

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1004 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
State Department of Health			
Salaries and wages	\$30,219,050	\$29,972,929	(\$246,121)
Operating expenses	25,295,911	24,151,257	(1,144,654)
Capital assets	1,629,972	1,629,972	
Grants	36,176,628	36,190,628	14,000
Tobacco program	7,478,097	7,783,097	305,000
WIC food payments	17,680,000	17,680,000	
Total all funds	<u>\$118,479,658</u>	<u>\$117,407,883</u>	<u>(\$1,071,775)</u>
Less estimated income	<u>104,818,294</u>	<u>104,306,791</u>	<u>(511,503)</u>
General fund	<u>\$13,661,364</u>	<u>\$13,101,092</u>	<u>(\$560,272)</u>
FTE	312.00	313.00	1.00
Bill Total			
Total all funds	\$118,479,658	\$117,407,883	(\$1,071,775)
Less estimated income	104,818,294	104,306,791	(511,503)
General fund	<u>\$13,661,364</u>	<u>\$13,101,092</u>	<u>(\$560,272)</u>
FTE	312.00	313.00	1.00

House Bill No. 1004 - State Department of Health - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$30,219,050	(\$431,620)	\$29,787,430
Operating expenses	25,295,911	(1,096,452)	24,199,459
Capital assets	1,629,972		1,629,972
Grants	36,176,628	(20,000)	36,156,628
Tobacco program	7,478,097	(26,000)	7,452,097
WIC food payments	17,680,000		17,680,000
Total all funds	<u>\$118,479,658</u>	<u>(\$1,574,072)</u>	<u>\$116,905,586</u>
Less estimated income	<u>104,818,294</u>	<u>(1,060,099)</u>	<u>103,758,195</u>
General fund	<u>\$13,661,364</u>	<u>(\$513,973)</u>	<u>\$13,147,391</u>
FTE	312.00	(1.00)	311.00

Department No. 301 - State Department of Health - Detail of House Changes

	Removes Funding and 1 FTE for Healthy North Dakota Program¹	Decreases Funding for Tobacco Quit Line²	Removes Funding for Attorney General's Office Fees³	Provides Funding for Grants to the North Dakota Stockmen's Association⁴	Reduces Operating Line Item⁵	Decreases Funding for Abandoned Motor Vehicle Disposal⁶
Salaries and wages	(\$104,801)					
Operating expenses	(77,215)	(400,000)			(409,000)	
Capital assets						
Grants	(20,000)			50,000		(50,000)
Tobacco program			(25,000)			
WIC food payments						
Total all funds	(\$202,016)	(\$400,000)	(\$25,000)	\$50,000	(\$409,000)	(\$50,000)
Less estimated income	0	(400,000)	(25,000)	0	(356,525)	(50,000)
General fund	(\$202,016)	\$0	\$0	\$50,000	(\$52,475)	\$0
FTE	(1.00)	0.00	0.00	0.00	0.00	0.00

	Decreases Funding for Operating Line Item⁷	Removes Funding for Personal Computer Purchases⁸	Removes Recommended Salary Increase⁹	Increases Operating Line Item¹⁰	Total House Changes
Salaries and wages			(\$326,819)		(\$431,620)
Operating expenses	(139,878)	(170,359)		100,000	(1,096,452)
Capital assets					
Grants					(20,000)
Tobacco program		(1,000)			(26,000)
WIC food payments					
Total all funds	(\$139,878)	(\$171,359)	(\$326,819)	\$100,000	(\$1,574,072)
Less estimated income	0	(112,641)	(215,933)	100,000	(1,060,099)
General fund	(\$139,878)	(\$58,718)	(\$110,886)	\$0	(\$513,973)
FTE	0.00	0.00	0.00	0.00	(1.00)

¹ This amendment removes the funding for the Healthy North Dakota program and one associated FTE human service program administrator position.

² This amendment decreases from \$800,000 to \$400,000 the funding from the community health trust fund for the tobacco quit line.

³ This amendment removes \$25,000 of funding from the community health trust fund for legal fees charged by the Attorney General's office related to the tobacco program.

⁴ This amendment increases the grants line item by \$50,000 for a grant to the North Dakota Stockmen's Association environmental services program.

⁵ This amendment decreases the total operating line item by \$409,000, based on the same percentage of general fund money (12.83 percent) and other funds (87.17 percent) for the total department operating line item.

⁶ This amendment decreases the funding from the abandoned motor vehicle fund from \$300,000 to \$250,000.

⁷ This amendment decreases the funding for operating expenses from the general fund by \$139,878 relating to basic care unit inspections.

