

Representative Cameron Henry  
Chairman



Representative Franklin Foil  
Vice Chairman

# **FY16-17 Executive Budget Review Department of Health and Hospitals**

**House Committee on Appropriations**  
by the House Fiscal Division

March 29, 2016

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# DEPARTMENT OF HEALTH AND HOSPITALS - Mission

## **Department of Health and Hospitals Mission**

- to protect and promote health and to ensure access to medical, preventive and rehabilitative services for all citizens of the State of Louisiana.

## **Louisiana Constitution- Article I Sec. I**

Government's "legitimate ends are to secure justice for all, preserve peace, protect the rights, and promote the happiness and general welfare of the people."

# DHH STRUCTURE

## Department of Health and Hospitals

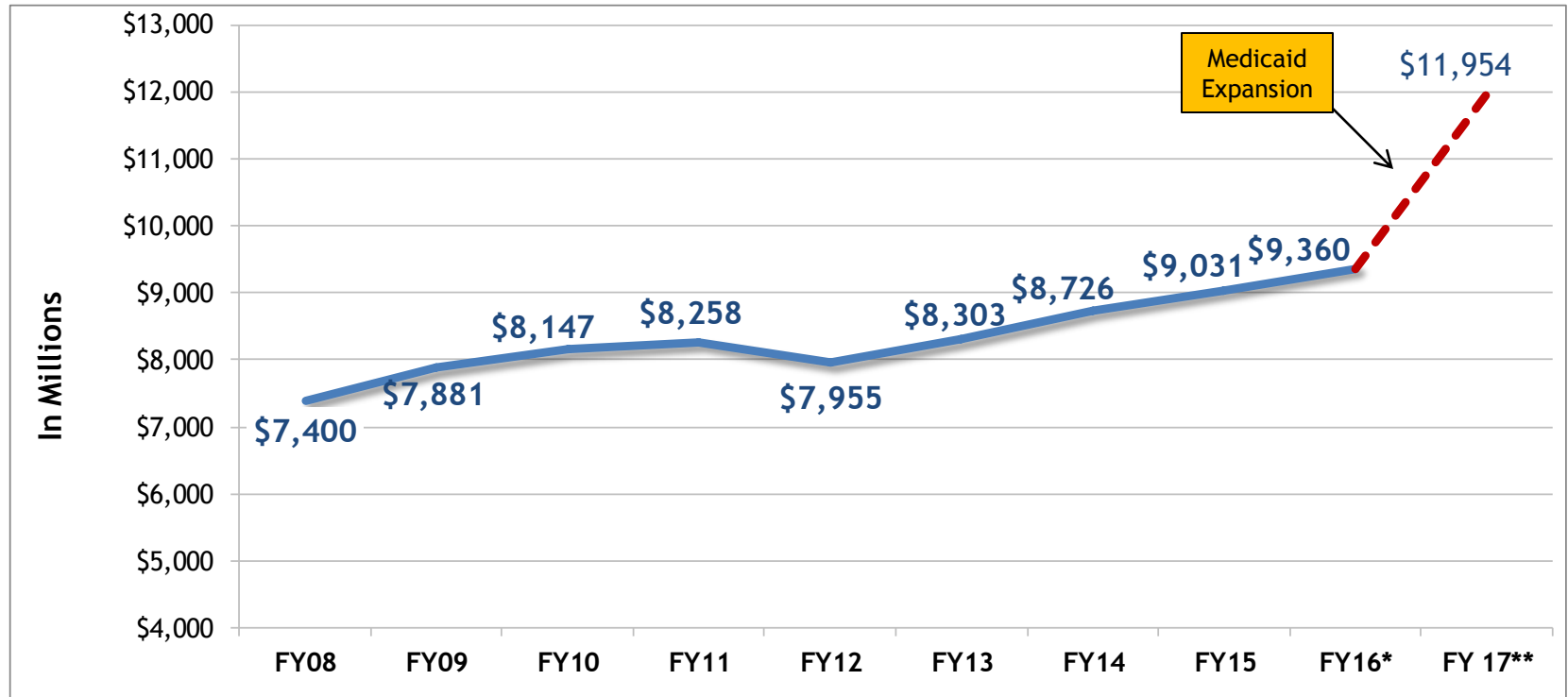
- Office of the Secretary
- Medical Vendor Administration
- Medical Vendor Payments
- Office of Public Health
- Office of Aging and Adult Services
- Office for Citizens with Developmental Disabilities
- Developmental Disabilities Council
- Louisiana Emergency Response Network
- Office of Behavioral Health

# DHH STRUCTURE

## Human Services Authorities and Districts

- Jefferson Parish Human Services Authority
- Florida Parishes Human Services Authority
- Capital Area Human Services District
- Metropolitan Human Services District
- South Central Louisiana Human Services Authority
- Acadiana Area Human Services District
- Northeast Delta Human Services Authority
- Imperial Calcasieu Human Services Authority
- Central Louisiana Human Services District
- Northwest Louisiana Human Services District

