

State Department of Health

Budget No. 301

House Bill Nos. 1004, 1014, 1256, 1290, 1296, 1434, 1435, 1471, Senate Bill No. 2152

	FTE Positions	General Fund	Other Funds	Total
2007-09 executive budget (bills as introduced)	331.50	\$18,054,828	\$136,940,183	\$154,995,011
2007-09 legislative appropriations	331.50	21,517,033¹	150,595,277	172,112,310
Legislative increase (decrease) to executive budget	0.00	\$3,462,205	\$13,655,094	\$17,117,299
Legislative increase (decrease) to 2005-07 appropriations	20.00	\$8,048,129	\$38,325,057	\$46,373,186

¹This amount includes \$4,062,135 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$17,454,898.

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the State Department of Health is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2189.

	Major Items	FTE Positions	General Fund	Other Funds	Total
The legislative action:					
Reduced funding recommended in the executive budget relating to retiree health credit contributions			(\$11,930)	(\$26,844)	(\$38,774)
Added special funds spending authority for the State Department of Health to collect fees for the inspection of tanning facilities				32,281	32,281
Added 1 FTE field environmental health practitioner for food and lodging inspections		1.00			0
Added funding for the North Dakota critical incident stress management program to assist emergency medical services providers in dealing with stress caused by difficult situations			25,000		25,000
Increased funding for grants to local public health units from \$1.1 million to \$1.9 million			800,000		800,000
Added funding for grants to domestic violence and rape crises agencies across the state to provide prevention and intervention services on domestic violence and sexual assault issues			500,000		500,000
Removed special funds spending authority for grants relating to abstinence programs				(220,000)	(220,000)

Added funding from the community health trust fund for physician loan repayment program grants. The total funding for the program is \$75,000 from the general fund and \$150,000 from the community health trust fund.		75,000	75,000
Added funding from the general fund and community health trust fund for a grant program through the North Dakota Cancer Coalition to provide funding for colorectal cancer screening initiatives to target low-income, underinsured, uninsured, and disparity populations between ages 50 through 64 living in rural counties and with a primary focus on counties with a large American Indian population	50,000	150,000	200,000
Removed special funds from the community health trust fund for 1 FTE youth tobacco coordinator position and operating costs to address youth tobacco and to implement a countermarketing campaign	(1.00)	(554,208)	(554,208)
Added funding from the community health trust fund for emergency medical services training grants		300,000	300,000
Decreased funding for Russell-Silver Syndrome grants from \$150,000 to \$100,000	(50,000)		(50,000)
Increased special funds to \$19.4 million for the State Department of Health to purchase and receive reimbursement from providers for the Provider Choice immunization program		12,200,000	12,200,000
Changed funding source for storage and administration fees relating to the influenza antiviral stockpile program from the general fund to special funds from fees	(288,865)	288,865	0
Restored funding for storage costs relating to the influenza antiviral stockpile program	36,000		36,000
Provided funding for the Women's Way program	100,000		100,000
Added funding for providing a grant to the State Board of Pharmacy for establishing and administering a legend prescription drug and device donation and repository program (House Bill No. 1256)	22,000		22,000
Added \$100,000 of special funds spending authority from the health care trust fund (\$75,000) and gifts, grants, donations, and other special funds sources (\$25,000) for the purpose of contracting for and assisting with an evaluation of the state trauma system (House Bill No. 1290)		100,000	100,000

Added funding from the insurance tax distribution fund for making payments of insurance premium tax collections to emergency medical services operations (House Bill No. 1296)		1,250,000	1,250,000
Added funding for an assessment of the state's emergency medical services system (House Bill No. 1296)	30,000		30,000
Added funding for establishing a viral hepatitis program (House Bill No. 1434)	200,000		200,000
Added contingent funding for providing vaccines to public health units and other immunization providers during the transition to the Provider Choice immunization program. Of the total amount appropriated, \$500,000 is only available if the State Department of Health determines that vaccines need to be purchased after December 31, 2007 (House Bill No. 1435) (see Provider Choice immunization program in Other Sections in House Bill No. 1004 detail)	2,000,000		2,000,000
Added funding to provide human papilloma virus education (House Bill No. 1471)	50,000		50,000
Added funding from the community health trust fund to fund the new dental practice grant program (Senate Bill No. 2152)		60,000	60,000
Total	<u>0.00</u>	<u>\$3,462,205</u>	<u>\$17,117,299</u>

FTE Changes

The 2007-09 appropriation includes funding for 331.50 FTE positions, an increase of 20 FTE positions from the 2005-07 authorized level of 311.50 FTE positions. The following table summarizes the FTE position changes:

Position	Proposed FTE Changes Included in Executive Budget	FTE Changes Included in Legislative Appropriation	Legislative Increase (Decrease) From Executive Budget
Administrative Health			
Education technology program coordinator	1.00	1.00	
Accounting budget specialist	1.00	1.00	
Human resource assistant	0.50	0.50	
Community Health			
Comprehensive cancer clerical	1.00	1.00	
Comprehensive cancer coordinator	1.00	1.00	
Federal tobacco program coordinator	1.00	1.00	
Family health clerical	1.00	1.00	
Traumatic brain injury position	(1.00)	(1.00)	
Suicide program administrator	1.00	1.00	
Youth tobacco coordinator	1.00	0.00	(1.00)
Health Resources			
Traffic assessment analyst	1.00	1.00	
Field environmental health practitioner	0.00	1.00	1.00

Position	Proposed FTE Changes Included in Executive Budget	FTE Changes Included in Legislative Appropriation	Legislative Increase (Decrease) From Executive Budget
Medical Services			
Immunization (Provider Choice) program positions	2.00	2.00	
Special Populations			
Children's special health services program positions transferred from Department of Human Services	8.00	8.00	
Office of Minority Health administrator and clerical	1.50	1.50	
Total	20.00	20.00	0.00

One-Time Funding

In Section 11 of House Bill No. 1004, the Legislative Assembly identified \$2,010,135 from the general fund for an antiviral stockpile in case of severe influenza outbreak as a one-time funding item. Other one-time funding items for the State Department of Health include:

- House Bill No. 1296 - \$30,000 from the general fund for an emergency medical services system assessment;
- House Bill No. 1435 - \$2 million from the general fund for vaccines to public health units and other providers; and
- House Bill No. 1256 - \$22,000 from the general fund for a legend prescription drug and device donation and repository program.

The total for one-time funding to the State Department of Health is \$4,062,135. This amount is not to be considered part of the agency's base budget for preparing the 2009-11 executive budget and the State Department of Health is to report to the Appropriations Committees during the 2009 legislative session on the use of this funding.

Other Sections in House Bill No. 1004

Environment and rangeland protection fund - Section 4 authorizes \$266,119 from the environment and rangeland protection fund for 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 5 allows the State Department of Health to deposit indirect cost recoveries from federal programs and special funds in its operating account.

Immunization data - Section 6 amends North Dakota Century Code (NDCC) Section 23-01-05.3 relating to immunization data. The section provides that the State Department of Health may establish an immunization information system and may require childhood immunizations be reported to the department. The State Department of Health may only require the reporting of childhood immunizations and other data upon completion of the immunization information reporting system. A health care provider who administers a childhood immunization must report the patient's identifying information, the immunization that is administered, and other required information to the department.

Tanning facility regulation fees - Section 7 creates a new section to NDCC Chapter 23-39 to provide for fees collected by the State Department of Health for regulating tanning facilities to be deposited in the department's operating fund for associated costs. House Bill No. 1154 provides for the department to regulate tanning facilities.

Emergency medical services study - Section 8 provides for a Legislative Council study of emergency medical services during the 2007-08 interim.

Childhood immunization program - Section 9 provides intent that the appropriation in House Bill No. 1435 be limited to the amount needed for the childhood immunization program.

Branch morgue facility - Section 10 provides that the 60th Legislative Assembly's action on House Bill No. 1004 does not preclude the University of North Dakota from receiving federal and special funds for a state morgue pursuant to NDCC Sections 54-16-04.1 and 54-16-04.2.

Basic and long-term care facilities demonstration project - Section 12 provides for a demonstration project to be conducted during the 2007-09 biennium for voluntary surveys during major construction or renovation of basic care and long-term care facilities. The State Department of Health may charge a reasonable fee for conducting life safety surveys as part of this project. The department is to provide a report to the Legislative Council before August 1, 2008, regarding the status of the demonstration project, including the feasibility and desirability of making the program permanent and whether the department will be recommending any legislation to make the program permanent.

Extraordinary repairs - The Legislative Assembly appropriated special funds spending authority of \$228,841 for repairs for the laboratory building.

Emergency antiviral stockpile - The Legislative Assembly appropriated \$2,299,000, of which \$2,010,135 is from the general fund and \$288,865 is special funds, for operating costs to purchase an antiviral stockpile in case of a pandemic influenza outbreak. An influenza pandemic occurs when a new influenza virus emerges for which people have little or no immunity and for which there is no vaccine. Antiviral medications may lessen the severity of influenza if prescribed to people shortly after they are exposed to the disease.

Provider Choice immunization program - Provider Choice is a program to manage and cost-effectively pay for all recommended vaccines for all children. There have been significant changes in childhood immunization programs, including a possible decline in federal funding for immunizations and the introduction of several very expensive new recommended vaccines. The Provider Choice program continues the provision of federal vaccines to providers for eligible children and gives providers the choice of purchasing all other vaccines through the State Department of Health where they can achieve lower vaccine costs through multistate, large-volume purchase agreements. Vaccines for all children will be covered either through the federal Vaccines for Children program or through an individual's health insurance. Some copayments may apply. House Bill No. 1004 includes \$227,000 from the general fund for 2 FTE positions to manage the issues related to Provider Choice and special funds spending authority of \$19.4 million to purchase the vaccines on behalf of and receive payment from providers. House Bill No. 1435 delays the implementation of Provider Choice until December 31, 2007, and provides a \$2 million general fund appropriation to pay for the nonfederal vaccine costs until the program is implemented and paid through private insurance companies.

