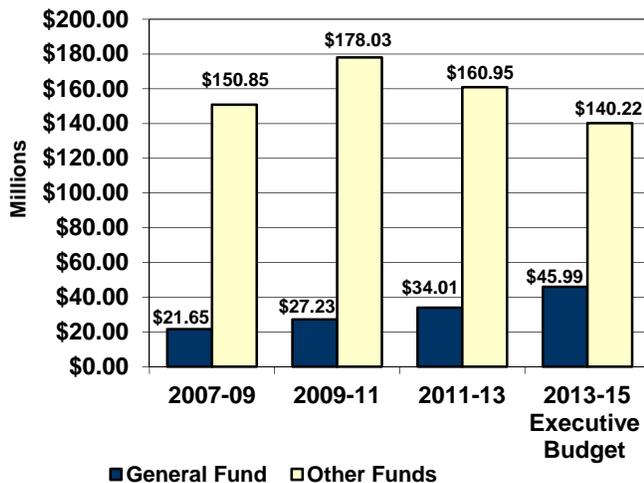


**Department 301 - State Department of Health
 Senate Bill No. 2004**

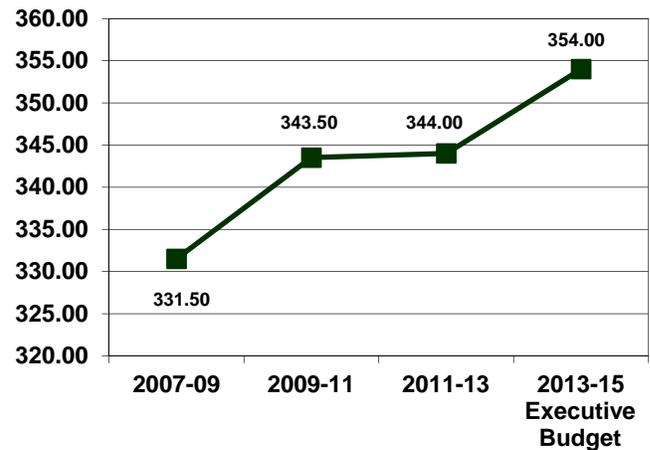
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	354.00	\$45,985,263	\$140,216,701	\$186,201,964
2011-13 Legislative Appropriations	344.00	34,013,780	160,948,753	194,962,533 ¹
Increase (Decrease)	10.00	\$11,971,483	(\$20,732,052)	(\$8,760,569)

¹The 2011-13 appropriation amounts have not been reduced by \$135,629 of funding from the general fund spent during the 2009-11 biennium pursuant to an emergency clause related to litigation and administrative proceedings. In addition, the 2011-13 appropriation amounts do not include \$280,314 from the state contingencies appropriation related to salaries and operating expenses for 3 FTE positions in the Environmental Health Section resulting from Emergency Commission action during the 2011-13 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	\$45,375,263	\$610,000	\$45,985,263
2011-13 Legislative Appropriations	32,913,780	1,100,000	34,013,780
Increase (Decrease)	\$12,461,483	(\$490,000)	\$11,971,483

Executive Budget Highlights

	General Fund	Other Funds	Total												
Administrative Support															
1. Provides funding for state employee salary increases, of which \$2,591,125 relates to performance increases and \$1,860,560 is for market equity adjustments	\$2,403,910	\$2,047,775	\$4,451,685												
2. Increases funding for operating expenses due to inflation and the management of the community transformation grant programs, including the following major increases:	\$61,312	\$685,530	\$746,842												
<table border="1"> <thead> <tr> <th></th> <th>Increase</th> <th>Total Provided</th> </tr> </thead> <tbody> <tr> <td>Travel</td> <td>\$65,001</td> <td>\$205,652</td> </tr> <tr> <td>Information technology - Data processing</td> <td>\$22,130</td> <td>\$240,947</td> </tr> <tr> <td>Fees - Professional fees</td> <td>\$623,376</td> <td>\$1,690,226</td> </tr> </tbody> </table>					Increase	Total Provided	Travel	\$65,001	\$205,652	Information technology - Data processing	\$22,130	\$240,947	Fees - Professional fees	\$623,376	\$1,690,226
	Increase	Total Provided													
Travel	\$65,001	\$205,652													
Information technology - Data processing	\$22,130	\$240,947													
Fees - Professional fees	\$623,376	\$1,690,226													
3. Adds funding for community transformation grants to provide a total of \$200,000		\$200,000	\$200,000												
4. Adds funding for grants to local public health units in oil-impacted areas of the state to provide a total of \$1,184,000	\$1,184,000		\$1,184,000												