# DHH BUDGET HISTORY

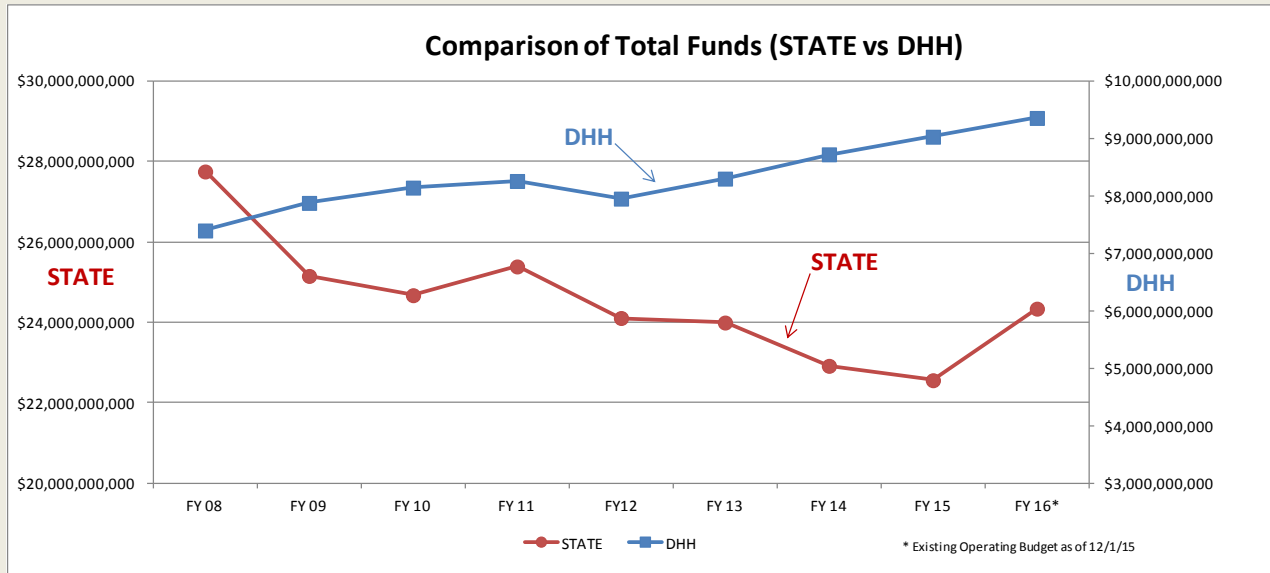


Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/15

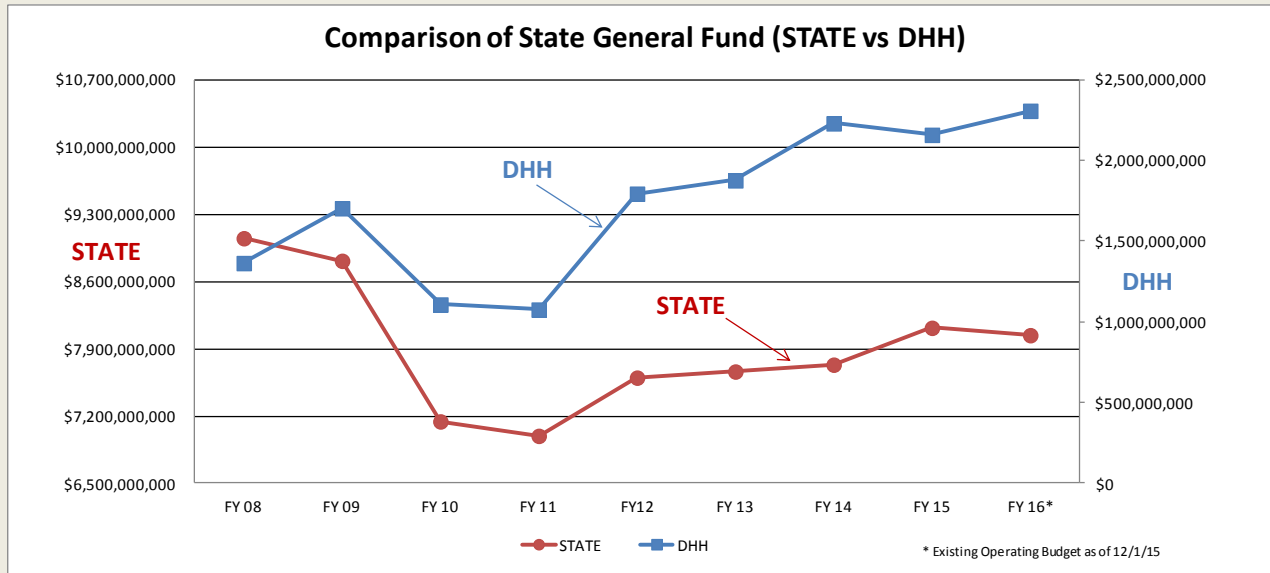
\*\* Executive Budget Request

# DHH BUDGET COMPARISONS



TOTAL FUNDS					
	FY 07-08	FY 15-16	Change	% Change	Avg. Annual % Change
DHH	\$7,400,213,239	\$9,359,795,665	\$1,959,582,426	26%	3%
STATE	\$27,753,316,483	\$24,341,994,726	(\$3,411,321,757)	(12%)	(2%)

# DHH BUDGET COMPARISONS



STATE GENERAL FUND					
	FY 07-08	FY 15-16	Change	% Change	Avg. Annual % Change
DHH	\$1,364,557,884	\$2,307,668,324	\$943,110,440	69%	7%
STATE	\$9,050,805,192	\$8,041,802,994	(\$1,009,002,198)	(11%)	(1%)



# MEANS OF FINANCE BREAKDOWN

Means of Financing	FY 14-15 Prior Year Actual Expenditures	FY 15-16 Existing Operating Budget	FY 16-17 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$2,159,530,454	\$2,307,668,324	\$2,519,552,475	\$211,884,151	9.2%
Interagency Transfers	\$284,145,847	\$452,275,885	\$292,878,484	(\$159,397,401)	(35.2%)
Fees and Self-Gen Rev.	\$226,661,279	\$180,307,677	\$266,568,083	\$86,260,406	47.8%
Statutory Dedications	\$985,989,088	\$599,216,336	\$448,419,545	(\$150,796,791)	(25.2%)
Federal Funds	\$5,374,842,723	\$5,820,327,443	\$8,426,852,943	\$2,606,525,500	44.8%
<b>Total Means of Finance</b>	<b>\$9,031,169,391</b>	<b>\$9,359,795,665</b>	<b>\$11,954,271,530</b>	<b>\$2,594,475,865</b>	<b>27.7%</b>
Authorized Positions	5,613	5,502	5,587	85	1.5%

The Division of Administration estimates that \$3.315 billion in State General Fund is needed in FY 17 to replace the use of one-time revenues and to fully fund projected normal operating costs and other priorities. Therefore, approximately \$796 million additional State General Funds are needed to meet this level of funding.

# MAJOR SOURCES OF REVENUE

## Federal Funds \$8.4 Billion

Federal financial participation in the Title XIX Medicaid Program matched at a rate of 62.26%. So each state dollar is matched with \$1.65 of federal funds.

## Statutory Dedications \$448 Million

The four largest include:

- \$248 Million - La. Medical Assistance Trust Fund
- \$107 Million - Tobacco Tax Medicaid Match Fund
- \$29 Million - Health Excellence Fund
- \$25 million - Medicaid Trust Fund for the Elderly

## Self Generated \$267 Million

Largest sources from the Low Income Needy Care Collaboration and the match for Upper Payment Limit supplemental payments.

## Interagency Transfers \$293 Million

Main source of these transfers is federal Medicaid funds that are transferred between agencies within DHH. DHH also receives funds from many state agencies to provide a variety of health care services.

# DHH AGENCIES

# DHH AGENCIES

# OFFICE OF THE SECRETARY

## Agency Overview

The mission of the Office of the Secretary is to provide leadership and technical support services while maximizing resources to fulfill the Department's mission.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$42,223,505	\$32,336,527	(\$9,886,978)	(23%)
Interagency Trans	\$23,762,423	\$14,539,668	(\$9,222,755)	(39%)
Fees & Self Gen	\$2,404,298	\$2,478,495	\$74,197	3%
Statutory Ded.	\$7,345,793	\$5,095,793	(\$2,250,000)	(31%)
Federal	\$17,703,098	\$17,703,098	\$0	0%
<b>Total</b>	<b>\$93,439,117</b>	<b>\$72,153,581</b>	<b>(\$21,285,536)</b>	<b>(23%)</b>
Positions	384	371	(13)	(3%)

The Division of Administration estimates that \$42.5 M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$10.2M additional SGF is needed to fully fund operations. \$9.2M IAT decrease removes federal emergency disaster funds. \$2.25M Statutory Dedication decrease transfers funds and 13 positions to Medical Vendor Administration to address fraudulent activities.

### SOURCES OF REVENUE

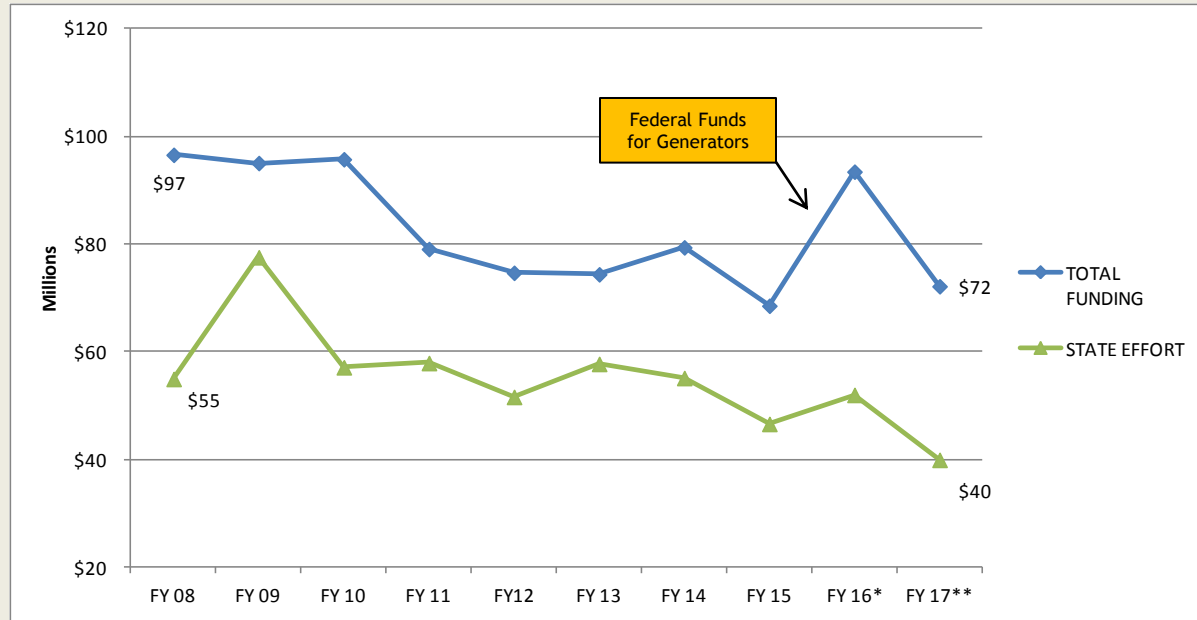
- Interagency Transfers from Medicaid for Program Integrity and Health Standards and from GOHSEP for generators and hurricane disaster payments to hospitals and nursing homes for medical sheltering.
- Statutory Dedications are derived from the Telecommunications for the Deaf Fund, Medical Assistance Program Fraud Detection Fund, and Nursing Home Resident's Trust Fund.



