

Department 301 - State Department of Health
House Bill No. 1004

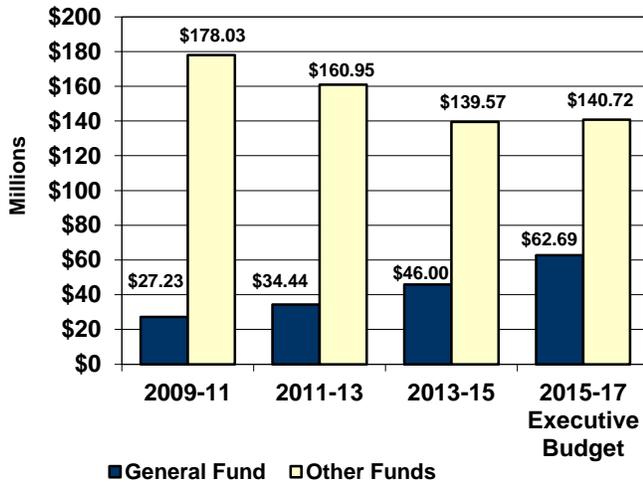
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	373.00	\$62,694,635	\$140,717,631	\$203,412,266
2013-15 Legislative Appropriations	354.00	46,001,508	139,568,434	185,569,942
Increase (Decrease)	19.00	\$16,693,127	\$1,149,197	\$17,842,324

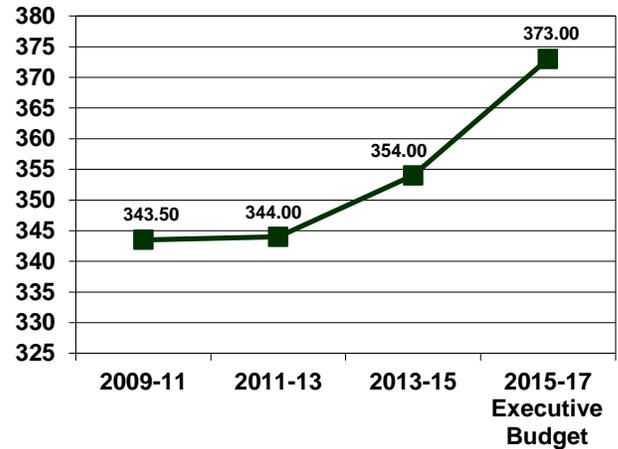
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$61,159,135	\$1,535,500	\$62,694,635
2013-15 Legislative Appropriations	44,921,508	1,080,000	46,001,508
Increase (Decrease)	\$16,237,627	\$455,500	\$16,693,127

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$62,694,635	\$140,717,631	\$203,412,266
2015-17 Base Level	44,921,508	139,303,434	184,224,942
Increase (Decrease)	\$17,773,127	\$1,414,197	\$19,187,324

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

Administrative Support	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$2,929,634 relates to performance increases, \$1,037,666 is for market equity adjustments, \$1,632,154 is for health insurance increases, and \$304,811 is for retirement contribution increases	\$3,499,196	\$2,405,069	\$5,904,265
2. Provides targeted equity salary funding	\$1,559,659	\$0	\$1,559,659
3. Adjusts funding for operating expenses, including reductions related to the removal of certain programs and increases due to inflation and increased information technology costs related to projects	\$40,090	(\$1,329,690)	(\$1,289,600)
4. Adjusts funding for grants	\$40,000	\$751,740	\$791,740