5. Increases funding for local public health units to provide a total of \$3,750,000 from the general fund. The additional funds are to be distributed to public health units in non-oil-producing counties. \$750,000 \$750,000

Medical Services

6. Adjusts funding for various operating expenses for inflation and the immunization program, including the following increases: \$29,989 \$486,944 \$516,933

	Increase	Total Provided
Information technology - Contractual services	\$89,000	\$999,910
Information technology - Data processing	\$77,662	\$173,927
Fees - Professional services	\$147,426	\$2,582,366
Supply material - Professional	\$91,729	\$484,006
Postage	\$31,204	\$103,483
Printing	\$23,874	\$164,709

7. Decreases medical, dental, and optical expense to remove funding provided to purchase vaccine for the statewide universal immunization project (\$18,901,549) (\$18,901,549)
8. Increases funding for the universal vaccine program to provide a total of \$2.5 million from the general fund \$1,000,000 \$1,000,000
9. Increases fees - Professional services to contract with the University of North Dakota School of Medicine and Health Sciences to perform autopsies in the eastern part of the state \$640,000 \$640,000
10. Decreases grants due to a reduction in federal funds for the federal immunization program and shifting a program from the local health units back to the department (\$629,010) (\$629,010)
11. Increases the grants line item for a federal cancer registry program transferred to the University of North Dakota \$300,000 \$300,000
12. Removes 2011-13 funding for bond payments (\$183,022) (\$85,832) (\$268,854)
13. Adds funding for bond payments \$221,088 \$18,848 \$239,936
14. Adds funding for equipment over \$5,000 \$50,000 \$10,000 \$60,000
15. Removes 2011-13 **one-time funding** from federal fiscal stimulus funds (\$589,538) (\$589,538)
16. Adds **one-time funding** from federal fiscal stimulus funds for interoperability of the immunization registry system \$130,000 \$130,000

Health Resources

17. Adjusts funding for various operating expenses for inflation and the completion of the nurse aid registry, including the following major increases (decreases): \$66,676 \$113,538 \$180,214

	Increase (Decrease)	Total Provided
Travel	\$172,419	\$972,709
Supplies - Information technology software	\$22,499	\$66,461
Information technology data processing	(\$42,749)	\$136,825

18. Adds funding for oil-related temporary FTE positions \$140,063 \$140,063
19. Adjusts funding source of oil-related FTE positions \$24,978 (\$24,978) \$0
20. Removes 2011-13 funding for equipment over \$5,000 (\$15,000) (\$15,000)
21. Adds funding for equipment and information technology equipment over \$5,000 \$25,000 \$25,000
22. Adds **one-time funding** for a food and lodging licensing management system \$110,000 \$110,000

Community Health

23. Adjusts funding for various operating expenses, including the following major increases (decreases): \$174,880 \$511,407 \$686,287

	Increase (Decrease)	Total Provided
Supply/material - Professional	\$77,140	\$635,654
Supplies - Information technology software	\$19,160	\$86,872
Information technology - Data processing	\$29,024	\$169,070
Rentals/leases - Building/land	\$22,089	\$170,081
Information technology contractual services and repairs	(\$82,636)	\$283,340
Fees - Professional services	\$611,820	\$6,169,918

24. Decreases funding for operating expenses related to the cancer registry (\$280,702) (\$280,702)

25. Adds federal funding for operating expenses related to a chronic disease coordination program \$979,076 \$979,076

26. Adds federal funding for operating expenses related to a school health program \$34,300 \$34,300

27. Increases funding for colorectal cancer screening grants to provide \$602,600 from the general fund \$125,000 \$125,000