The Office of the Secretary has the following activities: Executive Management; Media and Communications, Governor's Council on Physical Fitness and Sports, Financial Management, Planning and Budget, Legal Services, Health Standards, Program Integrity, and Internal Audit.

# OFFICE OF THE SECRETARY

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	(25%)
State Effort	(27%)

# MEDICAID

- Joint state and federal program with shared financing
- States manage the program with oversight and funding from the federal government
- Mandatory and optional services and populations
- Healthcare services for certain individuals based on health needs and income
- Managed care and fee-for-service reimbursements

# MEDICAID

## Medicaid as a percentage of the DHH budget (FY 16-17)

Means of Financing	DHH	Medicaid*	% of DHH Budget
State General Fund	\$2,519,552,475	\$2,232,242,625	89%
Interagency Transfers	\$292,878,484	\$31,047,632	11%
Fees and Self-Gen Rev.	\$266,568,083	\$207,609,128	78%
Statutory Dedications	\$448,419,545	\$427,862,686	95%
Federal Funds	\$8,426,852,943	\$8,096,949,415	96%
<b>Total Means of Finance</b>	<b>\$11,954,271,530</b>	<b>\$10,995,711,486</b>	<b>92%</b>

\* Includes Medical Vendor Payments and Medical Vendor Administration; Includes \$1.1 billion of federal fund overstatement in the Medicaid payments executive budget recommendation.

# MEDICAID

- Excluding the federal overstatement, the total payments program is proposed to grow by 19% from FY 15-16 to FY 16-17, or \$1.5 billion, mostly as a result of federal dollars from Medicaid expansion.
- Over the last 8 years, payments have increased an average of 4% per year.
- 30% of Louisiana's population is enrolled in Medicaid.
- 20% of individuals in Louisiana in poverty.



# MEDICAID

## Federal Medical Assistance Percentage (FMAP)

### Medicaid Claims Payment FMAP History (blended)

FY 10-11	FY 11-12	FY 12-13*	FY 13-14	FY 14-15	FY 15-16	FY 16-17
79.60%	69.35%	66.58%	62.96%	62.06%	62.17%	62.26 %

\*The FMAP in FY 12-13 was lowered from 71.38% after the budget was enacted

- Slight increase in federal matching percentage in FY 16-17 for a net savings of \$17.7 million in state general fund that is replaced with federal funding.
- Federal match on Medicaid Expansion population will be 100% through the end of 2016 and 95% in 2017.
- Federal match on administrative functions is generally 50%.

# MEDICAL VENDOR ADMINISTRATION

## Agency Overview



The mission of Medical Vendor Administration is to anticipate and respond to the health needs of Louisiana's citizens by developing and enforcing administrative and programmatic policy with respect to eligibility, reimbursement, and monitoring of quality-driven health care services, in concurrence with evidence-based best practices as well as federal and state laws and regulations.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$78,709,320	\$81,773,757	\$3,064,437	4%
Interagency Trans	\$473,672	\$473,672	\$0	0%
Fees & Self Gen.	\$450,000	\$450,000	\$0	0%
Statutory Ded.	\$2,697	\$2,261,387	\$2,258,690	83,748%
Federal	\$175,391,442	\$246,026,890	\$70,635,448	40%
<b>Total</b>	<b>\$255,027,131</b>	<b>\$330,985,706</b>	<b>\$75,958,575</b>	<b>30%</b>
Positions	874	942	68	8%

The Division of Administration estimates that \$107.6 M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$25.8M additional SGF is needed to fully fund operations. Budget increases were provided for Medicaid expansion, Medicaid eligibility and enrollment upgrades, and for other Medicaid operations. Federal increase is largely for Medicaid expansion and automation of Medicaid eligibility and enrollment. 68 new positions - 55 for Medicaid expansion and 13 transferred from the Office of Secretary.

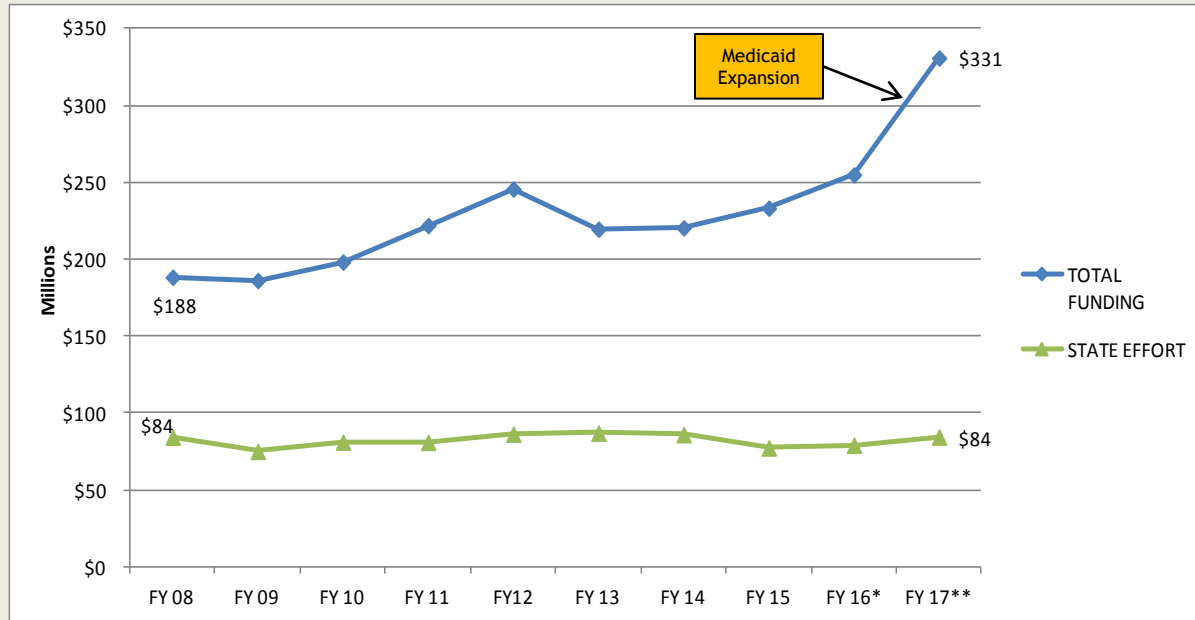
### SOURCES OF REVENUE

- Federal Funding is from Title XIX Medicaid matching funds.
- Statutory Dedications are derived mainly from the Medical Assistance Programs Fraud Detection Fund.

Medical Vendor Administration has the following activities: Executive Administration, Medicaid Managed Care, Medicaid and CHIP Eligibility Determination, Provider and Contract Monitoring, Medicaid Mgt. Information Systems Operations, Electronic Health Records, Pharmacy Benefits Management, and Collections & Recovery.

