

**State Department of Health
Budget 301
Senate Bill Nos. 2004, 2047, 2227, 2230, 2333, 2358, 2412; House Bill No. 1231**

	FTE Positions	General Fund	Other Funds	Total
2009-11 legislative appropriation	343.50	\$27,231,665 ¹	\$178,028,531	\$205,260,196
2007-09 legislative appropriation	<u>331.50</u>	<u>21,649,493</u>	<u>150,848,845</u>	<u>172,498,338</u>
2009-11 appropriation increase (decrease) to 2007-09 appropriation	12.00	\$5,582,172	\$27,179,686	\$32,761,858

¹This amount includes \$4,076,371 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$23,155,294.

NOTE: The 2009-11 legislative appropriation amounts include \$322,000, of which \$150,000 is from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for executive branch employees.

Item Description

Salaries and wages - The State Department of Health received an allocation of \$322,000, of which \$150,000 was from the general fund, for the agency's share of the \$16 million funding pool appropriated to OMB for special market equity adjustments for executive branch employees.

FTE position changes - The Legislative Assembly provided funding for 343.5 FTE positions, an increase of 12 FTE positions from the 2007-09 authorized level of 331.5 FTE positions. The following table summarizes the FTE position changes included in the 2009-11 legislative appropriation:

Position	Legislative Appropriation FTE Changes
Administrative Support Section	
Fraud risk assessment auditor in contract compliance	1.00
Community Health Section	
Administrative assistant to the oral health program	0.50
Program administrator to the oral health program	0.50
Epidemiologist to the cancer registry, diabetes, and oral health programs	1.00
Public health nurse to the school health program	1.00
Health Resources Section	
Life Safety Code construction surveyor	2.00
Medical Services Section	
Data coordinator for the immunization program	1.00
Data coordinator for the epidemiology and laboratory capacity program	1.00
Administrative assistant to the epidemiology and laboratory capacity program	1.00

Status/Result

The State Department of Health provided salary equity adjustments to 135 staff positions. The salary equity adjustments ranged from \$14 to \$350 per employee per month.

The State Department of Health is advertising, interviewing, or has filled all but the following new positions provided by the Legislative Assembly:

- Administrative Support Section - Fraud risk assessment auditor in contract compliance - The department has interviewed twice for the position but has been unable to fill it. The work is currently being performed by a temporary employee, and the department is assessing the classification of the position.
- Special Populations Section - Program administrator to the primary care program - Funding is not available for this position. The department is waiting to fill this position until federal funding is available.

Environmental Health Section	
Environmental scientist to the waste management program	0.50
Microbiologist to the epidemiology and laboratory capacity program	1.00
Emergency Preparedness and Response Section	
Administrative assistant to the bioterrorism program	1.00
Special Populations Section	
Program administrator to the primary care program	0.50
Total	12.00

Emergency medical services operations - The Legislative Assembly provided \$3.99 million for grants for emergency medical services, of which \$2.75 million is from the insurance tax distribution fund, \$300,000 is from the community health trust fund, and \$940,000 is from the general fund. This level of funding represents an increase of \$1.5 million from the 2007-09 biennium, all of which is from the insurance tax distribution fund.

Section 6 of Senate Bill No. 2004 authorized \$2.75 million from the insurance tax distribution fund for emergency medical services grants as follows:

1. Funding of \$2.25 million for grants to emergency medical services operations as provided in North Dakota Century Code Chapter 23-40.
2. Funding of \$500,000 for a grant to contract with an organization to:
 - a. Develop, implement, and provide an access critical ambulance service operations assessment process for the purpose of improving emergency medical services delivery;
 - b. Develop, implement, and provide leadership development training;
 - c. Develop, implement, and provide a biennial emergency medical services recruitment drive; and
 - d. Provide regional assistance to ambulance services to develop a quality review process for emergency medical services personnel and a mechanism to report to medical directors.

This section also provides the State Department of Health require recipients of grants to provide information on the use of funds received as necessary for the State Department of Health to provide a report to the Legislative Council on the use of the funding.

Suicide prevention grants - The Legislative Assembly appropriated \$250,000 from the general fund for suicide prevention grants.

The State Department of Health used criteria, including the number of providers, average age of providers, miles from closest ambulance, service area population, and proximity to a hospital to determine grant eligibility and funding levels. The grant funding is to be used to support staffing levels for ambulance services experiencing staffing difficulties. Through May 2010, \$1.1 million has been awarded to 39 ambulance services, and awards ranged from \$2,080 to \$45,000.