Related Legislation

House Bill No. 1125 - This bill provides for a **veterinarian loan repayment program**. The Health Council, in consultation with the State Board of Animal Health, may select from a pool of applicants no more than three veterinarians to provide animal veterinary medicine services to communities in this state. The veterinarians are eligible to receive up to \$80,000 in loan repayment funds. A veterinarian may receive a loan payment of up to \$15,000 upon completion of the first six months of service, an additional \$15,000 upon completion of the second year of service, \$25,000 upon completion of the third year of service, and an additional \$25,000 upon completion of the fourth year of service. The Health Council is to identify communities that are in need of a veterinarian and establish a priority ranking for participation in the program by the selected communities. Any money received as gifts, grants, or donations for the veterinarian loan repayment program are appropriated on a continuing basis to the Health Council. House Bill No. 1003, the appropriation bill for the North Dakota University System, includes a \$100,000 general fund appropriation for this program.

House Bill No. 1129 - This bill provides for a transition to **electronic birth and death registration systems** effective January 1, 2008.

House Bill No. 1154 - This bill provides for the State Department of Health to **regulate tanning facilities**.

House Bill No. 1290 - This bill provides for the State Department of Health to contract with a professional organization to perform an **evaluation of the state trauma system** and report the findings to the Legislative Council before July 1, 2008.

House Bill No. 1296 - This bill provides for the State Department of Health to distribute insurance premium tax collections to eligible **emergency medical services operations**. The State Department of Health is to establish and update regularly a strategic plan for an integrated emergency medical services program in this state which includes a comprehensive statewide emergency medical services system. The State Department of Health is to contract with a third party for an assessment of the state's emergency medical services system to assist in developing an integrated emergency system.

House Bill No. 1434 - This bill provides for the State Department of Health to establish and administer a **viral hepatitis program** with a goal of distributing information regarding the dangers of the disease and contact information to high-risk individuals. In addition, the department is to establish a vaccination and testing program to be coordinated by the department through local public health units.

House Bill No. 1435 - This bill provides for the State Department of Health to establish a program to distribute vaccines to local public health units and other immunization providers for the purpose of continuing the immunization services previously funded through the immunization grant program, while transitioning to a **Provider Choice immunization program** during the period beginning July 1, 2007, through December 31, 2007. The Legislative Assembly appropriated \$2 million from the general fund to the State Department of Health for the department to purchase vaccines for public health units and other immunization providers during this transition period. Of the amount appropriated, \$500,000 is only available if the State Department of Health determines that vaccines need to be purchased after December 31, 2007.

House Bill No. 1471 - This bill provides for the State Department of Health to educate to the public regarding the **human papilloma virus** and the availability of human papilloma virus vaccine.

House Bill No. 1488 - This bill provides that the life safety portion of **basic care surveys** must be announced and one-half of the health portion of basic care surveys must be announced. In addition, for purposes of addressing complaints at basic care facilities, all surveys conducted by the State Department of Health must be unannounced. The State Department of Health is to provide a report to the Legislative Council before August 1, 2008, regarding the implementation of this Act and whether the department will be recommending any legislative changes to the basic care survey process.

House Bill No. 1505 - This bill provides for the State Department of Health to **regulate the practice of tattooing**, body piercing, branding, subdermal implants, and scarification. The State Department of Health is to establish fees based on the cost of conducting routine and complaint inspections and enforcement actions and preparing and sending licensing renewals.

Senate Bill No. 2152 - This bill relates to the **dentists' loan repayment program**, provides for a **dental grant program**, and provides for a Legislative Council study of the **community health trust fund**.

- This bill amends NDCC Section 43-28.1-03 to provide that a dentist providing services in Fargo, Bismarck, or Grand Forks must practice at a minimum of two full days per week at a public health clinic or nonprofit clinic or received at least \$20,000 of medical assistance reimbursement for dental medical payments during the year in order to qualify for the dentists' loan repayment program.
- This bill provides that a dentist who has graduated from an accredited dental school may apply for a grant for the purpose of establishing a dental practice in a city in the state with a population of 7,500 or less. The Health Council may award a maximum of two grants per year with a maximum grant award of \$50,000 per applicant to be used for buildings, equipment, and operating expenses. The community in which the dentist is locating must provide a 50 percent match. The grant must be distributed in equal amounts over a five-year period and the dentist must commit to practice in the community for five years.
- This bill provides for a Legislative Council study of the historic and anticipated uses of the community health trust fund, including a cost-benefit evaluation of past expenditures from the fund, the feasibility and desirability of establishing a strategic plan for future use of the fund, and the sustainability of the fund.

Senate Bill No. 2352 - This bill prohibits the tattooing of a minor, under the age of 18, without the written consent of the minor's parent or legal guardian.