# MEDICAL VENDOR ADMINISTRATION

## 10 YEAR BUDGET HISTORY

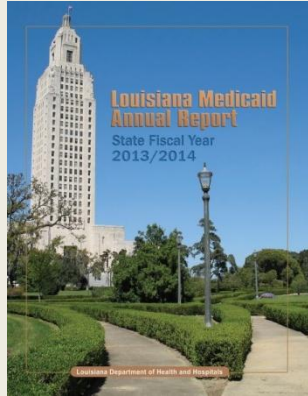


\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	76%
State Effort	0%

# MEDICAL VENDOR PAYMENTS



Medical Vendor Payments has four programs:

1. Payments to Private Providers
2. Payments to Public Providers
3. Medicare Buy-Ins and Supplements
4. Uncompensated Care Costs (UCC)

## Agency Overview

The mission of Medical Vendor Payments is to anticipate and respond to the health needs of Louisiana's citizens by developing, implementing, and enforcing administrative and programmatic policy with respect to eligibility, reimbursement and monitoring of quality-driven health care services, in concurrence with evidence based best practices as well as federal and state laws and regulations.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$1,873,639,008	\$2,150,468,868	\$276,829,860	15%
Interagency Trans	\$165,168,290	\$30,573,960	(\$134,594,330)	(81%)
Fees & Self Gen.	\$118,958,518	\$207,159,128	\$88,200,610	74%
Statutory Ded.	\$576,449,759	\$425,601,299	(\$150,848,460)	(26%)
Federal	\$5,312,498,471	\$7,850,922,525	\$2,538,424,054	48%
<b>Total</b>	<b>\$8,046,714,046</b>	<b>\$10,664,725,780</b>	<b>\$2,618,011,734</b>	<b>33%</b>
Positions	0	0	0	0%

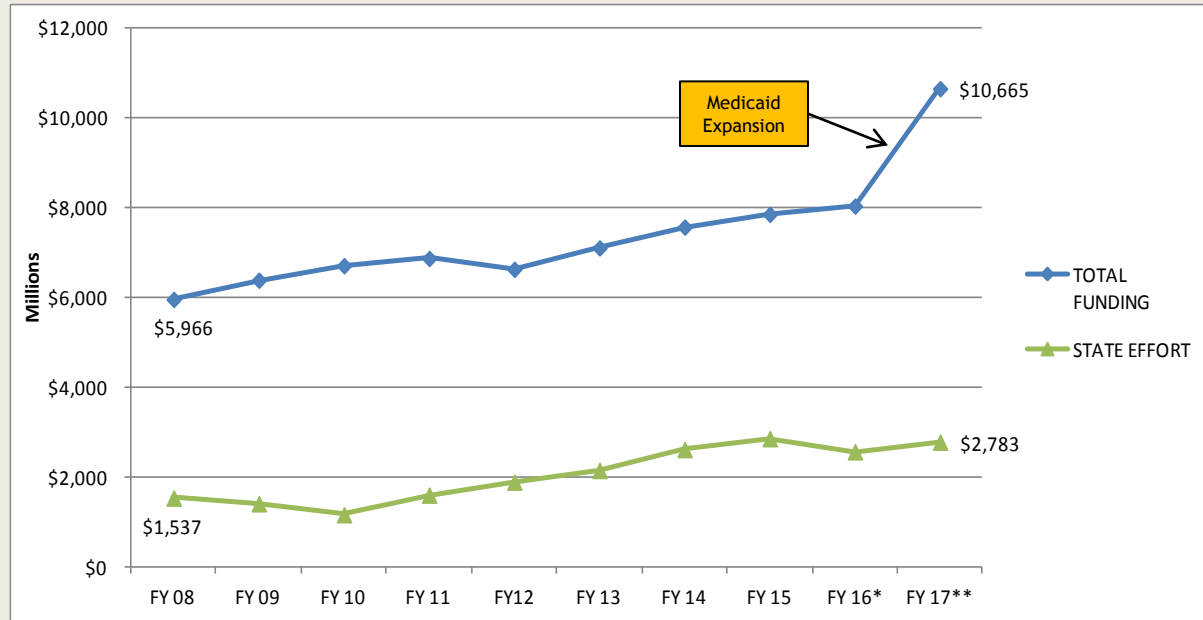
The Division of Administration estimates that \$2.9 billion in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$679M additional SGF is needed to fully fund operations. Increases were provided for Medicaid expansion, restoration of funding for mid-year deficit reductions, and an increase in provider rates.

### SOURCES OF REVENUE

- Federal funds are from Title XIX Medicaid, and match state funds at a rate of 62% federal and 38% state, or \$1.65 federal funds for every state \$1.00.
- The largest statutory dedications are from the Louisiana Medical Assistance Trust Fund at \$248M and the Tobacco Tax Medicaid Match Fund at \$99M.

# MEDICAL VENDOR PAYMENTS

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	79%
State Effort	81%

# MEDICAID VS DHH

DHH BUDGET (in millions)	FY 07-08 Actual	FY 15-16 Existing	Change	% Change
Federal Funds	\$4,823	\$5,820	\$997	21%
State General Fund	\$1,364	\$2,308	\$944	69%
Interagency Transfers	\$460	\$452	(\$8)	(2%)
Statutory Dedication	\$692	\$599	(\$93)	(13%)
Self-Generated Revenue	\$61	\$180	\$119	195%
<b>TOTAL</b>	<b>\$7,400</b>	<b>\$9,359</b>	<b>\$1,959</b>	<b>26%</b>

## DHH AGENCIES (in millions)

Medicaid Payments	\$5,966	\$8,047	\$2,081	35%
Medicaid Administration	\$188	\$255	\$67	36%
Office of Public Health	\$308	\$356	\$48	16%
Office of Behavioral Health	\$414	\$224	(\$190)	(46%)
Human Service Districts/Authorities	\$112	\$189	\$77	69%
Office Citizens w/Developmental Disabilities	\$275	\$143	(\$132)	(48%)
Office of the Secretary	\$96	\$93	(\$3)	(3%)
Office of Aging and Adult Services	\$39	\$48	\$9	23%
Developmental Disabilities Council	\$2	\$2	\$0	0%
Louisiana Emergency Response Network	\$0	\$2	\$2	N/A
<b>TOTAL</b>	<b>\$7,400</b>	<b>\$9,359</b>	<b>\$1,959</b>	<b>26%</b>

Medicaid	\$6,154	\$8,302	\$2,148	35%
All Programs Except Medicaid	\$1,246	\$1,057	(\$189)	(15%)
<b>TOTAL</b>	<b>\$7,400</b>	<b>\$9,359</b>	<b>\$1,959</b>	<b>26%</b>



# CONTRIBUTORS TO MEDICAID GROWTH

	Fiscal Year 07-08	Fiscal Year 14-15	Difference	% Difference
FMAP Rate	72.47%	62.06%	(10.41%)	(14%)
Enrollment	1,056,016	1,385,957	329,941	31%
Dual Eligible Costs	\$284 million	\$396 million	\$112 million	39%
Waivers	\$407 million	\$592 million	\$185 million	45%
Nursing Homes	\$692 million	\$943 million	\$251 million	36%
Supplemental Payments	\$0	\$853 million	\$853 million	N/A

Source: DHH

# MEDICAID PAYMENTS BY BUDGET PROGRAM

## Payments to Private Providers Program

- Reimbursement to **non-state** owned providers and facilities.
- Managed care plan reimbursement.

## Payments to Public Providers Program

- Reimbursement to **state-owned** providers and facilities.

## Medicare Buy-Ins and Supplements Program

- Payments to the Centers for Medicare and Medicaid Services (CMS) for **enrollees dually eligible** for Medicare and Medicaid, including payments for prescription drug coverage.
- Electronic Health Record Program payments.

## Uncompensated Care Costs Program (UCC)

- Payments for **compensation of care** to uninsured individuals and those eligible for Medicaid with Medicaid reimbursements lower than the cost of service.
- Payments for the Greater New Orleans Community Health Connection (GNOCHC).