⁸ This amendment decreases the funding for personal computers by 100 percent of the general fund moneys and 50 percent of the federal funds, as follows:

	General Fund	Federal Funds	Total
Administrative support	(\$10,920)	(\$7,540)	(\$18,460)
Medical services	(14,458)	(11,771)	(26,229)
Health resources	(8,000)	(18,000)	(26,000)
Community health	(3,440)	(12,280)	(15,720)
Environmental health	(21,900)	(62,050)	(83,950)
Tobacco		(1,000)	(1,000)
Total all departments	(\$58,718)	(\$112,641)	(\$171,359)

⁹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

¹⁰ This amendment provides funding from the health care cooperative agreement fund for expenses related to the certificate of public advantage program. This program is to provide health care providers wishing to enter into cooperative agreements with other providers or with third-party payers immunity from prosecution under state antitrust laws and intended immunity under federal antitrust laws. The State Department of Health is to review any application for immunity and determine if the agreement meets certain standards of "public advantage" established in law that would outweigh the disadvantages incurred through a reduction in competition. The funding source of the health care cooperative agreement fund is from fees assessed to the applicants based on program administration costs.

Section 11 of the bill provides for a report to the Budget Section on the status of employee outsourcing.

Section 12 of the bill provides for a Legislative Council study of the nursing home survey process.

House Bill No. 1004 - State Department of Health - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$30,219,050	\$29,787,430	\$185,499	\$29,972,929
Operating expenses	25,295,911	24,199,459	(85,895)	24,113,564
Capital assets	1,629,972	1,629,972		1,629,972
Grants	36,176,628	36,156,628	34,000	36,190,628
Tobacco program	7,478,097	7,452,097	330,000	7,782,097
WIC food payments	17,680,000	17,680,000		17,680,000
Total all funds	\$118,479,658	\$116,905,586	\$463,604	\$117,369,190
Less estimated income	104,818,294	103,758,195	502,863	104,261,058
General fund	\$13,661,364	\$13,147,391	(\$39,259)	\$13,108,132
FTE	312.00	311.00	2.00	313.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Increases Funding For Tobacco Quit Line¹	Provides Funding For Donated Dental Services Program²	Provides Funding For Healthy North Dakota³	Provides Funding For School Health Program⁴	Removes Funding For Community Health Grant Programs⁵	Increases Funding For Basic Care Licensing Activities⁶
Salaries and wages			\$104,801	\$113,000		
Operating expenses	280,000		77,215	87,000		178,050
Capital assets						
Grants		14,000	20,000			
Tobacco program					(350,000)	
WIC food payments						
Total all funds	\$280,000	\$14,000	\$202,016	\$200,000	(\$350,000)	\$178,050
Less estimated income	280,000	14,000	202,016	200,000	(350,000)	178,050
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	1.00	1.00	0.00	0.00

	Moves Funding For Quit Line to Tobacco Line Item⁷	Reduces Recommended Funding for Health Insurance⁸	Reduces Funding for Information Technology Costs⁹	Total Senate Changes
Salaries and wages		(\$32,302)		\$185,499
Operating expenses	(680,000)		(28,160)	(85,895)
Capital assets				
Grants				34,000
Tobacco program	680,000			330,000
WIC food payments				
Total all funds	\$0	(\$32,302)	(\$28,160)	\$463,604
Less estimated income	0	(21,203)	0	502,863
General fund	\$0	(\$11,099)	(\$28,160)	(\$39,259)
FTE	0.00	0.00	0.00	2.00

¹ This amendment increases funding from \$400,000 to \$680,000 from the community health trust fund for the tobacco quit line. The House had reduced the tobacco quit line funding from \$800,000 to \$400,000.

² This amendment provides an additional \$14,000 of federal funds authority, for a total of \$35,000 of federal funds authority for the donated dental services program.

³ This amendment provides federal or special funds spending authority for the Healthy North Dakota program and one associated FTE human service program administrator position. The House removed general fund authority and one FTE position for the Healthy North Dakota program.

⁴ This amendment provides federal funds to be transferred from the Department of Public Instruction to coordinate school health programs and improve the health, education, and well-being of young people and adds one FTE human service program administrator position.

⁵ This amendment removes funding from the community health trust fund for the Community Health Grant Program Advisory Committee (\$100,000) and for city and county employee tobacco cessation programs (\$250,000). Funding for these programs are to be included in Senate Bill No. 2297.

⁶ This amendment provides additional funding for basic care licensing activities from increases in hospital and nursing facility licensing fees and from the establishment of basic care facility licensing fees.

⁷ This amendment moves the funding for the tobacco quit line from the operating line item to the tobacco program line item.

⁸ Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

⁹ This amendment reduces funding for information technology by \$28,160 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

The Senate increased the per bed licensing fees as follows:

	Current rate	Amended rate
Hospitals	\$10	\$15
Nursing facilities	\$7	\$15
Basic care facilities	\$0	\$12

The Senate amended the section for the Legislative Council study of the nursing home survey process to include studying ways the State Department of Health and the Department of Human Services can collaborate to realize efficiencies.