28. Increases (decreases) federal funding for grants, including the following major changes: (\$801,455) (\$801,455)

	Increase (Decrease)	Total Provided
Cardiovascular health	(\$50,000)	\$0
Cardiovascular health program capacity building	(150,000)	0
Community defined solutions	(11,700)	938,000
Coordinated school health program	181,240	181,240
Early child comprehensive system	25,000	175,000
Family planning program	(378,010)	1,856,490
Family violence	6,333	1,381,133
Maternal and child health	(45,000)	1,606,300
Preventative health block	(120,000)	0
RPE capacity	(165,000)	0
Rape crisis	(1,422)	30,078
STOP violence against women	(39,017)	1,454,183
Safe havens	(642,000)	0
Sexual assault service program	58,148	438,148
Sexual violence prevention and education	(24,000)	151,000
Women, infants, and children peer counseling	107,700	230,000
Women, infants, and children	502,273	6,520,883
Women's Way community based	(56,000)	64,000
Total	(\$801,455)	\$15,026,455

29. Adds funding for Dentaquest grants from the health and consolidated laboratory fund \$100,000 \$100,000

30. Decreases funding for the state stroke registry grant program to provide a total of \$368,324 from the general fund (\$26,500) (\$26,500)

31. Decreases funding for tobacco prevention operating expenses (\$45,254) and grants (\$463,000) (\$508,254) (\$508,254)

32. Removes funding provided from the community health trust fund during the 2011-13 biennium for Women's Way maintenance grants (\$300,500) (\$300,500)

33. Increases operating expenses for women, infants, and children food payments \$501,752 \$501,752

34. Removes 2011-13 funding for equipment over \$5,000 (\$30,200) (\$30,200)

35. Removes 2011-13 **one-time funding** from federal fiscal stimulus funds for operating expenses (\$126,598) (\$126,598)

Environmental Health

- 36. Adds funding for FTE positions (\$1,137,068) in air quality (\$1,596,563), laboratory services (1 FTE), municipal facilities (3 FTE), waste management (1 FTE), and water quality (3 FTE) to meet increased demands in the oil-impacted areas, including operating expenses (\$602,963) and equipment over \$5,000 (\$272,000) \$415,468 \$2,012,031
- 37. Increases funding for operating costs, including the following major changes: \$257,803 \$1,209,057 \$1,466,860

	Increase (Decrease)	Total Provided
Travel	\$191,263	\$1,004,442
Supplies - Information technology software	\$57,753	\$232,941
Information technology equipment under \$5,000	(\$17,475)	\$112,125
Other equipment under \$5,000	(\$44,400)	\$33,200
Utilities	\$20,640	\$397,855
Rentals/leases - Building/land	\$38,473	\$966,046
Repairs	\$35,275	\$776,840
Information technology data processing	\$43,902	\$394,773
Information technology contractual services	\$263,024	\$458,000
Fees - Professional services	\$719,820	\$3,252,570
Medical, dental, and optical	\$98,920	\$1,995,635

- 38. Decreases funding for grants and transfers (\$837,423) (\$837,423)
- 39. Removes 2011-13 **one-time funding** provided for costs associated with litigation and other administrative proceedings involving the United States Environmental Protection Agency (EPA) (special funds from Bank of North Dakota loan) (\$500,000) (\$500,000) (\$1,000,000)
- 40. Provides **one-time funding** for an EPA lawsuit contingency \$500,000 \$500,000
- 41. Removes 2011-13 funding for bond payments (\$174,198) (\$263,931) (\$438,129)
- 42. Removes 2011-13 funding for extraordinary repairs (\$316,329) (\$316,329)
- 43. Removes 2011-13 funding for equipment (\$611,400) (\$611,400)
- 44. Adds funding for bond payments (\$402,752), extraordinary repairs (\$319,350), equipment (\$467,250), and information technology equipment (\$18,000) \$291,820 \$915,532 \$1,207,352
- 45. Removes 2011-13 **one-time funding** from federal fiscal stimulus funds for operating expenses (\$31,757) and grants (\$1,857,531) (\$1,889,288) (\$1,889,288)
- 46. Removes federal funding for arsenic trioxide grants (\$3,450,000) (\$3,450,000)