Program	FY 16-17 Executive Budget Recommendation*	% of total Medicaid Payment budget
Private Providers	\$9,084,068,022	85%
Public Providers	\$236,281,470	2%
Medicare Buy-Ins	\$457,729,979	4%
Uncompensated Care Costs	\$886,646,309	8%
<b>Total</b>	<b>\$10,664,725,780</b>	<b>100%</b>

\* Includes \$1.1 billion of federal fund overstatement in the executive budget recommendation



# ADJUSTMENTS FROM FY 16 TO FY 17 (in millions)

	SGF	IAT	SGR	SD	FED*	TOTAL
Means of Finance Substitution	\$349	(\$79)	\$69	(\$229)	(\$111)	\$0
Replacement of mid-year deficit solution	\$262				\$432	\$694
Utilization Increases	\$231			\$54	\$447	\$732
Federal/State Mandate	\$42			\$24	\$109	\$175
Public Private Partner Increases	\$38				\$63	\$101
Waivers	\$20				\$32	\$52
Medicaid Expansion (payments only)	\$7				\$1,702	\$1,709
Other Adjustments	\$7	(\$56)	\$19		(\$136)	(\$166)
<b>Total Adjustments</b>	<b>\$956</b>	<b>(\$135)</b>	<b>\$88</b>	<b>(\$151)</b>	<b>\$2,538</b>	<b>\$3,297</b>

\* FY 16-17 Executive Budget recommendation for federal dollars overstated by approximately \$1.1 billion

# REPLACEMENT FUNDING

- Of the additional state general fund recommended, \$372 million is replacement of money in FY 15-16 that is not available in FY 16-17:
  - \$75 million 2013 Tax Amnesty Fund
  - \$115 million Overcollections Fund
  - \$128 million Federal Funds
  - \$53.5 million Medical Assistance Trust Fund
- Another \$262 million (\$694 million total) provides replacement funding for the mid-year deficit solution, including a payment delayed until FY 16-17.

# FY 17 MEDICAID ACTIVITY SUMMARY (in millions)

	SGF	Other Match	FED*	TOTAL
Mandatory Services	\$906	\$297	\$2,424	\$3,627
Optional Services	\$867	\$129	\$1,920	\$2,916
Optional Populations	\$377	\$117	\$644	\$1,138
Expansion (optional)	\$44	\$0	\$1,762	\$1,806
Supplemental Payments (mostly optional)	\$94	\$49	\$238	\$381
Subtotal Public and Private Providers	\$2,288	\$593	\$6,987	\$9,868
Medicare Buy-Ins (mostly mandatory)	\$255	\$0	\$264	\$519
Uncompensated Care Costs (mostly optional)	\$285	\$70	\$599	\$954
Medicaid Payments Total	\$2,829	\$664	\$7,850	\$11,343

Source: DHH; FY 16-17 Executive Budget without constitutionally required reduction; rounding may affect totals

\* Includes \$1.1 billion overstatement of federal funds

# MEDICAID EXPANSION

- Implementation expected in July 2016.
- Adults up to 138% of poverty (about \$33,000 annually for a family of 4).
- 100% federal match on expansion population through 2016, 95% federal match through 2017.
- DHH estimates a net decrease of \$10 million state general fund and an increase of \$1.7 billion federal funds in FY 16 - 17:
  - \$7 million increase in payments (additional enrollee cost minus uninsured savings).
  - \$13 million increase in administration.
  - \$26 million savings from replacing state general fund with increased premium taxes from managed care organizations.
  - \$3.5 million savings in the Department of Corrections inmate hospitalization costs.

# OFFICE OF PUBLIC HEALTH

## Agency Overview

The mission of the Office of Public Health is to protect and promote the health and wellness of all individuals and communities in Louisiana.



The Office of Public Health has the following services: Maternal Child Health Services, Nutrition Services including Women, Infants and Children Services (WIC), Reproductive Health Services, Children Special Health Services (CSHS), Immunization Services, Tuberculosis, HIV, and STD Services, Genetic Disease Monitoring Services, Environmental Health Services, Population Health Informatics, Vital records and Statistics, Health Promotion, EMS training and certification, Primary Care and Rural Health Services, and Emergency Preparedness Services.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$41,768,855	\$35,702,469	(\$6,066,386)	(15%)
Interagency Trans	\$13,650,551	\$13,423,249	(\$227,302)	(2%)
Fees & Self Gen.	\$28,745,398	\$28,541,050	(\$204,348)	(1%)
Statutory Ded.	\$6,924,956	\$6,924,956	\$0	0%
Federal	\$265,262,963	\$263,639,440	(\$1,623,523)	(1%)
<b>Total</b>	<b>\$356,352,723</b>	<b>\$348,231,164</b>	<b>(\$8,121,559)</b>	<b>(2%)</b>
Positions	1,165	1,165	0	0%

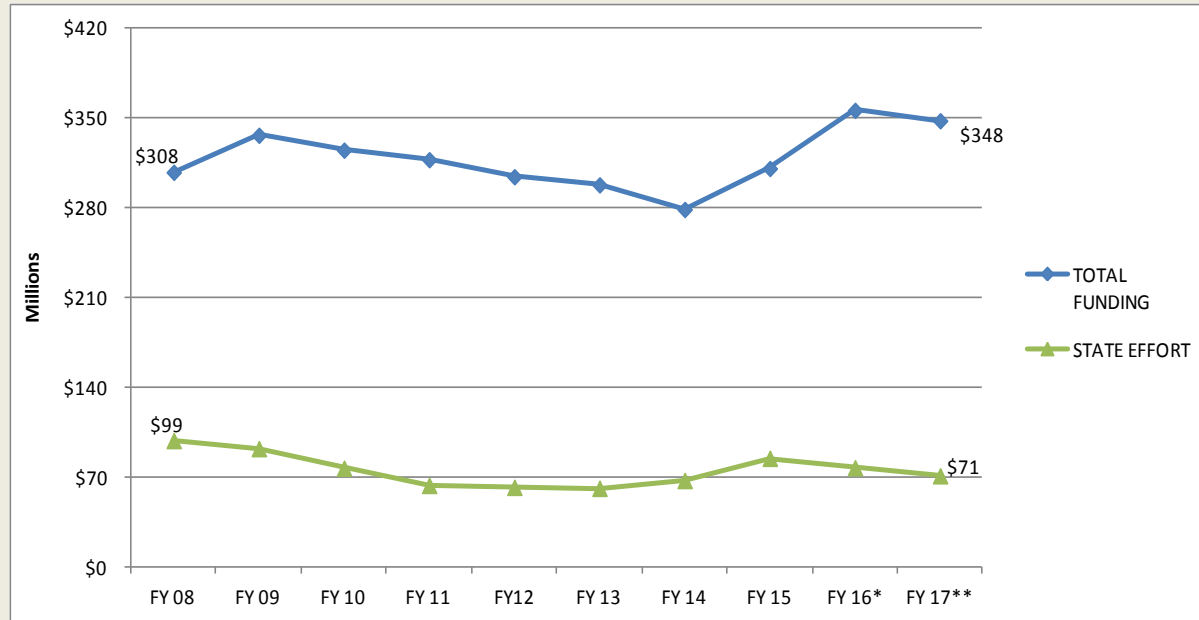
The Division of Administration estimates that \$47M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$11.3M additional SGF is needed to fully fund operations.

### SOURCES OF REVENUE

- Fees & Self-Generated funds from patient fees or 3<sup>rd</sup> party reimbursements for medical services, rebates, local funds for parish health units, and allocation of drivers' license fees.
- Federal funds come mainly from the USDA Commodity Supplemental Food and WIC Program and from grants for STD & AIDS Prevention.

# OFFICE OF PUBLIC HEALTH

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	13%
State Effort	(28%)

# OFFICE OF AGING AND ADULT SERVICES



The Office of Aging and Adult Services has the following activities: Executive Admin., Elderly and Adults with Disabilities Long-Term Care, Permanent Supportive Housing, Traumatic Head and Spinal Cord Injury Trust Fund, and Protective Service.