House Bill No. 1004 - State Department of Health - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$30,219,050	\$29,787,430	\$185,499	\$29,972,929	\$29,972,929	
Operating expenses	25,295,911	24,199,459	(48,202)	24,151,257	24,113,564	37,693
Capital assets	1,629,972	1,629,972		1,629,972	1,629,972	
Grants	36,176,628	36,156,628	34,000	36,190,628	36,190,628	
Tobacco program	7,478,097	7,452,097	331,000	7,783,097	7,782,097	1,000
WIC food payments	17,680,000	17,680,000		17,680,000	17,680,000	
Total all funds	\$118,479,658	\$116,905,586	\$502,297	\$117,407,883	\$117,369,190	\$38,693
Less estimated income	104,818,294	103,758,195	548,596	104,306,791	104,261,058	45,733
General fund	\$13,661,364	\$13,147,391	(\$46,299)	\$13,101,092	\$13,108,132	(\$7,040)
FTE	312.00	311.00	2.00	313.00	313.00	0.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Increases Funding For Tobacco Quit Line ¹	Provides Funding For Donated Dental Services Program ²	Provides Funding For Healthy North Dakota ³	Provides Funding For School Health Program ⁴	Removes Funding For Community Health Grant Programs ⁵	Increases Funding For Basic Care Licensing Activities ⁶
Salaries and wages			\$104,801	\$113,000		
Operating expenses	280,000		77,215	87,000		122,250
Capital assets						
Grants		14,000	20,000			
Tobacco program					(350,000)	
WIC food payments						
Total all funds	\$280,000	\$14,000	\$202,016	\$200,000	(\$350,000)	\$122,250
Less estimated income	280,000	14,000	202,016	200,000	(350,000)	72,250
General fund	\$0	\$0	\$0	\$0	\$0	\$50,000
FTE	0.00	0.00	1.00	1.00	0.00	0.00

	Moves Funding For Quit Line to Tobacco Line Item⁷	Reduces Recommended Funding for Health Insurance⁸	Reduces Funding for Information Technology Costs⁹	Restores Funding for Personal Computer Purchases¹⁰	Changes Funding Source for Grants to the North Dakota Stockmen's Association¹¹	Total Conference Committee Changes
Salaries and wages		(\$32,302)				\$185,499
Operating expenses	(680,000)		(46,308)	111,641		(48,202)
Capital assets						
Grants						34,000
Tobacco program	680,000			1,000		331,000
WIC food payments						
Total all funds	\$0	(\$32,302)	(\$46,308)	\$112,641	\$0	\$502,297
Less estimated income	0	(21,203)	(11,108)	112,641	50,000	548,596
General fund	\$0	(\$11,099)	(\$35,200)	\$0	(\$50,000)	(\$46,299)
FTE	0.00	0.00	0.00	0.00	0.00	2.00

¹ This amendment increases funding from \$400,000 to \$680,000 from the community health trust fund for the tobacco quit line. The House had reduced the tobacco quit line funding from \$800,000 to \$400,000.

² This amendment provides an additional \$14,000 of federal funds authority, for a total of \$35,000 of federal funds authority for the donated dental services program.

³ This amendment provides federal or special funds spending authority for the Healthy North Dakota program and one associated FTE human service program administrator position. The House removed general fund authority and one FTE position for the Healthy North Dakota program.

⁴ This amendment provides federal funds to be transferred from the Department of Public Instruction to coordinate school health programs and improve the health, education, and well-being of young people and adds one FTE human service program administrator position.

⁵ This amendment removes funding from the community health trust fund for the Community Health Grant Program Advisory Committee (\$100,000) and for city and county employee tobacco cessation programs (\$250,000). Funding for these programs are to be included in Senate Bill No. 2297.

⁶ The Conference Committee provided additional funding for basic care licensing activities from a \$50,000 general fund appropriation and increases in hospital and nursing facility licensing fees and from the establishment of basic care facility licensing fees.

⁷ This amendment moves the funding for the tobacco quit line from the operating line item to the tobacco program line item.

⁸ Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

⁹ This amendment reduces funding for information technology by \$35,200 from the general fund and \$11,108 from special funds, which represents a reduction in information technology funding from the general fund and special funds of approximately 5 percent.

¹⁰ The Conference Committee restored \$112,641 of federal funds for personal computer purchases which was removed by the House.

¹¹ The Conference Committee changed the funding source for a grant to the North Dakota Stockmen's Association environmental services program from the general fund to the environment and rangeland protection fund.

The Conference Committee increased the per bed licensing fees as follows:

	Current rate	Amended rate
Hospitals	\$10	\$10
Nursing facilities	\$7	\$10
Basic care facilities	\$0	\$10

The Conference Committee amended the section for the Legislative Council study of the nursing home survey process to provide that the nursing home survey study include a review of federal, state, and local agency procedures.