Emergency Preparedness and Response

- 47. Adds funding for 1 FTE position (\$135,000) to implement a community paramedic/community health care worker pilot project, including funding of \$141,600 for educational startup costs \$276,600 \$276,600
- 48. Decreases funding for operating costs, including the following major changes: (\$24,676) (\$704,996) (\$729,672)

	Increase (Decrease)	Total Provided
Travel	\$24,963	\$251,265
Information technology equipment under \$5,000	(\$17,670)	\$46,000
Other equipment under \$5,000	(\$21,400)	\$0
Information technology data processing	\$34,488	\$262,379
Fees - Professional services	(\$172,000)	\$415,100
Medical, dental, and optical	(\$531,604)	\$168,396

- 49. Increases funding for operating expenses related to statutory changes in Workforce Safety and Insurance rate recalculations for volunteer workers \$84,000 \$84,000
- 50. Decreases federal funding for operating expenses (\$50,828) and grants (\$16,250) for the hospital preparedness program (\$67,348) (\$67,348)
- 51. Removes 2011-13 funding for equipment (\$310,500) (\$310,500)
- 52. Adds funding for equipment over \$5,000 \$420,000 \$420,000

53. Removes 2011-13 one-time funding for matching funds for an ST-elevated myocardial infarction (STEMI) response grant program	(\$600,000)		(\$600,000)
54. Decreases grants provided from federal funds		(\$60,800)	(\$60,800)
55. Increases funding for rural emergency medical services grants to provide a total of \$7.34 million, of which \$1.25 million is from the insurance tax distribution fund	\$2,350,000		\$2,350,000
56. Decrease funding for emergency medical services grants to transfer funding for an emergency medical services grants manager	(\$200,000)		(\$200,000)
57. Increases the salaries and wages line item (\$139,096) and the operating expenses line item (\$60,904) for an emergency medical services grants manager	\$200,000		\$200,000

Special Populations

58. Increases funding for operating costs, including the following major changes:	(\$5,894)	\$99,193	\$93,299
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	Increase (Decrease)	Total Provided
Information technology data processing	\$52,668	\$99,344
Fees - Professional services	\$35,246	\$103,646

59. Removes 2011-13 funding for equipment		(\$7,661)	(\$7,661)
60. Increases (decreases) funding for grants as follows:	\$30,895	\$399,016	\$429,911

	Increase (Decrease)	Total Provided
Catastrophic relief funds	\$25,000	\$75,000
Family support contracts	9,359	49,759
Multidisciplinary clinic grants	(21,697)	378,303
Medicaid management information system grants	28,700	485,951
Medical home contract	(7)	32,480
Public health coordination	1,056	72,456
Federal loan repayment program	387,500	440,000
Increase in special populations grants	\$429,911	\$1,533,949

61. Increases the veterinarian loan program to provide \$485,000 from the general fund	\$350,000	(\$310,000)	\$40,000
62. Increases funding for the medical personnel loan repayment program to provide \$576,788 from the general fund	\$231,788	(\$75,000)	\$156,788
63. Increases funding for the dental loan repayment program to provide \$520,000, of which \$180,000 is from the general fund and \$340,000 is from the community health trust fund		\$80,000	\$80,000
64. Decreases funding for the dental new practice grant to provide \$25,000 from the community health trust fund	(\$20,000)	\$15,000	(\$5,000)
65. Removes 2011-13 one-time funding from federal fiscal stimulus funds for special populations primary care grants		(\$124,155)	(\$124,155)
66. Adds one-time funding for grants from federal fiscal stimulus funds for the immunization registry		\$25,000	\$25,000

Other Sections in Bill

Environment and rangeland protection fund - Section 3 authorizes the department to spend \$272,310 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Indirect cost recoveries - Section 4 allows the State Department of Health to deposit indirect cost recoveries from federal programs and special funds in its operating account.

Continuing Appropriations

Combined purchasing with local public health units - North Dakota Century Code Section 23-01-28 - Vaccines are not always available to local health units so it is necessary for the State Department of Health to purchase the vaccine and request the payment from the local health units. When the vaccines are delivered and payment is received, the net effect is zero.