## Agency Overview

The mission of the Office of Aging and Adult Services is to provide access to quality long-term services and supports for the elderly and adults with disabilities in a manner that supports choice, informal care-giving and effective use of public resources.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$14,290,048	\$12,838,377	(\$1,451,671)	(10%)
Interagency Trans	\$29,926,565	\$25,838,767	(\$4,087,798)	(14%)
Fees & Self Gen.	\$1,197,437	\$1,197,437	\$0	0%
Statutory Ded.	\$2,445,812	\$2,445,812	\$0	0%
Federal	\$452,991	\$452,991	\$0	0%
<b>Total</b>	<b>\$48,312,853</b>	<b>\$42,773,384</b>	<b>(\$5,539,469)</b>	<b>(11%)</b>
Positions	382	382	0	0%

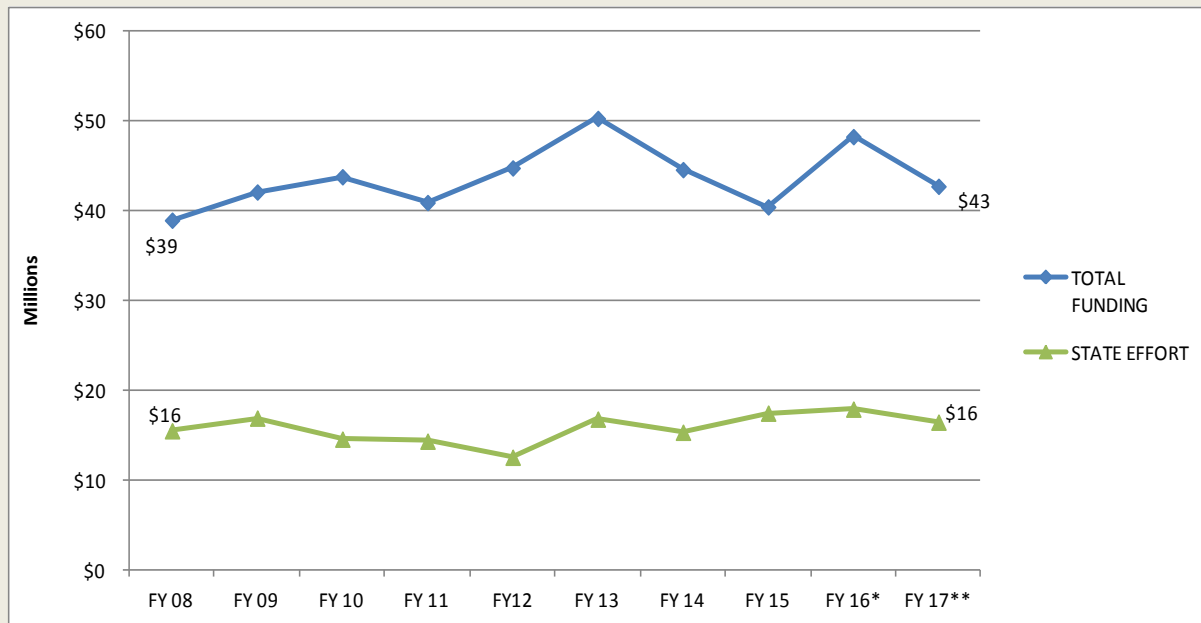
### SOURCES OF REVENUES

- Interagency Transfers are from the Office of Community Development for the Permanent Supportive Housing Program and from Medicaid.
- Statutory Dedications are from the Traumatic Head & Spinal Cord Injury Trust Fund and the Nursing Home Residents' Trust Fund.

The Division of Administration estimates that \$16.9M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$4.1M additional SGF is needed to fully fund operations.

# OFFICE OF AGING AND ADULT SERVICES

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	10%
State Effort	6%



# OFFICE FOR CITIZENS W/DEVELOPMENTAL DISABILITIES



The Office for Citizens with Developmental Disabilities has the following programs: Administrative and General Support, Community-Based Program, Pinecrest Supports and Services Center, and Auxiliary.

## Agency Overview

The mission of the Office for Citizens with Developmental Disabilities is to ensure quality services and supports and to provide information and opportunities for choice to people of Louisiana with developmental disabilities and their families.”

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$24,318,363	\$20,080,168	(\$4,238,195)	(17%)
Interagency Trans	\$108,609,128	\$108,228,569	(\$380,559)	(0%)
Fees & Self Gen.	\$4,046,166	\$4,042,994	(\$3,172)	(0%)
Statutory Ded.	\$0	\$0	\$0	0%
Federal	\$6,538,122	\$6,412,027	(\$126,095)	(2%)
<b>Total</b>	<b>\$143,511,779</b>	<b>\$138,763,758</b>	<b>(\$4,748,021)</b>	<b>(3%)</b>
Positions	1,352	1,382	30	2%

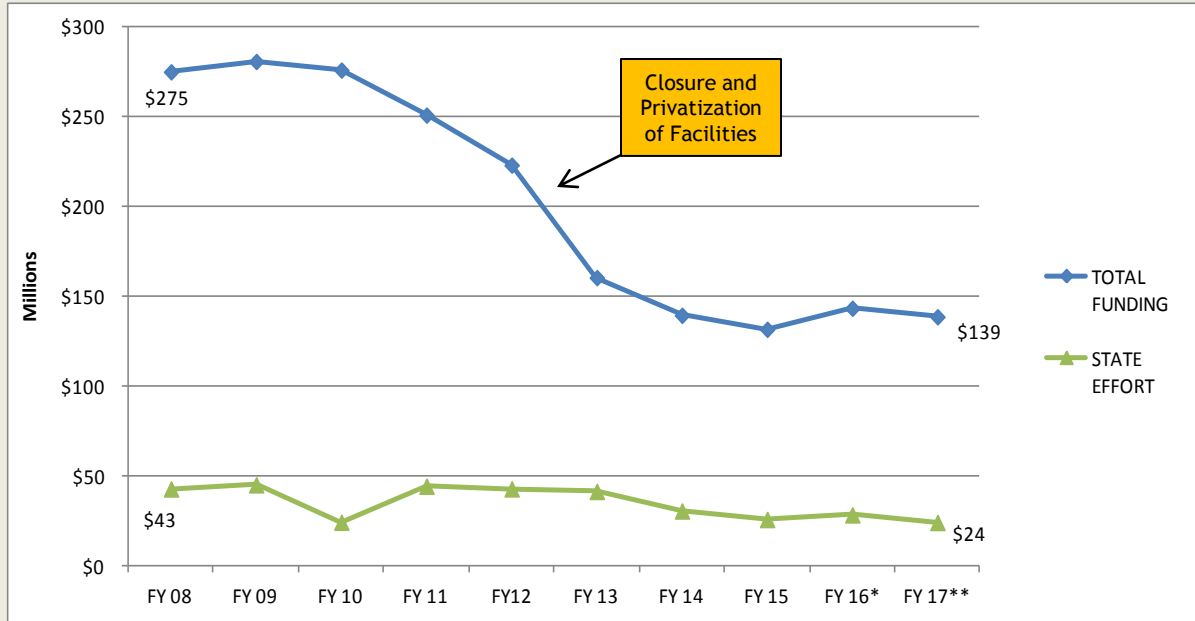
The Division of Administration estimates that \$26.4M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$6.4M additional SGF is needed to fully fund operations.

### SOURCES OF REVENUE

- Interagency Transfers come from Title XIX Medicaid from Medical Vendor Payments.
- Fees and Self-generated Revenue includes ineligible patient fees (at Pinecrest), sale of merchandise, Early Steps Family cost participation, and other miscellaneous receipts.

# OFFICE FOR CITIZENS W/DEVELOPMENTAL DISABILITIES

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 08 to FY 17
Total Funding	(50%)
State Effort	(44%)

# DEVELOPMENTAL DISABILITIES COUNCIL



The Developmental Disabilities Council provides services, through contracts with agencies, organizations, universities, other state agencies and individuals and funds projects which facilitate advocacy, capacity building and systemic change for individuals with disabilities and their families.

