b>	<b>325,000</b>	<b>375,000</b>	<b>375,000</b>



## Change Level by Appropriation

**Appropriation:** 38D - Nuclear Planning Grants  
**Funding Sources:** SNP - Arkansas Nuclear Planning and Response Fund

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>325,000</b>	<b>0</b>	<b>325,000</b>	<b>100.0</b>	<b>325,000</b>	<b>0</b>	<b>325,000</b>	<b>100.0</b>
C05	Unfunded Appropriation	50,000	0	375,000	115.4	50,000	0	375,000	115.4

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>325,000</b>	<b>0</b>	<b>325,000</b>	<b>100.0</b>	<b>325,000</b>	<b>0</b>	<b>325,000</b>	<b>100.0</b>
C05	Unfunded Appropriation	50,000	0	375,000	115.4	50,000	0	375,000	115.4

### Justification

C05	This request is to restore appropriation.
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## **Analysis of Budget Request**

**Appropriation:** 59T - Trauma System

**Funding Sources:** BAA - Public Health Fund

The Trauma System appropriation provides for operations as established by Act 393 of 2009 (A.C.A. 20-13-801 et. seq.) in which the legislature created a comprehensive trauma care system under the auspices of the Department and Board of Health. This system provides guidelines for the care of trauma victims and is fully integrated with all available resources, including, but not limited to, existing emergency medical services providers, hospitals, or other health care providers that would like to participate in the program. Funding for this appropriation is 100% General Revenue.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Base Level request is \$23,148,327 in FY16 and \$23,149,349 in FY17 with eighteen (18) positions.

The Agency's Change Level Request is \$5,444,165 in unfunded appropriation each year in the Trauma System Expenses line item to restore appropriation to the FY15 authorized level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 59T - Trauma System

**Funding Sources:** BAA - Public Health Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	763,889	997,685	997,962	970,796	970,796	970,796	971,396	971,396	971,396
<b>#Positions</b>		<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
Extra Help	5010001	21,561	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
<b>#Extra Help</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Personal Services Matching	5010003	278,644	321,744	323,696	318,119	318,119	318,119	318,541	318,541	318,541
Operating Expenses	5020002	28,850	355,545	355,545	355,545	355,545	355,545	355,545	355,545	355,545
Conference & Travel Expenses	5050009	30,656	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Trauma System Expenses	5900046	20,701,664	21,264,130	26,823,032	21,378,867	26,823,032	26,823,032	21,378,867	26,823,032	26,823,032
<b>Total</b>		<b>21,825,264</b>	<b>23,064,104</b>	<b>28,625,235</b>	<b>23,148,327</b>	<b>28,592,492</b>	<b>28,592,492</b>	<b>23,149,349</b>	<b>28,593,514</b>	<b>28,593,514</b>
<b>Funding Sources</b>										
Fund Balance	4000005	6,037,013	3,382,104		0	0	0	0	0	0
General Revenue	4000010	19,682,000	19,682,000		19,776,677	19,776,677	19,776,677	19,776,677	19,776,677	19,776,677
Transfers / Adjustments	4000683	(511,645)	0		0	0	0	0	0	0
<b>Total Funding</b>		<b>25,207,368</b>	<b>23,064,104</b>		<b>19,776,677</b>	<b>19,776,677</b>	<b>19,776,677</b>	<b>19,776,677</b>	<b>19,776,677</b>	<b>19,776,677</b>
Excess Appropriation/(Funding)		(3,382,104)	0		3,371,650	8,815,815	8,815,815	3,372,672	8,816,837	8,816,837
<b>Grand Total</b>		<b>21,825,264</b>	<b>23,064,104</b>		<b>23,148,327</b>	<b>28,592,492</b>	<b>28,592,492</b>	<b>23,149,349</b>	<b>28,593,514</b>	<b>28,593,514</b>

Fund transfers consist of Workers Comp transfer per A.C.A. 11-9-307 and transfers of General Revenue between appropriate funds per A.C.A. 19-5-106.

