

**State Department of Health  
Budget No. 301  
House Bill No. 1004**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2015-17 legislative appropriations</b>	<b>365.00</b>	<b>\$51,521,680</b>	<b>\$144,170,964</b>	<b>\$195,692,644</b>
2015-17 base budget	354.00	44,921,508	139,303,434	184,224,942
Legislative increase (decrease) to base budget	11.00	\$6,600,172	\$4,867,530	\$11,467,702

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
<b>2015-17 legislative appropriations</b>	<b>\$51,185,680</b>	<b>\$336,000</b>	<b>\$51,521,680</b>
2013-15 legislative appropriations	44,921,508	1,800,900 <sup>1</sup>	46,722,408 <sup>1</sup>
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$6,264,172	(\$1,464,900)	\$4,799,272
Percentage increase (decrease) to 2013-15 appropriations	13.9%	(81.3%)	10.3%

<sup>1</sup>The 2013-15 biennium general fund appropriations reflect a deficiency appropriation of \$720,900 made in Senate Bill No. 2023. See the **Deficiency Appropriations** section below for additional information.

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE 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. 2015. Senate Bill No. 2015 also authorizes the State Department of Health to receive a transfer from the targeted market equity funding pool to provide salary adjustments to employees in positions identified as having recruitment and retention challenges.

**Changes to Base Budget**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Adjusted funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.		\$110,666	(\$170,444)	(\$59,778)
Added funding for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year.		1,267,726	884,530	2,152,256
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.		764,327	554,708	1,319,035

Adjusted funding for base budget changes related to bond payments, extraordinary repairs, and equipment.		(337,263)	821,785	484,522
Adjusted funding for base budget changes relating to the cost-to-continue programs, including operating expenses, grants, tobacco prevention, and Women Infants and Children (WIC) food payments.		505,169	(3,847,541)	(3,342,372)
Adjusted funding for the cardiac care system.		213	(2,055,906)	(2,055,693)
Increased funding for the universal vaccine program by \$576,853 to provide a total of \$3,076,853 from the general fund.		576,853		576,853
Added funding to contract with the University of North Dakota School of Medicine and Health Sciences to provide a total of \$480,000 from the general fund to perform autopsies in the eastern part of the state, the same as the 2013-15 biennium appropriation. In addition, \$160,000 from the general fund was added to the budget of the University of North Dakota School of Medicine and Health Sciences for Department of Pathology services to provide a total of \$640,000 from the general fund, \$160,000 more than the 2013-15 biennium.		480,000		480,000
Added funding for costs related to the Environmental Protection Agency lawsuit.		500,000		500,000
Added funding for 1 food and lodging inspector FTE position, including salaries and wages and operating expenses.	1.00	149,975	8,428	158,403
Added funding for 10 FTE positions in the Environmental Health section, including air quality (3 FTE positions), municipal facilities (2 FTE positions), waste management (2 FTE positions), and water quality (3 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages (\$1,388,986) and operating expenses (\$315,518).	10.00	1,204,494	500,010	1,704,504
Decreased funding for Women's Way to provide a total of \$400,000 from the community health trust fund.			(500)	(500)
Reduced funding for operating expenses agencywide.		(300,000)		(300,000)
Added funding for cardiac system of care.		200,000		200,000
Adjusted funding for the behavioral risk factor state survey to provide \$24,500 from federal or other funds, and \$496,000 from the community health trust fund, instead of total funding of \$520,500 from the community health trust fund, as provided in the department's cost to continue adjustment.				

Adjusted funding for the dental loan repayment program (\$360,000) from the community health trust fund to the student loan trust fund. Funding for the dental loan repayment program was provided from the general fund and the community health trust fund in the department's base budget and in the department's cost to continue adjustment.