## Agency Overview

The mission of the Developmental Disabilities Council is to lead and promote advocacy, capacity building, and systemic change to improve the quality of life for individuals with developmental disabilities and their families.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$509,190	\$256,178	(\$253,012)	(50%)
Interagency Trans	\$0	\$0	\$0	0%
Fees & Self Gen.	\$0	\$0	\$0	0%
Statutory Ded.	\$0	\$0	\$0	0%
Federal	\$1,444,992	\$1,480,442	\$35,450	2%
<b>Total</b>	<b>\$1,954,182</b>	<b>\$1,736,620</b>	<b>(\$217,562)</b>	<b>(11%)</b>
Positions	8	8	0	0%

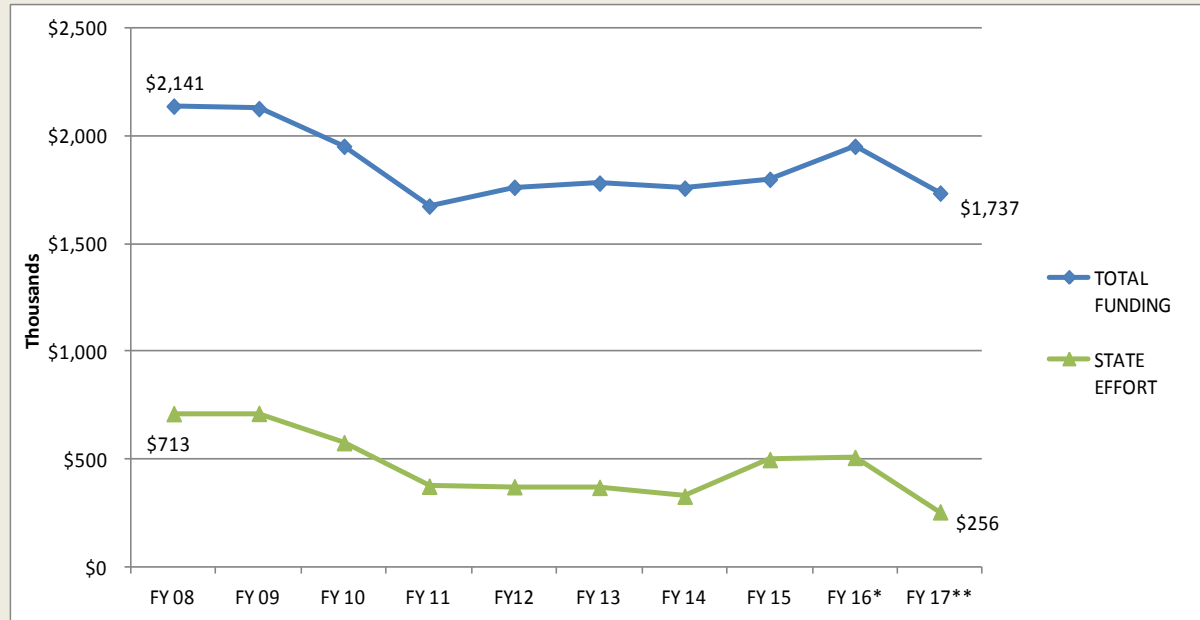
### SOURCES OF REVENUE

- The Federal Funds are from the Federal Developmental Disabilities Grant.

The Division of Administration estimates that \$337,076 in State General Fund is needed in FY 17 to fully fund projected normal operating costs. Therefore, \$80,898 additional SGF is needed to fully fund operations. \$168,938 SGF that was added in FY 16 for Families Helping Families was reduced from the budget.

# DEVELOPMENTAL DISABILITIES COUNCIL

## 10 YEAR BUDGET HISTORY

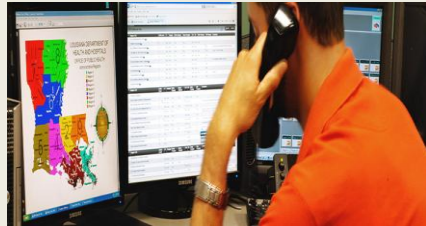


\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	(19%)
State Effort	(64%)

# LOUISIANA EMERGENCY RESPONSE NETWORK



The LERN Systems include: Trauma, Stroke, STEMI, and Disaster Response. The LERN Communications Center located in Baton Rouge, offers state of the art communications that directs the transport of traumatically injured patients to definitive care facilities within the “golden hour”.

## Agency Overview

The mission of the Louisiana Emergency Response Network is to defend the public health, safety, and welfare by protecting the people of the state of Louisiana from unnecessary deaths and morbidity due to trauma and time-sensitive illness.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$1,663,634	\$1,268,671	(\$394,963)	(24%)
Interagency Trans	\$49,000	\$69,000	\$20,000	41%
Fees & Self Gen.	\$0	\$0	\$0	0%
Statutory Ded.	\$190,000	\$0	(\$190,000)	(100%)
Federal	\$0	\$0	\$0	0%
<b>Total</b>	<b>\$1,902,634</b>	<b>\$1,337,671</b>	<b>(\$564,963)</b>	<b>(30%)</b>
Positions	7	7	0	0%

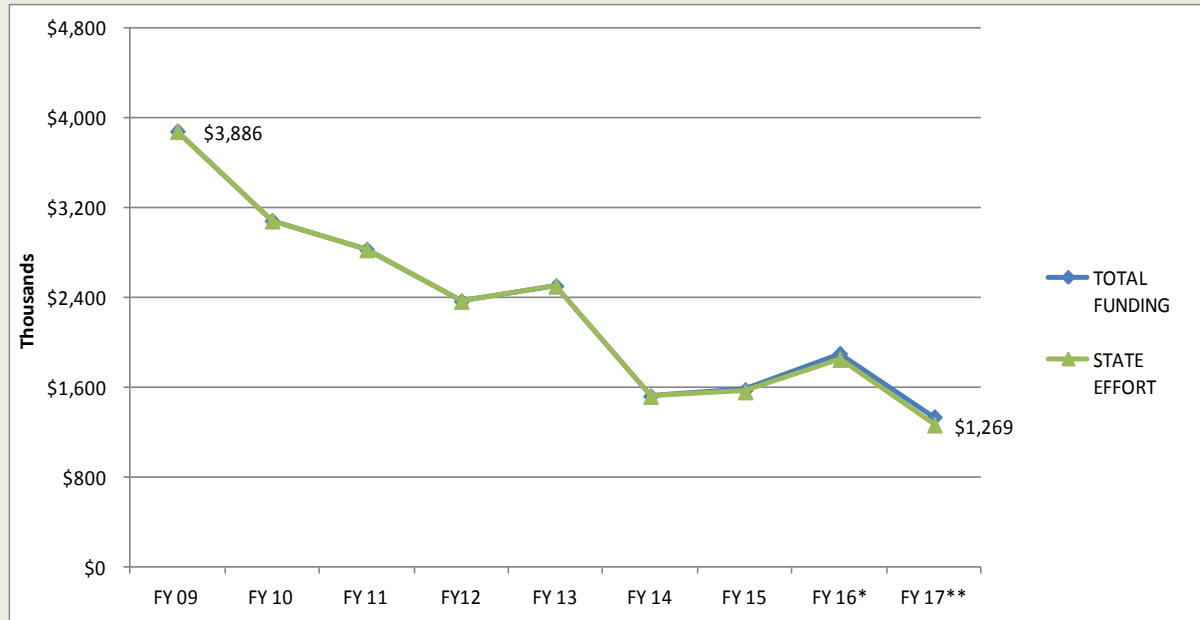
The Division of Administration estimates that \$1,669,304 in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$400,633 additional SGF is needed to fully fund operations. \$190,000 Stat. Ded. from the LERN Fund for development of Level III and IV trauma centers was reduced from the budget in FY 17.

### SOURCES OF REVENUE

- Interagency Transfers are from a grant from Louisiana Highway Safety Commission received to recruit and educate ambulance providers in Louisiana to submit electronic crash data in compliance with the National EMS Information System (NEMSIS) standards on a regular basis.

# LOUISIANA EMERGENCY RESPONSE NETWORK

## 9 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 09 to FY 17
Total Funding	(66%)
State Effort	(67%)

# OFFICE OF BEHAVIORAL HEALTH



The Office of Behavioral Health serves children and adults with extensive behavioral health needs including mental health and/or addictive disorders. OBH has the following programs: Administration and Support, Behavioral Health Community, and Hospital Based Treatment.

OBH oversees and provides direct care through the operation of the state's two free-standing psychiatric inpatient facilities: Central Louisiana State Hospital (CLSH) in Pineville and Eastern Louisiana Mental Health System (ELMHS) in Jackson.