## Change Level by Appropriation

**Appropriation:** 59T - Trauma System  
**Funding Sources:** BAA - Public Health Fund

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>23,148,327</b>	<b>18</b>	<b>23,148,327</b>	<b>100.0</b>	<b>23,149,349</b>	<b>18</b>	<b>23,149,349</b>	<b>100.0</b>
C05	Unfunded Appropriation	5,444,165	0	28,592,492	123.5	5,444,165	0	28,593,514	123.5

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>23,148,327</b>	<b>18</b>	<b>23,148,327</b>	<b>100.0</b>	<b>23,149,349</b>	<b>18</b>	<b>23,149,349</b>	<b>100.0</b>
C05	Unfunded Appropriation	5,444,165	0	28,592,492	123.5	5,444,165	0	28,593,514	123.5

### Justification

C05	This request is to restore appropriation for Trauma System Expenses
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**CARRY FORWARD OF ANY REMAINING FUND BALANCES  
FROM FISCAL YEAR 2014 TO FISCAL YEAR 2015**

Agency: AR Department of Health

Program: Trauma System

Act #: 1375 Section(s) #: 6, 23

Estimated Carry Forward Amount \$ 3,496,841.00 Funding Source: General Revenue/Tobacco Tax

**Accounting Information:**

Business Area: 0645 Funds Center: 59T Fund: BAA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

**Justification for carry forward of fund balance:**

These funds will be used to support the operations for the Trauma System. The estimated fund balance will be carried forward into FY15.

**Actual Funding Carry Forward Amount** \$ 3,382,104.00

**Current status of carry forward funding:**

The funds will be used to support the operations of the Trauma System program for FY15.

Dr. Nathaniel Smith

Director

08-04-2014

Date

## **Analysis of Budget Request**

**Appropriation:** 604 - Tobacco Prevention & Cessation Programs

**Funding Sources:** TSD - Tobacco Prevention & Cessation Program Account

The Tobacco Prevention and Cessation program, created by Initiated Act 1 of 2000 (A.C.A. 19-12-101 et seq.), develops, integrates, and monitors tobacco prevention and cessation programs and provides administrative oversight and management of those programs. Program components approved by the Board of Health include community prevention youth programs, school education and prevention programs, enforcement of tobacco control laws, tobacco cessation programs, tobacco related disease prevention programs, public awareness and health promotion campaign, as well as grants and contracts for monitoring and evaluation. This appropriation is funded from Tobacco Settlement proceeds (TSD - Prevention and Cessation Program Account).

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency's Base Level request is \$16,778,670 in FY16 and \$16,781,539 in FY17 with thirty-five (35) positions.

The Agency's Change Level request is \$602,152 each year of the biennium and consists of the following:

- Regular Salaries and Personal Services Matching increase of \$561,275 for restoration of twelve (12) positions that were not budgeted in FY15
- Reclassification of one (1) L016C ADH Public Health Administrator (Grade C124) position to a L031C ADH Branch Manager (C125) position to better align the position with the job duties.
- Nutrition and Physical Activity Expenses increase of \$40,877 to restore appropriation to the FY15 authorized level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 604 - Tobacco Prevention & Cessation Programs