5. Removes funding for regional public health network grants provided during the 2013-15 biennium	(\$700,000)	\$0	(\$700,000)
6. Increases funding for the dental loan repayment program to provide a total of \$600,000, of which \$240,000 is from the general fund and \$360,000 is from the community health trust fund	\$60,000	\$0	\$60,000
7. Increases funding for the medical loan repayment program to provide a total of \$698,800 from the general fund	\$122,012	\$0	\$122,012
8. Adds funding for a behavioral health professional loan repayment program to provide loan repayment for one psychologist and four social workers, addiction counselors, professional counselors, psychology nurse practitioners, licensed practical nurses, and registered nurses each year of the biennium	\$495,000	\$0	\$495,000
9. Increases funding for local public health units to provide a total of \$5 million from the general fund	\$1,000,000	\$0	\$1,000,000
Medical Services			
10. Adjusts funding for operating expenses, including increases due to inflation and increased information technology costs related to software and computer replacement	\$305,793	\$1,339,643	\$1,645,436
11. Adjusts funding for grants	\$0	(\$530,544)	(\$530,544)
12. Adds one-time funding for a school immunization interface module	\$179,100	\$0	\$179,100
13. Increases funding for the universal vaccine program to provide a total of \$3,076,853 from the general fund, including a school interface module	\$576,853	\$0	\$576,853
14. Adds funding for a catastrophic infectious disease outbreak fund	\$550,000	\$0	\$550,000
15. Adds funding to contract with the University of North Dakota School of Medicine and Health Sciences to perform autopsies in the eastern part of the state. The 2013-15 biennium appropriation includes \$480,000 of one-time funding for autopsy services in the eastern part of the state.	\$640,000	\$0	\$640,000
16. Adds one-time funding to modify vital records system to allow electronic review	\$20,000	\$0	\$20,000
17. Adds one-time funding for digital x-ray equipment for State Forensic Examiner	\$44,000	\$0	\$44,000
18. Adjusts funding for bond payments, extraordinary repairs, and equipment	(\$36,857)	(\$2,385)	(\$39,242)
Health Resources			
19. Adjusts funding for operating expenses, including increases due to inflation and increased information technology costs related to maintenance	\$32,603	(\$72,062)	(\$39,459)
20. Adds funding for 5 FTE food and lodging inspector positions, including salaries and wages (\$652,393) and operating expenses (\$139,623)	\$749,873	\$42,143	\$792,016
21. Adjusts funding for equipment	\$0	(\$15,000)	(\$15,000)
Community Health			
22. Adjusts funding for operating expenses, including increases due to inflation and increased travel costs	\$246,546	(\$653,257)	(\$406,711)
23. Adjusts funding for grants	(\$128,928)	\$1,695,340	\$1,566,412
24. Increases funding for tobacco prevention and control, including NDQuits/QuitNet and grants to health systems for tobacco cessation	\$0	\$1,011,103	\$1,011,103
25. Decreases funding for WIC food payments	\$0	(\$4,459,861)	(\$4,459,861)
26. Removes contingent funding for family violence grant	(\$80,000)	\$0	(\$80,000)
27. Increases funding for suicide prevention grants to provide a total of \$1,180,000 from the general fund	\$500,000	\$0	\$500,000

28. Adds funding for domestic violence and rape crisis grants	\$500,000	\$0	\$500,000
29. Adjusts funding for the Women's Way program to provide a total of \$500,000 from the general fund instead of the community health trust fund	\$500,000	(\$400,500)	\$99,500
30. Adds one-time funding from federal funds for WIC food payments system replacement, including salaries and wages (\$110,000) and operating expenses (\$1,602,110)	\$0	\$1,712,110	\$1,712,110
31. Adds funding for a mobile dental services grant	\$100,000	\$0	\$100,000

Environmental Health

32. Adjusts funding for operating expenses, including increases due to inflation, additional equipment purchases, increased travel costs, rental costs related to additional space needs, and information technology related to electronic reporting	(\$13,112)	(\$74,739)	(\$87,851)
33. Adjusts funding for grants	\$0	(\$1,606,977)	(\$1,606,977)
34. Adds funding for 14 FTE positions in air quality (3 FTE positions), laboratory services (1 FTE position), municipal facilities (3 FTE positions), waste management (4 FTE positions), and water quality (3 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages (\$1,934,833), operating expenses (\$4,067,753), and grants (\$50,000)	\$3,681,705	\$2,370,881	\$6,052,586
35. Adds funding for salary increases for emergency and spill response staff	\$104,544	\$0	\$104,544
36. Adds one-time funding for equipment costs related to additional environmental impact positions	\$303,400	\$536,600	\$840,000
37. Adjusts funding for bond payments, extraordinary repairs, and equipment	(\$300,406)	\$368,170	\$67,764
38. Adds funding for Environmental Protection Agency lawsuit	\$500,000	\$0	\$500,000

