

# STATEMENT OF PURPOSE

## RS24738

This is the fiscal year 2017 appropriation to the Department of Health and Welfare for the divisions of Independent Councils, Indirect Support Services, Healthcare Policy Initiatives, and Licensing and Certification. It includes \$19,073,900 from the General Fund, \$4,488,500 from dedicated funds, and \$43,916,900 from federal funds for a total of \$67,479,300 and 376.5 FTP. The bill also contains three sections of department-wide legislative intent language, one section specific to the Independent Councils, four sections specific to Indirect Support Services, one section specific to Healthcare Policy Initiatives, and one section specific to Licensing and Certification.

The Independent Councils Division includes the Developmental Disabilities Council and the Domestic Violence Council. Adjustments to the division include changes for employee benefit costs, 27th payroll, and a 3% merit-based change in employee compensation that is to be distributed at the discretion of each council's executive director.

Indirect Support Services provides department wide support for finance, human resources, the office of the director, and IT support. Adjustments to the division include changes for employee benefit costs, statewide cost allocation, 27th payroll, and a 3% merit-based change in employee compensation to be distributed at the discretion of the director. This budget includes \$807,600 for replacement items and supports two agency requested line items. The first line item adds 2 FTP and \$261,400 for the Criminal History Unit. These positions will be used to address the increase in the number of background checks being conducted by the department. The second line item reduces the division's appropriation by \$53,400 for work that is no longer needed within the department, rather this work will be conducted in the Office of the Attorney General.

Healthcare Policy Initiatives is intended to be a catch-all for various federal or state healthcare policies that do not cleanly fit in any other department program. Currently this program only oversees the SHIP grant. Adjustments to this program include changes for employee benefit costs, 27th payroll, a 3% merit-based change in employee compensation that is to be distributed at the discretion of the director.

Licensing and Certification surveys, inspects, licenses, and certifies health care facilities that require certification or licensure by either state or federal requirements. Adjustments include changes for employee benefit costs, statewide cost allocation, 27th payroll, and a 3% merit-based change in employee compensation that is to be distributed at the discretion of the director, and two line items. The first line item provides \$87,000 on a one-time basis, to address a funding shortfall in the licensing bureau for Certified Family Homes. The second line item adds \$750,000 on a one-time basis for the division to address a facility licensing and certification backlog throughout the state.

### FISCAL NOTE

|                                | FTP    | Gen        | Ded       | Fed        | Total      |
|--------------------------------|--------|------------|-----------|------------|------------|
| FY 2016 Original Appropriation | 373.50 | 18,246,000 | 5,902,400 | 37,986,200 | 62,134,600 |
| Independent Councils           |        |            |           |            |            |

|  |        |            |             |             |             |
|--|--------|------------|-------------|-------------|-------------|
| 1. Victims of Crime Act - Addl Oversight                     | 1.00   | 0          | 0           | 14,900      | 14,900      |
| Indirect Support Services                                    |        |            |             |             |             |
| 6. Federal Earned Revenue Rate Healthcare Policy Initiatives | 0.00   | 0          | 0           | 1,349,800   | 1,349,800   |
| 2. SHIP Grant Increase                                       | 0.00   | 0          | 0           | 1,263,800   | 1,263,800   |
| FY 2016 Total Appropriation                                  | 374.50 | 18,246,000 | 5,902,400   | 40,614,700  | 64,763,100  |
| Noncognizable Funds and Transfers                            | 2.00   | (60,800)   | 0           | 95,800      | 35,000      |
| FY 2016 Estimated Expenditures                               | 376.50 | 18,185,200 | 5,902,400   | 40,710,500  | 64,798,100  |
| Removal of One-Time Expenditures                             | 0.00   | (2,100)    | 0           | (1,358,700) | (1,360,800) |
| Base Adjustments   | (2.00) | 23,800     | (1,839,500) | 1,643,700   | (172,000)   |
| FY 2017 Base   | 374.50 | 18,206,900 | 4,062,900   | 40,995,500  | 63,265,300  |
| Benefit Costs  | 0.00   | 153,900    | 32,600      | 209,700     | 396,200     |
| Replacement Items  | 0.00   | 0          | 0           | 807,600     | 807,600     |
| Statewide Cost Allocation                                    | 0.00   | 24,100     | 0           | 10,700      | 34,800      |
| Annualizations   | 0.00   | 0          | 0           | 200,800     | 200,800     |
| Change in Employee Compensation                              | 0.00   | 310,500    | 68,100      | 420,300     | 798,900     |
| 27th Payroll   | 0.00   | 361,500    | 82,300      | 486,900     | 930,700     |
| FY 2017 Program Maintenance                                  | 374.50 | 19,056,900 | 4,245,900   | 43,131,500  | 66,434,300  |
| Indirect Support Services                                    |        |            |             |             |             |
| 14. Criminal History Unit Staffing                           | 2.00   | 0          | 242,600     | 18,800      | 261,400     |
| 23. Reduce Funding - Workload Shift to AG                    | 0.00   | (26,500)   | 0           | (26,900)    | (53,400)    |
| Licensing and Certification                                  |        |            |             |             |             |
| 4. Certified Family Home Fee Increase                        | 0.00   | 43,500     | 0           | 43,500      | 87,000      |
| 42. Address Facility Backlog Issues                          | 0.00   | 0          | 0           | 750,000     | 750,000     |
| FY 2017 Total  | 376.50 | 19,073,900 | 4,488,500   | 43,916,900  | 67,479,300  |
| Chg from FY 2016 Orig Approp                                 | 3.00   | 827,900    | (1,413,900) | 5,930,700   | 5,344,700   |
| % Chg from FY 2016 Orig Approp.                              | 0.8%   | 4.5%       | (24.0%)     | 15.6%       | 8.6%        |

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