Increased funding for the medical loan repayment program to provide a total of \$698,800 from the general fund.	122,012	122,012
Increased funding for suicide prevention grants to provide a total of \$830,000 from the general fund.	150,000	150,000
Increased funding for grants to local public health units to provide a total of \$4.25 million from the general fund.	250,000	250,000
Increased funding for rural emergency medical services (EMS) grants to provide a total of \$8.44 million, of which \$1.25 million is from the insurance tax distribution fund and \$7.19 million is from the general fund. Funding is provided for training grants (\$940,000) and rural EMS grants (\$7.5 million). In addition, a section is added to provide that of the \$7.5 million provided for rural EMS grants, at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding.	1,100,000	1,100,000
Increased funding for domestic violence and rape crisis grants to provide a total of \$2.25 million, of which \$1.91 million is from the general fund and \$340,000 is from special funds.	200,000	200,000
Added funding for a mobile dental services grant.	100,000	100,000
Removed funding for regional public health network grants provided during the 2013-15 biennium.	(700,000)	(700,000)
Removed funding for a contingent family violence grant provided during the 2013-15 biennium.	(80,000)	(80,000)
Increased funding for tobacco prevention to provide for a grant from the Tobacco Prevention and Control Executive Committee to be used for the Centers for Disease Control and Prevention <i>Best Practices for Comprehensive Tobacco Prevention and Control Programs</i> .		500,000
Added federal funding authority for federal grants identified by the department, including funding for colorectal cancer screening capacity, stroke prevention, and Ebola emergency preparedness, laboratory capacity, and hospital preparedness.		5,472,350

Added one-time funding from federal funds for WIC food payments system replacement, including salaries and wages and operating expenses.			1,712,110	1,712,110
Added one-time funding for equipment related to the 3 new air quality FTE positions and for laboratory equipment.	292,000		488,000	780,000
Added one-time funding for digital x-ray equipment for the forensic examiner.	44,000			44,000
<b>Total</b>	<u>11.00</u>	<u>\$6,600,172</u>	<u>\$4,867,530</u>	<u>\$11,467,702</u>

**FTE Changes**

The 2015-17 biennium appropriation includes funding for 365 FTE positions, an increase of 11 FTE positions from the 2013-15 biennium authorized level of 354 FTE positions. The following table summarizes FTE positions added by the Legislative Assembly:

Position	Legislative FTE Changes
Food and lodging inspector	1.00
Air quality environmental scientist II	3.00
Municipal facilities environmental engineer II	2.00
Waste management environmental scientist II	2.00
Water quality environmental scientist II	2.00
Water quality environmental scientist administrator I	1.00
<b>Total</b>	<b>11.00</b>

**One-Time Funding**

In Section 2 of House Bill No. 1004, the Legislative Assembly identified \$2,536,110, of which \$336,000 is from the general fund, as one-time funding for the 2015-17 biennium. The Legislative Assembly provided one-time funding from the general fund for digital x-ray equipment for the forensic examiner (\$44,000) and for equipment related to the 3 new air quality FTE positions and laboratory equipment (\$292,000). These amounts are not to be considered part of the State Department of Health's 2017-19 biennium base budget, and the State Department of Health is to report to the Appropriations Committees during the 2017 legislative session on the use of this funding.

**Deficiency Appropriations**

The Legislative Assembly, in Senate Bill No. 2023, provided a 2013-15 biennium general fund deficiency appropriation of \$720,900 for a shortfall in the local public health vaccine purchasing program (\$470,900) and for additional costs associated with current or pending legal actions with the United States Environmental Protection Agency (\$250,000).

**Emergency Medical Services Funding**

The Legislative Assembly provided a total of \$8.44 million, of which \$7.19 million is from the general fund and \$1.25 million is from the insurance tax distribution fund, for rural EMS grants. Funding is provided for training grants (\$940,000) and rural EMS grants (\$7.5 million). This level of funding represents an increase of \$1.1 million from the general fund compared to the 2013-15 biennium. In addition, House Bill No. 1176 provides \$6 million from the oil and gas impact grant fund for grants to EMS providers for expenditures that would mitigate negative effects of oil and gas-related development affecting EMS providers providing services in oil-producing counties, including the need for increased EMS providers services, staff, equipment, coverage, and personnel training, \$1 million less than was provided for EMS oil and gas impact grants during the 2013-15 biennium. Section 6 of House Bill No. 1004 provides that, of the \$7.5 million provided for rural EMS grants in House Bill No. 1004, at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding.

**Dental Loan Repayment Program**

The Legislative Assembly, in Senate Bill No. 2205, amended North Dakota Century Code Chapter 43-28.1 related to the dental loan repayment program to remove the maximum number of dentists that may receive a loan and to provide the council select dentists who will provide services in areas of defined need, including populated areas where there are public health needs. The dentists are eligible to receive funds, not to exceed a total of \$100,000 per applicant, for the repayment of their educational loans. The funds are payable over a five-year period (\$20,000 per year). The 2015 Legislative Assembly provided a total of \$540,000, of which \$180,000 is from the general fund and \$360,000 is from the student loan trust fund, for the dentists' loan repayment program during the 2015-17 biennium, \$20,000 more than the 2013-15 biennium legislative appropriation. The 2015-17 legislative appropriations also include \$180,000 from the general fund for the loan repayment program for dentists who practice in a public health setting or a nonprofit dental clinic that uses a sliding fee schedule to bill patients. This funding is in addition to \$540,000 provided for the dental loan repayment program. Senate Bill No. 2205 repealed Section 43-28.1-01.1 related to the loan repayment program for dentists in public health and nonprofit dental clinics and the \$180,000 from the general fund is available for the dental loan repayment program, as amended in Senate Bill No. 2205. Total funding available for the combined dental loan repayment program based on defined need is \$720,000, of which \$360,000 is from the general fund and \$360,000 is from the student loan trust fund.