Emergency Preparedness and Response

39. Adjusts funding for operating expenses, including increases due to inflation and rental costs related to relocation of the section to new office space and reductions in professional fees related to the stroke system of care funded in the grants line and the removal of regional coordinators contracted to support ambulance services	(\$88,323)	\$20,545	(\$67,778)
40. Adjusts funding for grants	\$70,500	\$61,218	\$131,718
41. Adds one-time funding for medical cache supplies, including equipment (\$30,000) for two used school buses to transport wheelchairs and stretchers	\$989,000	\$0	\$989,000
42. Adjusts funding for equipment	\$0	\$471,000	\$471,000
43. Increases funding for rural emergency medical services grants to provide a total of \$8.94 million, of which \$1.25 million is from the insurance tax distribution fund	\$1,600,000	\$0	\$1,600,000
44. Adjusts funding for the continuation of the cardiac care system	\$213	(\$2,055,906)	(\$2,055,693)

Other Sections in Bill

Environment and rangeland protection fund - Section 3 authorizes the department to spend \$250,000 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.

Loan repayment program changes - Section 4 amends North Dakota Century Code Section 43-28.1-01 to remove the limit on dentists eligible for loan repayment and provide the Health Council select, subject to the availability of funds, any number of dentists to participate in the loan repayment program.

Continuing Appropriations

Combined purchasing with local public health units - Section 23-01-28 - Allows the State Department of Health to assist the local health units to purchase vaccines. 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 - Sections 43-29.1-08 and 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 these sections is appropriated as a continuing appropriation to the Health Council for the purpose of providing funds for the repayment of additional veterinarians' or dentists' 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.

Deficiency Appropriation

Local public health vaccine purchasing program - Senate Bill No. 2023 contains a general fund deficiency appropriation of \$470,900 for a shortfall in the local public health vaccine purchasing program.

Significant Audit Findings

The operational audit of the State Department of Health conducted by the State Auditor's office for the biennium ended June 30, 2013, included significant audit findings related to the underground storage tank program and the Division of Food and Lodging.

Significant audit findings related to the underground storage tank program include the following:

- The underground storage tank program does not have policies and procedures in place to ensure all areas of the training and registration process are adequate.
- The underground storage tank program does not have adequate policies and procedures in place to ensure the inspection process is handled appropriately.

Significant audit findings related to the Division of Food and Lodging include the following:

- The division does not have adequate policies and procedures in place to ensure the inspection process is handled appropriately.
- The division does not have policies and procedures in place to ensure all areas of the complaint handling process are adequate.
- The division was not following department policies and procedures to ensure policy acknowledgments and the division does not have policies and procedures in place to ensure new employee training is documented.
- The division does not have an adequate database management system. The current system does not have the ability to perform edit checks or completeness checks to ensure the validity of data entered. In addition, the system does not track, record, and disseminate all necessary information. Lack of funding to update the database has caused the division to rely on an outdated system.
- The division does not have policies and procedures in place to ensure that enforcement actions are handled consistently and appropriately.
- The division does not have policies and procedures in place to ensure all areas of the licensing process are adequate.
- The division does not have adequate staffing levels to ensure that inspectors have adequate time to perform thorough inspections using a risk-based approach. The division does not have adequate funding to support the staffing levels necessary.
- The division does not have adequate Memorandum's of Understanding (MOU) set up with the nine local and city health units. The division does not have policies and procedures in place to ensure adequate MOU's are entered into and that monitoring of the local and city health units is performed.

Early Funding

Environmental scientists - The executive recommendation includes, in Senate Bill No. 2126, \$2 million, from the general fund to the State Department of Health for the purpose of hiring up to 15 environmental scientist FTE positions during the 2013-15 biennium.

Major Related Legislation

House Bill No. 1036 - Evaluation of State Programs to Assist Health Professionals - Requires the State Department of Health evaluate state programs to assist health professionals, including behavioral health professionals, with a focus on state loan repayment programs and report to Legislative Management. A fiscal note prepared by the State Department of Health indicates the department would need to contract with an outside vendor to complete the evaluation and study of programs at an estimated cost of \$20,000.

House Bill No. 1042 - Electronic Review of Death Records and County Coroner Training and Planning Meetings - Provides appropriations totaling \$54,375 from the general fund to the State Department of Health for information technology

costs related to the electronic review of death records (\$15,000) and for the reimbursement of travel costs related to county coroner training and planning meetings (\$39,375).