In addition, the department has awarded a rural improvement grant totaling \$497,263 to SafeTech Solutions to study issues affecting emergency medical services. The study will focus on an access critical ambulance service operations assessment process, leadership development training, emergency medical services recruitment, and a quality review process. SafeTech Solutions has developed a statewide survey tool and a North Dakota emergency medical services medical director course and established a curriculum for leadership summits to be held in each of the four regions of the state.

Through March 2010 the State Department of Health has awarded \$104,100 of grants to six community suicide prevention programs and obligated \$25,000 to FirstLink to continue the 2-1-1 service in the state. The department anticipates using the remaining funding for grants for suicide prevention activities statewide.

Newborn hearing screening - The Legislative Assembly appropriated \$50,000 from the general fund to provide newborn hearing screening results to a licensed medical professional.

North Dakota Fetal Alcohol Syndrome Center - The Legislative Assembly in Senate Bill No. 2412 appropriated \$369,900 from the general fund for a grant to the North Dakota Fetal Alcohol Syndrome Center.

Colorectal cancer screening initiatives - The Legislative Assembly appropriated \$300,000 from the community health trust fund to continue the current colorectal cancer screening program and to provide a colorectal cancer screening pilot initiative for certain low-income underinsured and uninsured men and women, including \$34,225 for the department to contract for program management, data management, and outreach oversight. In addition, the Legislative Assembly authorized in Section 9 of Senate Bill No. 2004 the State Department of Health to continue any unexpended funds appropriated for colorectal cancer screening for the 2007-09 biennium to the 2009-11 biennium.

Stroke registry and stroke prevention - The Legislative Assembly appropriated \$472,700 from the community health trust fund for a stroke registry and stroke prevention.

In addition, House Bill No. 1339 (2009) provides the State Department of Health establish a Stroke System of Care Task Force and designate qualified hospitals as primary stroke centers. The State Department of Health appropriation includes federal funding of \$180,000 to contract for the project.

The State Department of Health is exploring the possibility of using the North Dakota immunization information system to provide a list of infants that need followup hearing testing, but no contracts have been issued or funds expended.

The State Department of Health has contracted with the North Dakota Fetal Alcohol Syndrome Center at the University of North Dakota School of Medicine and Health Sciences to increase detection rates of prenatal alcohol exposure during pregnancy. The university will hire a staff person to instruct clinics on how to perform assessments. Expenditures through March 31, 2010, total \$52,664. The North Dakota Fetal Alcohol Syndrome Center is required to report to the Legislative Management's interim Health and Human Services Committee prior to September 2010 regarding the use of the funding.

During the 2007-09 biennium, the State Department of Health contracted with Heart of America Medical Center in Rugby for \$200,000 for the colorectal cancer screening initiative. The initiative provided screenings for 91 individuals within a 75-mile radius of Rugby, including the Turtle Mountain Indian Reservation. The department continued \$38,233 of funding from the 2007-09 biennium for these grants. The 2009-11 biennium colorectal cancer screening initiative began in March 2010 in Rugby and will operate from May 2010 through June 2011 in the Fargo area through a contract with MeritCare Hospital. The department anticipates providing screening for 90 individuals in the Rugby area and 110 individuals in the Fargo area. In addition, funds will be contracted to assist the North Dakota comprehensive cancer control program director with supervision and support for the two grantees.

Stroke registry and stroke prevention grants have been awarded to six tertiary hospitals and two critical access hospitals for statewide technology, chart entry, training (prehospital and hospital personnel), regional coordinator/technical assistance, and a warning signs and symptoms public awareness campaign. Through April 2010, \$99,200 has been distributed.

The State Department of Health established a Stroke System of Care Task Force to review nationally recognized stroke-triage assessment tools. One hospital is certified by the Joint Commission on Accreditation as a primary stroke center but has not yet been designated as a primary stroke center. In addition, two other hospitals are in the process of certification. The federal funding will be used for task force meetings and staff time related to primary stroke center designation.

Medical loan repayment program - The Legislative Assembly appropriated \$347,500 for the medical loan repayment program, of which \$75,000 is from the general fund and \$272,500 is from the community health trust fund. Senate Bill No. 2227 also modified the medical loan repayment program to remove the limit on the number of recipients and increase the maximum loan repayment from \$10,000 to \$30,000.