**Funding Sources:** TSD - Tobacco Prevention & Cessation Program Account

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,427,743	1,535,637	2,017,808	1,522,818	1,929,605	1,929,605	1,524,918	1,931,705	1,931,705
<b>#Positions</b>		<b>34</b>	<b>35</b>	<b>47</b>	<b>35</b>	<b>47</b>	<b>47</b>	<b>35</b>	<b>47</b>	<b>47</b>
Extra Help	5010001	19,669	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>#Extra Help</b>		<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Personal Services Matching	5010003	482,657	493,545	664,826	494,251	648,739	648,739	495,020	649,508	649,508
Operating Expenses	5020002	144,527	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Conference & Travel Expenses	5050009	8,671	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	1,394,043	2,279,633	2,279,633	2,279,633	2,279,633	2,279,633	2,279,633	2,279,633	2,279,633
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Tobacco Prevention & Cessation	5900046	7,848,294	11,405,398	11,405,398	11,405,398	11,405,398	11,405,398	11,405,398	11,405,398	11,405,398
Exp. Nutrition & Physical Activity	5900047	646,092	677,554	717,447	676,570	717,447	717,447	676,570	717,447	717,447
<b>Total</b>		<b>11,971,696</b>	<b>16,791,767</b>	<b>17,485,112</b>	<b>16,778,670</b>	<b>17,380,822</b>	<b>17,380,822</b>	<b>16,781,539</b>	<b>17,383,691</b>	<b>17,383,691</b>
<b>Funding Sources</b>										
Fund Balance	4000005	5,791,738	5,659,661		1,591,471	1,591,471	1,591,471	0	0	0
Tobacco Settlement	4000495	14,293,183	14,257,275		14,257,275	14,257,275	14,257,275	14,257,275	14,257,275	14,257,275
Transfers / Adjustments	4000683	(2,453,564)	(1,533,698)		(1,533,698)	(1,533,698)	(1,533,698)	(1,533,698)	(1,533,698)	(1,533,698)
Total Funding		17,631,357	18,383,238		14,315,048	14,315,048	14,315,048	12,723,577	12,723,577	12,723,577
Excess Appropriation/(Funding)		(5,659,661)	(1,591,471)		2,463,622	3,065,774	3,065,774	4,057,962	4,660,114	4,660,114
<b>Grand Total</b>		<b>11,971,696</b>	<b>16,791,767</b>		<b>16,778,670</b>	<b>17,380,822</b>	<b>17,380,822</b>	<b>16,781,539</b>	<b>17,383,691</b>	<b>17,383,691</b>

Transfers include \$500,000 to the Breast Cancer Control Fund per Act 146 of 2014 and Act 283 of 2014 and various other transfers as allowed by A.C.A. 19-5-106.

## Change Level by Appropriation

**Appropriation:** 604 - Tobacco Prevention & Cessation Programs  
**Funding Sources:** TSD - Tobacco Prevention & Cessation Program Account

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>16,778,670</b>	<b>35</b>	<b>16,778,670</b>	<b>100.0</b>	<b>16,781,539</b>	<b>35</b>	<b>16,781,539</b>	<b>100.0</b>
C01	Existing Program	602,152	12	17,380,822	103.6	602,152	12	17,383,691	103.6
C10	Reclass	0	0	17,380,822	103.6	0	0	17,383,691	103.6

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>16,778,670</b>	<b>35</b>	<b>16,778,670</b>	<b>100.0</b>	<b>16,781,539</b>	<b>35</b>	<b>16,781,539</b>	<b>100.0</b>
C01	Existing Program	602,152	12	17,380,822	103.6	602,152	12	17,383,691	103.6
C10	Reclass	0	0	17,380,822	103.6	0	0	17,383,691	103.6

### Justification

C01	This request is to restore 12 currently authorized positions and restore appropriation to the FY15 authorized level for the Nutrition and Physical Activity Expenses line item.
C10	This request is for reclassification of 1 position to better align the position to the job duties.



## **Analysis of Budget Request**

**Appropriation:** 803 - Health Building & Local Health Grant Trust

**Funding Sources:** THL - Health Bldg and Local Grant Trust

The Department of Health's Health Building and Local Grant Trust appropriation is used for expansion, renovation, construction, or improvement to the State Health Building and for grants for construction, renovation, or other expansion of approved local health unit facilities in the State as proscribed by A.C.A. 20-7-201 et seq.

Funding for this appropriation consists of visit fees to local health units that are held in a trust fund (A.C.A. 19-5-962 THL - Health Building and Local Grant Trust Fund).

The Agency's Base Level Request is \$1,676,017 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is \$273,983 each year to increase the appropriation up to the anticipated funding level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 803 - Health Building & Local Health Grant Trust

**Funding Sources:** THL - Health Bldg and Local Grant Trust

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2015-2016			2016-2017		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	904,584	1,676,017	1,842,090	1,676,017	1,950,000	1,950,000	1,676,017	1,950,000	1,950,000
Total		904,584	1,676,017	1,842,090	1,676,017	1,950,000	1,950,000	1,676,017	1,950,000	1,950,000
<b>Funding Sources</b>										
Fund Balance	4000005	1,953,138	1,420,730		344,713	344,713	344,713	0	0	0
Special Revenue	4000030	176,450	600,000		600,000	600,000	600,000	600,000	600,000	600,000
Other	4000370	195,726	0		0	0	0	0	0	0
Total Funding		2,325,314	2,020,730		944,713	944,713	944,713	600,000	600,000	600,000
Excess Appropriation/(Funding)		(1,420,730)	(344,713)		731,304	1,005,287	1,005,287	1,076,017	1,350,000	1,350,000
Grand Total		904,584	1,676,017		1,676,017	1,950,000	1,950,000	1,676,017	1,950,000	1,950,000

Expenditure of appropriation is contingent upon available funding.