House Bill No. 1046 - Traumatic Brain Injury Registry - Provides appropriations totaling \$2,226,083 from the general fund to the State Department of Health for the establishment and administration of a traumatic brain injury registry (\$251,083), and to the Department of Human Services for costs relating to a traumatic brain injury registry, traumatic brain injury regional resource facilitation, and expanded traumatic brain injury programming (\$1,975,000).

House Bill No. 1048 - Uniform Licensing and Reciprocity Standards - Requires the State Department of Health to develop a plan, during the 2015-16 interim, for the administration and implementation of uniform licensing and reciprocity standards for licensees of the Board of Addiction Counseling Examiners, Board of Counseling Examiners, North Dakota Board of Social Work Examiners, State Board of Psychologist Examiners, State Board of Medical Examiners, and the North Dakota Marriage and Family Therapy Licensure Board. A fiscal note prepared by the State Department of Health estimates expenditures totaling \$108,900 from the general fund, including a contract with an outside vendor to complete the evaluation and study of six program standards at an estimated cost of \$80,000 and department staff needed to develop the request for proposal, oversee the contract, and the study at an estimated cost of \$28,900.

House Bill No. 1049 - Programs to Assist Behavioral Health Professionals - Provides appropriations to the State Board of Higher Education to administer a grant program to assist with the repayment of student loans incurred by behavioral health professionals, to the Office of Management and Budget for a transfer to the Bank of North Dakota for an addiction counselor internship loan program revolving fund, and to the Department of Human Services for annual grants to private entities that provide clinical training experiences for individuals pursuing licensure as addiction counselors. These programs are in addition to a state behavioral health professional loan repayment program to be administered by the State Department of Health included in House Bill No. 1115 below.

House Bill No. 1113 - Radioactive Material Regulation and Disposal - Relates to land used for the disposal of technologically enhanced naturally occurring radioactive material and penalties.

House Bill No. 1114 - Solid Waste Management - Increases penalties for solid waste disposal infractions.

House Bill No. 1115 - Behavioral Health Professional Loan Repayment Program - Creates a state behavioral health professional loan repayment program to be administered by the State Department of Health. A fiscal note prepared by the State Department of Health indicates funding for one clinical psychologist each year of the biennium (\$135,000) and four other behavioral health professionals each year of the biennium (\$360,000) is included in the executive recommendation.

House Bill No. 1116 - Health Statistics - Amends sections of Century Code relating to health statistics to provide clarification and allows the State Department of Health to issue, through electronic means, verification of information contained on birth or death records filed with the State Registrar.

Senate Bill No. 2023 - Deficiency Appropriation - Provides a general fund deficiency appropriation of \$470,900 for a shortfall in the local public health vaccine purchasing program.

Senate Bill No. 2126 - Early Hire of Environmental Scientists - Provides appropriations to various agencies impacted by oil development, including \$2 million from the general fund to the State Department of Health for early hiring of environmental scientists.

Senate Bill No. 2160 - Health Information Hub - Establishes a statewide health information hub and provides the State Health Officer serve on the executive committee.

Senate Bill No. 2162 - Loan Repayment Program for Social Workers and Addiction Counselors - Provides the State Department of Health administer a loan repayment program for social workers and addiction counselors and includes an appropriation of \$360,000 from the general fund to the State Department of Health for the loan repayment program.

House Concurrent Resolution No. 3004 - Medicolegal Death Investigation - Directs Legislative Management continue to study medicolegal death investigation in the state and how current best practices, including authorization, reporting, training, certification, and the use of information technology and toxicology, can improve death investigation systems in the state.