Veterinarian loan repayment program - The Legislative Assembly appropriated \$350,000 from the community health trust fund for the veterinarian loan repayment program.

Dental loan repayment program - The Legislative Assembly appropriated \$483,448 from the community health trust fund for the dental loan repayment program for the 2009-11 biennium.

Dental loan repayment program - Public health nonprofit program - The Legislative Assembly in Senate Bill No. 2358 added \$180,000 from the general fund for grants to dentists who practice in a public health setting or a nonprofit dental clinic that uses a sliding fee schedule to bill patients. A grant recipient must serve three years as a full-time practicing dentist in the public health setting or a nonprofit clinic that uses a sliding fee schedule to bill patients and is to be paid the grant funds during the first two years of this service. The maximum grant award is \$60,000 per recipient.

Dental grant program - The Legislative Assembly appropriated \$10,000 from the community health trust fund for the dental grant program, \$50,000 less than the 2007-09 appropriation of \$60,000.

The physician and mid-level practitioners program currently has three participating physicians, and applications have been approved for two additional physicians. In addition, the program currently has three mid-level practitioners, and applications have been received for two additional mid-level practitioners. The State Department of Health anticipates receiving applications from at least one more physician and two additional mid-level practitioners. If anticipated additional applications are received and approved, the department anticipates spending \$172,500 of the \$347,500 appropriation.

As of April 2010 the State Department of Health has nine veterinarians enrolled in the program and anticipates three more veterinarians will be added in the 2009-11 biennium. The department anticipates two veterinarians will leave the program early and several participants have requested loan repayment awards that are less than the amounts allowed resulting in estimated expenditures and obligations totaling \$295,000 for the 2009-11 biennium.

The dental loan repayment program, which is administered by the Health Council, was established in 2001. Each year the Health Council selects up to three dentists who agree to provide dental services in the state. The dentists are eligible to receive funds, not to exceed a total of \$80,000 per applicant, for the repayment of their educational loans. The funds are payable over a four-year period (\$20,000 per year). The dental loan repayment program gives priority for acceptance into the program to dentists willing to serve the smallest and most underserved communities in North Dakota. The dental loan repayment program currently has 12 dentists in the program, and the department anticipates spending \$468,448 of the \$483,448 2009-11 appropriation.

The dental loan repayment program - public health nonprofit program currently has two dentists enrolled. The State Department of Health anticipates one additional dentist will be added. The department anticipates spending the entire \$180,000 general fund appropriation.

The State Department of Health has one dentist enrolled in the dental grant program and anticipates the entire appropriation will be spent.

Federal fiscal stimulus funding - The Legislative Assembly appropriated \$13,247,325 of federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 to the State Department of Health summarized as follows:

SB 2004	
Water quality grants	\$194,300
Superfund arsenic trioxide project grants	7,000,000
Clean diesel grants (provided to the Department of Public Instruction)	1,730,000
Clean water state revolving loan fund administration	769,564
Drinking water state revolving loan fund administration	780,000
Stop violence against women	511,661
Women, infants, and children	61,800
Total federal fiscal stimulus funds appropriated in SB 2004	\$11,047,325
SB 2230	
Stop violence against women	\$1,000,000
SB 2333	
Prevention and wellness fund grants	1,200,000
Total federal fiscal stimulus funds	\$13,247,325

Subsequent to the 2009 legislative session, the State Department of Health received Emergency Commission and Budget Section approval to accept and expend the following federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009:

Emergency Commission Request #1719	
Superfund arsenic trioxide project grants	\$6,800,000
Ambulatory surgical center surveys	18,685
Health care-associated infection prevention	201,830
University of North Dakota School of Medicine and Health Sciences Center for Rural Health - Health care professionals in underserved areas of the state	56,475
	\$7,076,990
Emergency Commission Request #1727	
Reduce the negative health and economic consequences of tobacco use and promote nutrition and physical activity (Healthy Communities)	\$364,148
Total federal fiscal stimulus funds approved by the Emergency Commission and Budget Section	\$7,441,138

The following is a summary of the federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 awarded to the State Department of Health and the expenditures of those funds through March 2010:

Program	Award	Expenditures (Through March 2010)
Water quality grants	\$194,300	\$7,153
Superfund arsenic trioxide project grants	13,800,000	687,366
Clean diesel grants (provided to the Department of Public Instruction)	1,730,000	17,716
Clean water state revolving loan fund administration	769,564 ¹	106,544 ¹
Drinking water state revolving loan fund administration	780,000 ¹	76,902 ¹
Stop violence against women	812,159	177,605
Women, infants, and children	68,975	46,517
Prevention and wellness fund grants	456,656	0
Ambulatory surgical center surveys	18,685	3,948
Health care-associated infection prevention	201,830	15,128
Center for Rural Health grant	32,270	7,021
Healthy Communities	364,148	552
Total	\$19,228,587	\$1,146,452

¹The funding award identified above includes only the award for administration of the program provided to the State Department of Health. Expenditures do not include funds provided by the Bank of North Dakota for revolving loans through a continuing appropriation. Actual funding awarded for the clean water state revolving loan fund totaled \$16,639,100, including fund administration of \$769,564, and actual funding awarded for the drinking water state revolving loan fund totaled \$22.1 million, including fund administration of \$780,000.

In addition, the American Recovery and Reinvestment Act of 2009 provided \$19,239,100 to the clean water state revolving loan fund and \$19.5 million to the drinking water state revolving loan fund. The State Department of Health administers these funds and will receive 4 percent for administrative costs. The funds received for administration are appropriated in Senate Bill No. 2004 and included in the table above. The Bank of North Dakota acts as fiscal agent for the revolving loan fund programs and will receive 96 percent of the funds available. These funds will be distributed through the Bank to eligible wastewater infrastructure projects (clean water state revolving loan fund) and eligible drinking water infrastructure projects (drinking water state revolving loan fund). Funds will be distributed pursuant to a continuing appropriation to the Bank and are expected to total \$18,469,536 for the clean water state revolving loan fund program and \$18,720,000 for the drinking water state revolving loan fund program.

Domestic violence sexual assault organization grants - The Legislative Assembly appropriated \$710,000 from the general fund and \$511,661 in federal funds to the State Department of Health in the department's base budget for domestic violence grants. In addition, the Legislative Assembly in Senate Bill No. 2230 added \$1 million from the general fund and \$1 million from federal funds available from the American Recovery and Reinvestment Act of 2009 (see **Federal fiscal stimulus funding** section above) for grants and related administrative costs to domestic violence sexual assault organizations.

Community health trust fund contingent transfer - The Legislative Assembly appropriated **one-time funding** for a contingent transfer of \$2,405,371 from the general fund to the community health trust fund if during the 2009-11 biennium the funds are not sufficient to provide for legislative appropriations.

Mobile dental care service grant - The Legislative Assembly in House Bill No. 1231 appropriated **one-time funding** for a grant of \$196,000 from the general fund to a nonprofit organization for establishing a mobile dental care service to provide dental treatment, prevention, and education services to low-income and underserved children in areas of the state with limited or unavailable dental services.

Regional public health network pilot project - The Legislative Assembly in Senate Bill No. 2333 created the framework for **regional public health networks** and added **one-time funding** of \$275,000 from the general fund for a regional public health network pilot project.

The State Department of Health has awarded \$1,710,000 in funding from the general fund to 21 domestic violence/rape crisis agencies. The department has distributed one-half of the funds and anticipates the remaining funds will be distributed by the end of the 2009-11 biennium. The department has been awarded \$812,159 in federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 and has hired a temporary employee. Through March 2010 the department has awarded federal grant funds totaling \$706,485.

Through April 2010 the State Department of Health has not had to transfer funds from the general fund to the community health trust fund. Tobacco settlement revenues were distributed in April 2010, and the department does not anticipate transferring funds from the general fund to the community health trust fund until the fall of 2010.

The State Department of Health has contracted with Ronald McDonald House Charities for a grant to be used for the purchase of equipment for a mobile dental van. Through March 31, 2010, no expenditures had been made.

The State Department of Health has received two letters of intent regarding the regional public health network pilot project--one from Southeast Central, with Central Valley Health District in Jamestown being the lead health unit, and the other from Southwest Central, with Bismarck-Burleigh Public Health being the lead health unit. One or more sites may be awarded up to a total of \$275,000.

Immunization services - The Legislative Assembly in Senate Bill No. 2333 provided **one-time funding** of \$1.2 million from the American Recovery and Reinvestment Act of 2009 (see **Federal fiscal stimulus funding** section above) for immunization services and provided a contingent general fund appropriation of \$1.2 million if the federal funds are not available to provide for this purpose.