**Tobacco Prevention and Control Funding**

The Legislative Assembly, in House Bill No. 1004, provided a total tobacco prevention appropriation of \$6,910,177, of which \$3,440,864 is from the community health trust fund, \$2,969,313 is from federal funds, and \$500,000 is from a grant provided by the Tobacco Prevention and Control Advisory Committee from the tobacco prevention and control trust fund. Funding from the community health trust fund provides for community health tobacco programs, the Tobacco Quitline, and a tobacco prevention coordinator. Certain tobacco-related programs currently provided through the State Department of Health qualify as best practices as outlined by the Centers for Disease Control and Prevention. As a result, the funding for the Tobacco Prevention and Control Executive Committee is adjusted accordingly. However, because the State Department of Health anticipates reductions in federal funding available for tobacco prevention and control, the Legislative Assembly increased 2015-17 biennium authority for the Tobacco Prevention and Control Executive Committee and the State Department of Health to provide for a \$500,000 grant from the tobacco prevention and control trust fund to the State Department of Health. Funding for the comprehensive statewide tobacco prevention and control program is summarized as follows:

2015-17 Biennium	Community Health Trust Fund	Tobacco Prevention and Control Trust Fund	Federal Funds	Total
State Department of Health (SB 1004) Tobacco prevention and control	\$3,440,864	\$500,000 <sup>1</sup>	\$2,969,313	\$6,910,177 <sup>1</sup>
Tobacco Prevention and Control Executive Committee (SB 1024) Tobacco prevention and control		16,548,039 <sup>1</sup>		16,548,039 <sup>1</sup>
Total 2015-17 biennium funding	\$3,440,864	\$17,048,039 <sup>1</sup>	\$2,969,313	\$23,458,216 <sup>1</sup>

<sup>1</sup>Includes \$500,000 provided as a grant from the Tobacco Prevention and Control Advisory Committee to the State Department of Health to be used for the Centers for Disease Control *Best Practices for Comprehensive Tobacco Prevention and Control Programs*.

**Local Public Health Unit Funding**

The Legislative Assembly provided a total of \$4.25 million from the general fund for grants to local public health units, \$250,000 more than the 2013-15 biennium. In addition, House Bill No. 1176 provides \$2 million from the oil and gas impact grant fund for grants to local district health units that are located in oil-producing counties to address the effects of oil and gas-related development activities. Section 5 of House Bill No. 1004 provides that, of the \$4.25 million provided for grants to local public health units, \$250,000 from the general fund be made available for grants to local public health units serving non-oil-producing counties in the state during the 2015-17 biennium.

### 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 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.

**Veterinarian loan repayment program selection criteria** - Section 4 amends Section 43-29.1-03 to require participants in the veterinarian loan repayment program be employed full time in the private practice of veterinary medicine.

**Grants to local public health units** - Section 5 provides that, of the \$4.25 million made available for grants to local public health units during the 2015-17 biennium, it is the intent of the Legislative Assembly that \$250,000 be made available for grants to local public health units serving non-oil-producing counties.

**Rural emergency medical services grants** - Section 6 provides that, of the \$7.5 million provided for rural emergency medical services grants, it is the intent of the Legislative Assembly that at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding.

**University of North Dakota Forensic Pathology Center study** - Section 7 provides for a Legislative Management study of the feasibility and desirability of the University of North Dakota acquiring the building that houses the University of North Dakota Forensic Pathology Center.

**Waste management study** - Section 8 provides for a Legislative Management study of onsite sewage disposal in the state, including areas of the state lacking environmental programs to address onsite sewage disposal, lack of uniform standards for disposal, regulation authority, and the impact of onsite sewage disposal and waste management on industry and the public.