## Change Level by Appropriation

**Appropriation:** 803 - Health Building & Local Health Grant Trust  
**Funding Sources:** THL - Health Bldg and Local Grant Trust

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,676,017</b>	<b>0</b>	<b>1,676,017</b>	<b>100.0</b>	<b>1,676,017</b>	<b>0</b>	<b>1,676,017</b>	<b>100.0</b>
C01	Existing Program	273,983	0	1,950,000	116.3	273,983	0	1,950,000	116.3

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>1,676,017</b>	<b>0</b>	<b>1,676,017</b>	<b>100.0</b>	<b>1,676,017</b>	<b>0</b>	<b>1,676,017</b>	<b>100.0</b>
C01	Existing Program	273,983	0	1,950,000	116.3	273,983	0	1,950,000	116.3

### Justification

C01	To increase appropriation to funding level.
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## **Analysis of Budget Request**

**Appropriation:** B72 - WIC Food Instruments - Cash

**Funding Sources:** 163 - Cash Funds

The Department of Health's Women Infants and Children (WIC) Food Instruments appropriation provides for the issuance of vouchers to at-risk persons to improve the nutrition of eligible pregnant, breastfeeding and postpartum women to provide for infants and young children during periods of critical growth. The food instruments are redeemable for specific foods at local grocery stores. The program also provides nutrition education and referral to other services.

Funding for this appropriation consists of funds from the United States Department of Agriculture that are held in a Cash fund to provide electronic benefits transfers to vendors and reimbursements from contracted formula companies.

The Agency's Base Level Request is \$74,724,683 each year of the 2015-2017 Biennium.

The Agency's Change Level Request is \$1,088,376 each year to increase the WIC Food Instruments appropriation up to the anticipated funding level.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** B72 - WIC Food Instruments - Cash

**Funding Sources:** 163 - Cash Funds

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
WIC Food Instruments	5900040	64,183,735	74,724,683	74,724,683	74,724,683	75,813,059	75,813,059	74,724,683	75,813,059	75,813,059
Total		64,183,735	74,724,683	74,724,683	74,724,683	75,813,059	75,813,059	74,724,683	75,813,059	75,813,059
Funding Sources										
Fund Balance	4000005	1,099,322	2,056,455		3,144,831	3,144,831	3,144,831	4,233,207	3,144,831	3,144,831
Federal Revenue	4000020	40,854,029	50,937,947		50,937,947	50,937,947	50,937,947	50,937,947	50,937,947	50,937,947
Manufacturer Rebate	4000341	24,286,839	24,875,112		24,875,112	24,875,112	24,875,112	24,875,112	24,875,112	24,875,112
Total Funding		66,240,190	77,869,514		78,957,890	78,957,890	78,957,890	80,046,266	78,957,890	78,957,890
Excess Appropriation/(Funding)		(2,056,455)	(3,144,831)		(4,233,207)	(3,144,831)	(3,144,831)	(5,321,583)	(3,144,831)	(3,144,831)
Grand Total		64,183,735	74,724,683		74,724,683	75,813,059	75,813,059	74,724,683	75,813,059	75,813,059

## Change Level by Appropriation

**Appropriation:** B72 - WIC Food Instruments - Cash  
**Funding Sources:** 163 - Cash Funds

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>74,724,683</b>	<b>0</b>	<b>74,724,683</b>	<b>100.0</b>	<b>74,724,683</b>	<b>0</b>	<b>74,724,683</b>	<b>100.0</b>
C01	Existing Program	1,088,376	0	75,813,059	101.5	1,088,376	0	75,813,059	101.5

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>74,724,683</b>	<b>0</b>	<b>74,724,683</b>	<b>100.0</b>	<b>74,724,683</b>	<b>0</b>	<b>74,724,683</b>	<b>100.0</b>
C01	Existing Program	1,088,376	0	75,813,059	101.5	1,088,376	0	75,813,059	101.5

### Justification

C01	This request is to increase appropriation to the anticipated funding level.
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## **Analysis of Budget Request**

**Appropriation:** F66 - Medicaid Provider Appeals

**Funding Sources:** PHD - Administration Paying

This appropriation provides for the personal services and operations of the Department's Medicaid Provider Appeals.