Tobacco prevention appropriation - The Legislative Assembly provided a total tobacco prevention appropriation of \$9,079,685, of which \$3,510,495 is from the community health trust fund, \$2,677,556 is from federal funds, and \$2,891,634 is from other special funds. The other special funds appropriation provides spending authority if the Tobacco Prevention and Control Executive Committee chooses to utilize the State Department of Health for some Centers for Disease Control and Prevention best practices programs. Funding provided from the community health trust fund is as follows:

Community health tobacco programs	\$2,302,098
Tobacco Quitline	1,069,000
Tobacco prevention coordinator	139,397
Total	\$3,510,495

Federal stimulus funds made available to the state under the American Recovery and Reinvestment Act of 2009 were awarded in the amount of \$801,876. The department used the funds for vaccines, to modify and enhance the North Dakota immunization information system, for a statewide immunization conference, and for awareness campaigns.

Federal regulations do not allow the State Department of Health to use these federal stimulus funds for operating costs at local public health units. As a result, the department will use the \$1.2 million contingent appropriation from the general fund to contract with local public health units for immunization services. The department has contracted with local public health units for one-half of the funding from the general fund and anticipates the local public health units may not need all of the remaining funding.

The State Department of Health operates the Tobacco Quitline and administers federal funds related to tobacco prevention and control. In addition, the Tobacco Prevention and Control Executive Committee is paying the department \$1,500 per month to act as the committee's fiscal agent. The Tobacco Prevention and Control Executive Committee was established when North Dakota voters approved initiated measure No. 3 in the November 2008 general election. The Tobacco Prevention and Control Advisory Committee is responsible for developing a comprehensive statewide tobacco prevention and control program and administers the funding in the tobacco prevention and control trust fund (see the **Tobacco Prevention and Control Advisory Committee** page).

The State Department of Health anticipates spending approximately \$3.4 million of the funding available from the community health trust fund for tobacco prevention and control programs. The department expects less funding will be provided for community health tobacco programs because funding for this purpose will be provided by the Tobacco Prevention and Control Advisory Committee. The decrease in funding for the community health tobacco programs will be offset by an increase in cessation activities and the Tobacco Quitline. Expenditures from the community health trust fund are anticipated as follows:

Community health tobacco programs	\$864,000
Tobacco Quitline	2,433,000
Tobacco cessation coordinator and operating expenses	130,000
Total	\$3,427,000

Through March 2010 the State Department of Health has spent \$791,871 of federal funds and \$890,954 of funding from the community health trust fund for tobacco prevention and control programs.

Federal 319 nonpoint program matching funds - The Legislative Assembly in Section 7 of Senate Bill No. 2004 requires the State Water Commission to provide, from its 2009-11 biennium appropriation, a grant of \$200,000 to the State Department of Health to be used as matching funds for the federal 319 nonpoint program.

Emergency medical training grants to rural law enforcement agencies - The Legislative Assembly in Senate Bill No. 2047 added \$128,400 from the general fund for emergency medical training grants to rural law enforcement agencies for licensed officers who choose to become licensed first responders.

Immunization program study - The Legislative Assembly in Section 10 of Senate Bill No. 2004 provided for a Legislative Management study of the state immunization program during the 2009-10 interim. The study is to identify pharmacists' or other providers' ability and interest in immunizing children and include a review of the effect of the program on public health units, including billing, billing services, fee collections, and uncollectible accounts.

Life safety survey process - The Legislative Assembly in 2009 Senate Bill No. 2046 required the State Department of Health to offer a life safety survey process for all health facilities licensed by the Division of Health Facilities of the State Department of Health during and at the conclusion of a construction, renovation, or construction and renovation project and provides that the department may charge a reasonable fee for a life safety survey performed. Senate Bill No. 2004 included 2 FTE fire safety surveyor II positions and an appropriation of \$346,530, of which \$232,174 is from the general fund, to provide the services.

The State Department of Health receives reimbursements from the State Water Commission as payments are made. The department has obligated the funds to the North Dakota Stockmen's Association (\$50,000), the Agriculture Department (\$50,000), and the Sheyenne James Resource Conservation and Development (\$100,000).

Through March 2010 the State Department of Health has provided no medical training grants to rural law enforcement agencies.

The Legislative Management's interim Health and Human Services Committee was assigned this study.

The State Department of Health filled the fire safety surveyor II positions in August and September 2009. The department has provided an average of 2.5 inspections per week and has inspected more than 12 health care facility construction projects, including four new nursing facilities.