### Related Legislation

**Health data study - Report to the Information Technology Committee** - House Bill No. 1021, the appropriation bill for the Information Technology Department, includes \$500,000 of one-time funding from special funds, federal funds, or other funds, for the Information Technology Department to hire a consultant to conduct a health data study during the 2015-17 biennium and requires the department report the findings of the consultant to the Information Technology Committee.

**Evaluation of state programs to assist health professionals** - House Bill No. 1036 requires the State Department of Health to evaluate state programs to assist health professionals, including behavioral health professionals, with a focus on state loan repayment programs and to provide reports to the 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.

**Health statistics** - House Bill No. 1116 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.

**Mammography results** - House Bill No. 1370 creates a new statutory section relating to mammogram result notices and the notification of registered owners of mammography equipment. A fiscal note prepared by the State Department of Health indicates this will have minimal fiscal impact as the department communicates with all entities included in the bill on a regular basis.

**Licensing commercial oilfield special waste recyclers** - House Bill No. 1390 requires the State Department of Health to select at least one commercial oilfield special waste recycling facility for a pilot project to assist the department in the development of standards for recycling oil field waste. The bill requires commercial oilfield special waste recycling facilities permitted after June 30, 2017, obtain a solid waste permit from the department and authorizes inspections of commercial oilfield special waste recycling facilities. A fiscal note prepared by the department indicates estimated expenditures of \$64,483 during the 2015-17 biennium, including a .50 temporary FTE at a cost of \$48,523 and operating expenses of \$15,960 for travel, the purchase of one-time computer and office furniture, and general operation costs. The Legislative Assembly did not provide additional funding or FTEs for these duties.

**Student loan repayment programs for health care professionals** - House Bill No. 1396 creates a new statutory section to provide a student loan repayment program for health care professionals including physicians, clinical psychologists, advanced practice registered nurses or physician assistants, and behavioral health professionals, and repeals Chapters 43-12.2 and 43-17.2 related to medical personnel and physician loan repayment programs. A fiscal note prepared by the State Department of Health indicates funding included in House Bill No. 1004 will now be used for four categories of professionals for contracts entered into on or after August 1, 2015, rather than the existing two categories. Therefore, the legislation has no fiscal impact.

**Tobacco settlement trust fund - Appropriation to the Attorney General** - Senate Bill No. 2003 amends Section 54-27-25 related to tobacco settlement trust fund uses to provide funds received under subsection IX(c)(1) of the Master Settlement Agreement may be appropriated to the Attorney General for the purpose of enforcing the Master Settlement Agreement and any disputes with the agreement. Funds appropriated to the Attorney General from the tobacco settlement trust fund reduce funds available for transfer to other trust funds, including the community health trust for tobacco prevention and control and other health-related services. The 2015 Legislative Assembly appropriated \$200,000 from the tobacco settlement trust fund for this purpose for the 2015-17 biennium.

**Deficiency appropriation** - Senate Bill No. 2023 provides a 2013-15 biennium general fund deficiency appropriation of \$720,900 to the State Department of Health for a shortfall in the local public health vaccine purchasing program (\$470,900) and for additional costs associated with current or pending legal actions with the United States Environmental Protection Agency (\$250,000).

**Dental loan repayment Program** - Senate Bill No. 2205 changes the dentists' loan repayment program to apply to dentists providing dental services in cities or surrounding areas in the state, which the Health Council identifies as having a defined need for dental services. The bill also modifies the number of dentists selected in the loan repayment program and the eligibility criteria of the program and eliminates the dental new practice grants and the loan repayment program for dentists serving in a public health or nonprofit clinic. A fiscal note prepared by the State Department of Health indicates the bill has no fiscal impact because the number of dentists selected to participate in the loan repayment program is subject to funds available.

**Sexual assault examiner programs - Oil and gas impact grants** - Senate Bill No. 2284 requires the Board of University and School Lands to make available, from funds designated in House Bill No. 1176 for grants to law enforcement agencies impacted by oil and gas development, \$250,000 for community-based or hospital-based sexual assault examiner program grants. Grant funds are to be made available through domestic violence and rape crisis programs and may not be used for nurses' salaries. The Board of University and School Lands must award the grants as directed by the Attorney General and any organization that receives a grant must report to the Attorney General and the Appropriations Committees of the 65<sup>th</sup> Legislative Assembly on the use of the funds and the outcomes of its program. The Attorney General must report to the 65<sup>th</sup> Legislative Assembly on the number of nurses trained; the number and location of nurses providing services related to sexual assault nurse examiner programs; and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, states attorneys, and sexual assault advocates.