Funding for this appropriation comes through transfers from the Department of Human Services.

Base Level Regular Salaries and Personal Services Matching include continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level for this appropriation totals \$267,455 in FY16 and \$267,578 in FY17 and consists of Regular Salaries and Personal Services Matching for three (3) positions and Operating Expenses totaling \$30,500.

The Agency's Change Level Request is to transfer the positions and appropriation to Fund Center 34P- Health Operations Paying. This transfer will allow the agency to cost allocate expenses more efficiently for the Medicaid Provider Appeal service.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** F66 - Medicaid Provider Appeals

**Funding Sources:** PHD - Administration Paying

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	140,075	178,416	180,569	180,193	0	0	180,293	0	0
<b>#Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>
Personal Services Matching 5010003	48,924	55,992	41,964	56,762	0	0	56,785	0	0
Operating Expenses 5020002	7,493	30,500	30,500	30,500	0	0	30,500	0	0
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>196,492</b>	<b>264,908</b>	<b>253,033</b>	<b>267,455</b>	<b>0</b>	<b>0</b>	<b>267,578</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>									
Transfer from DHS 4000510	196,492	264,908		267,455	0	0	267,578	0	0
<b>Total Funding</b>	<b>196,492</b>	<b>264,908</b>		<b>267,455</b>	<b>0</b>	<b>0</b>	<b>267,578</b>	<b>0</b>	<b>0</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>196,492</b>	<b>264,908</b>		<b>267,455</b>	<b>0</b>	<b>0</b>	<b>267,578</b>	<b>0</b>	<b>0</b>

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium. Agency is requesting to transfer this Appropriation F66- Medicaid Provider Appeals into Appropriation 34P- Health Operations Paying.



## Change Level by Appropriation

**Appropriation:** F66 - Medicaid Provider Appeals  
**Funding Sources:** PHD - Administration Paying

### Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>267,455</b>	<b>3</b>	<b>267,455</b>	<b>100.0</b>	<b>267,578</b>	<b>3</b>	<b>267,578</b>	<b>100.0</b>
C03	Discontinue Program	(56,762)	0	210,693	78.8	(56,785)	0	210,793	78.8
C04	Reallocation	(30,500)	0	180,193	67.4	(30,500)	0	180,293	67.4
C07	Agency Transfer	(180,193)	(3)	0	0.0	(180,293)	(3)	0	0.0

### Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>267,455</b>	<b>3</b>	<b>267,455</b>	<b>100.0</b>	<b>267,578</b>	<b>3</b>	<b>267,578</b>	<b>100.0</b>
C03	Discontinue Program	(56,762)	0	210,693	78.8	(56,785)	0	210,793	78.8
C04	Reallocation	(30,500)	0	180,193	67.4	(30,500)	0	180,293	67.4
C07	Agency Transfer	(180,193)	(3)	0	0.0	(180,293)	(3)	0	0.0

### Justification

C03	To remove the fringe amount associated with the 3 positions requested for transferring to fund center 34P
C04	This request is to reallocate the operating expenses requested for transferring to fund center 34P.
C07	This request transfers the 3 positions to 34P from this fund center.

## Appropriation Summary

**Appropriation:** 167 - Information Technology Initiatives

**Funding Sources:** SHT - Health Department Technology Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Information Technology Initiative 5900046	359,848	0	636,175	0	0	0	0	0	0
Total	359,848	0	636,175	0	0	0	0	0	0
<b>Funding Sources</b>									
Special Revenue 4000030	359,848	0		0	0	0	0	0	0
Total Funding	359,848	0		0	0	0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	359,848	0		0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM

## Appropriation Summary

**Appropriation:** 34E - Rural Physician Incentives

**Funding Sources:** MRI - Rural Physician Incentives Revolving Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid 5100004	0	0	40,000	0	0	0	0	0	0
Total	0	0	40,000	0	0	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2015-2017 BIENNIUM