State Department of Health - Budget No. 301
House Bill No. 1004
Base Level Funding Changes

Executive Budget Recommendation			
	FTE		
	Positions	General Fund	Other Funds
			Total
2015-17 Biennium Base Level	354.00	\$44,921,508	\$139,303,434
			\$184,224,942
2015-17 Ongoing Funding Changes			
Base payroll changes		\$110,666	(\$170,444)
Salary increase - Performance		1,739,645	1,189,989
Salary increase - Market equity		609,362	428,304
Retirement contribution increase		181,000	123,811
Health insurance increase		969,189	662,965
Salary increase - Targeted equity		1,559,659	1,559,659
Netted adjustment for bonds, extraordinary repairs, and equipment		(337,263)	821,785
Cost to continue programs		505,169	(3,847,541)
Adjust funding for cardiac care system		213	(2,055,906)
Increases funding for vaccines, including a school interface module		576,853	576,853
Adds funding for a catastrophic infectious disease outbreak fund		550,000	550,000
Adds funding for autopsy contract with UND		640,000	640,000
Increases funding for suicide prevention grants		500,000	500,000
Increases funding for the dental loan repayment program		60,000	60,000
Increases funding for the medical loan repayment program		122,012	122,012
Adds funding for behavioral health professional loan repayment program		495,000	495,000
Increases funding for local public health grants		1,000,000	1,000,000
Increases funding for rural EMS grants		1,600,000	1,600,000
Adds funding for domestic violence and rape crisis grants		500,000	500,000
Adjusts funding for Women's Way program		500,000	(400,500)
Adds funding for mobile dental services grant		100,000	100,000
Adds funding for EPA lawsuit		500,000	500,000
Adds funding for food and lodging environmental health practitioner II	1.00	130,479	130,479
Adds funding for food and lodging environmental health practitioner II	1.00	130,479	130,479
Adds funding for food and lodging environmental health practitioner II	1.00	130,479	130,479
Adds funding for food and lodging environmental health practitioner II	1.00	130,478	130,478
Adds funding for food and lodging environmental health practitioner II	1.00	130,478	130,478
Adds funding for operating expenses related to food and lodging FTE		97,480	42,143
Adds funding for air quality environmental scientist II	1.00		129,893
Adds funding for air quality environmental scientist II	1.00		129,893
Adds funding for air quality environmental scientist II	1.00		129,893
Adds funding for chemistry lab chemist II	1.00	129,854	129,854
Adds funding for municipal facilities data processing coordinator II	1.00	111,657	111,657
Adds funding for municipal facilities environmental engineer II	1.00	150,728	150,728
Adds funding for municipal facilities environmental engineer II	1.00	150,728	150,728
Adds funding for waste management environmental scientist II	1.00	129,893	129,893
Adds funding for waste management environmental scientist II	1.00	129,893	129,893
Adds funding for waste management environmental scientist II	1.00	129,893	129,893
Adds funding for waste management environmental scientist II	1.00	129,893	129,893
Adds funding for water quality environmental scientist II position	1.00	129,893	129,893
Adds funding for water quality environmental scientist II position	1.00	129,893	129,893
Adds funding for water quality environmental scientist admin. I	1.00	178,279	178,279
Adds funding for waste management temporary salaries		3,850	3,850
Adds funding for water quality temporary salaries		40,700	40,700
Adds funding for additional salaries for emergency and spill response		104,544	104,544
Adds funding for operating expense and grants related to Env. Div. FTE		2,136,551	1,981,202
Removes funding for regional public health network grants		(700,000)	(700,000)
Removes funding for contingent family violence grant		(80,000)	(80,000)
Total ongoing funding changes	19.00	\$16,237,627	(\$834,513)
			\$15,403,114
One-time funding items			
Adds funding for a school immunization interface module		\$179,100	\$179,100
Adds funding from federal funds for WIC food payments system upgrade			\$1,712,110
Adds funding for costs related to environmental impact		303,400	536,600
Adds funding for medical cache		989,000	989,000

Adds funding to modify vital records system to allow electronic review		20,000		20,000
Adds funding for digital x-ray equipment for forensic examiner		44,000		44,000
Total one-time funding changes	0.00	\$1,535,500	\$2,248,710	\$3,784,210
Total Changes to Base Level Funding	19.00	\$17,773,127	\$1,414,197	\$19,187,324
2015-17 Total Funding	373.00	\$62,694,635	\$140,717,631	\$203,412,266

Other Sections in House Bill No. 1004

Environment and rangeland protection fund

Executive Budget Recommendation

Section 3 authorizes the department to spend \$250,000 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.

Loan repayment program changes

Section 4 amends North Dakota Century Code 43-28.1-01 to remove the limit on dentists eligible for loan repayment and provide the Health Council select, subject to the availability of funds, any number of dentists to participate in the loan repayment program.