Environmental quality restoration fund - Sections 23-31-01 and 23-31-02 - Allows the State Department of Health to provide immediate and timely response to catastrophic events that threaten the public and environmental health and when the responsible party is late in responding or cannot be located

Organ tissue transplant fund - Sections 23-01-05.1 and 57-38-35.1 - Provides financial assistance to organ or tissue transplant patients who are residents of North Dakota and demonstrate financial need. Tax refunds of less than \$5 are transferred to the organ tissue transplant fund. The State Health Officer is responsible for adopting rules and administering the fund, and the Tax Department collects the funds.

Veterinarian and dental loan repayment - Section 43-29.1-08 and Section 43-28.1-09 - The Health Council may accept any conditional or unconditional gifts, grants, or donations for the purpose of providing funds for the repayment of veterinarians' education loans or dentists' education loans. All money received as gifts, grants, or donations under this section are appropriated as a continuing appropriation to the Health Council for the purpose of providing funds for the repayment of additional veterinarians' education loans. If an entity desires to provide funds to the Health Council to allow an expansion of the program beyond three veterinarians or dentists, the entity must fully fund the expansion for a period of four years.

Significant Audit Findings

The performance audit of the State Department of Health conducted by the State Auditor's office during the 2011-12 interim included the following significant audit findings:

- State-supplied vaccines were not used in compliance with agreed-upon terms and conditions by a certain provider.
- Weaknesses were noted in the process of determining the ultimate disposition of all food instruments and cash value vouchers in the special supplemental nutrition program for women, infants, and children program.

Major Related Legislation

House Bill No. 1023 - Provides a 2011-13 deficiency appropriation to the State Department of Health for additional food and lodging for staff in western North Dakota (\$126,000) and loan repayment relating to the EPA lawsuit (\$500,000)

House Bill No. 1038 - Section 2 provides an appropriation of \$148,132 from the general fund and 1 FTE position to the State Department of Health to establish and administer an autism spectrum disorder registry.

House Bill No. 1135 - Provides an appropriation of \$100,000 from the general fund to the State Department of Health for a grant to an organization to provide dental care services, including dental treatment, prevention, and education services to low-income and underserved children in areas of the state

House Bill No. 1165 - Requires the State Department of Health's immunization information system to provide for the receipt and retention of data on all adult immunizations in addition to childhood immunizations, which are currently being tracked

House Bill No. 1175 - Requires the State Department of Health establish and maintain a comprehensive emergency cardiovascular medical system. The bill also requires the department to form an acute cardiovascular emergency medical system of care advisory committee. The fiscal note prepared by the department indicates the cost of the program will require \$424,661 from the general fund and a .5 FTE position during the 2013-15 biennium. The executive recommendation for the department includes \$71,963 from the general fund for some of these services.

House Bill No. 1188 - Repeals Chapter 23-39 relating to the regulation of tanning facilities, including the collection of a license fee. The fiscal note prepared by the State Department of Health indicates minimal fiscal impact.

House Bill No. 1190 - Requires the State Department of Health issue a permit to operate a refinery in the state producing thorium that is used commercially or privately in this state and to issue a permit to a facility which uses molten fluid-fueled reactors commercially or privately within the borders of the state. A fiscal note prepared by the department indicated the department was unable to estimate the fiscal impact of this activity.

Senate Bill No. 2030 - Provides an appropriation of \$4 million from the general fund to the State Department of Health to establish, administer, and operate regional public health networks

Senate Bill No. 2031 - Provides an appropriation of \$200,000 from the general fund and \$300,000 from special funds to the State Department of Health to implement a tribal public health unit pilot project. The department may spend money from the general fund only to the extent that matching funds from federal or other sources, including from the tribe involved in the project, are provided for the operation of the pilot project.

Senate Bill No. 2193 - Provides an appropriation of \$200,648 from the general fund and 1 FTE position to the State Department of Health to establish and administer an autism spectrum disorder database

Senate Bill No. 2226 - Provides an appropriation of \$709,000 from the general fund to the State Department of Health for a comprehensive state trauma system