## Agency Overview

The mission of the Office of Behavioral Health is to lead the effort to build and provide a comprehensive, integrated, person-centered system of prevention and treatment services that promotes recovery and resiliency for all citizens of Louisiana.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$106,681,211	\$85,939,023	(\$20,742,188)	(19%)
Interagency Trans	\$71,321,242	\$60,708,763	(\$10,612,479)	(15%)
Fees & Self Gen.	\$1,700,996	\$758,434	(\$942,562)	(55%)
Statutory Ded.	\$5,857,319	\$6,090,298	\$232,979	4%
Federal	\$38,983,295	\$38,063,474	(\$919,821)	(2%)
<b>Total</b>	<b>\$224,544,063</b>	<b>\$191,559,992</b>	<b>(\$32,984,071)</b>	<b>(15%)</b>
Positions	1,330	1,330	0	0%

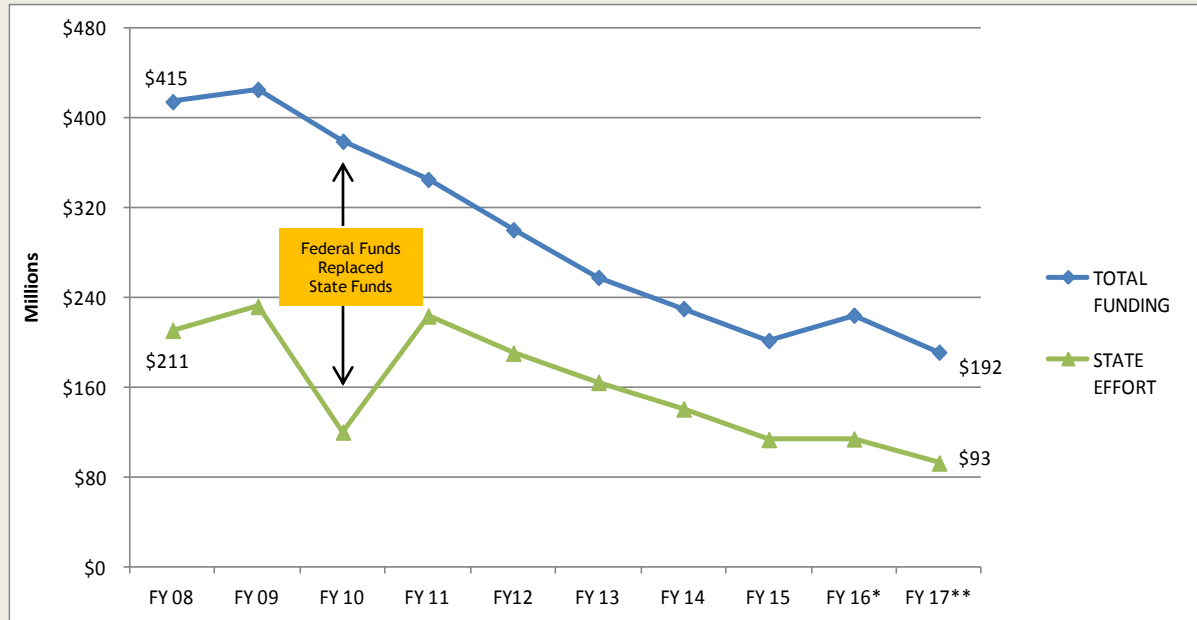
### SOURCES OF REVENUE

- Interagency Transfers are Title XIX Medicaid reimbursements for services provided to Medicaid eligible patients.
- Statutory Dedications are from the Tobacco Tax Health Care Fund and the Compulsive and Problem Gaming Fund.

The Division of Administration estimates that \$113M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$27.1M additional SGF is needed to fully fund operations.

# OFFICE OF BEHAVIORAL HEALTH

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

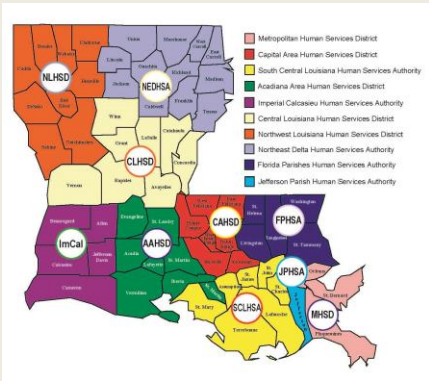
\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	(54%)
State Effort	(56%)



# HUMAN SERVICES AUTHORITIES/DISTRICTS

## Agency Overview



The ten locally governed Human Services Districts provide outpatient mental health and addictive disorder services for persons with developmental disabilities, and other wrap-around and support services for the citizens of their parish or region.

Human services authorities or districts are assigned powers, duties, and functions regarding the delivery of mental health, developmental disabilities, and addictive disorders services funded by appropriations from the state and provided through memoranda of agreement with the program offices of the department.

Means of Finance	FY15-16 Existing Operating Budget	FY 16-17 Recommended	Change from Existing	% Change
General Fund	\$123,865,190	\$98,888,437	(\$24,976,753)	(20%)
Interagency Trans	\$39,315,014	\$39,022,836	(\$292,178)	(1%)
Fees & Self Gen.	\$22,804,864	\$21,940,545	(\$864,319)	(4%)
Statutory Ded.	\$0	\$0	\$0	0%
Federal	\$2,052,069	\$2,152,056	\$99,987	5%
<b>Total</b>	<b>\$188,037,137</b>	<b>\$162,003,874</b>	<b>(\$26,033,263)</b>	<b>(14%)</b>
Positions	No authorized positions for the H.S.A.'s			

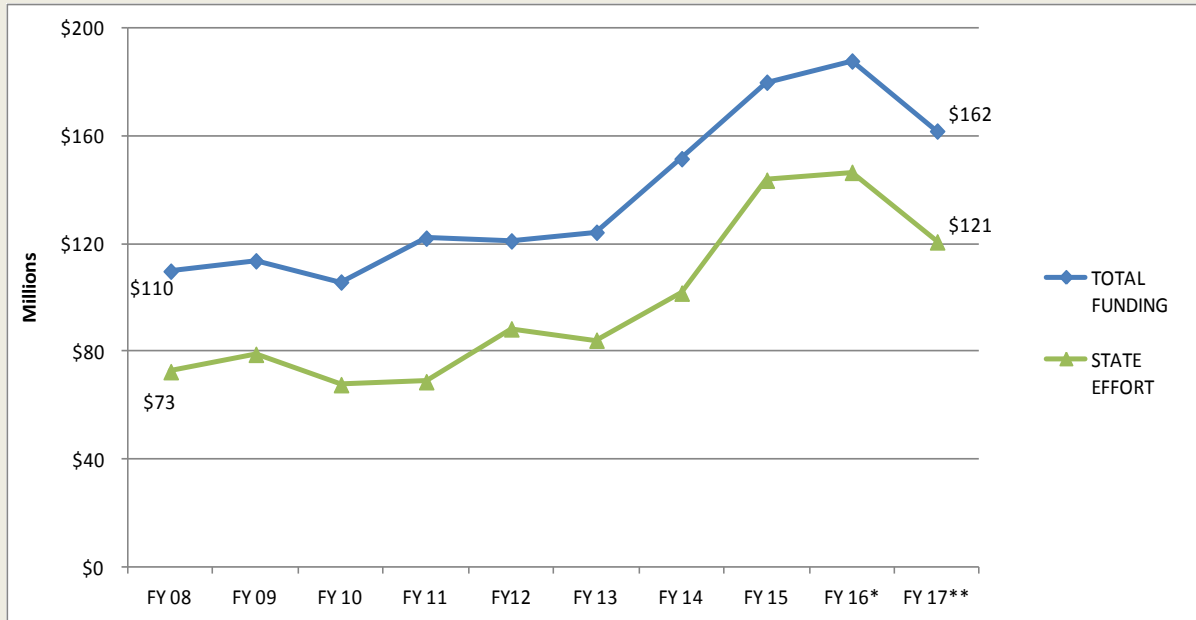
The Division of Administration estimates that \$130M in State General Fund is needed in FY 17 to fully fund projected normal operating costs and other priorities. Therefore, \$31M additional SGF is needed to fully fund operations.

### SOURCES OF REVENUE

- Most Interagency Transfers are from the Office of Behavioral Health for services for addictive disorders and mental health.
- Fees & Self Generated Revenues are from Bayou Health Managed Care Organizations and from clients not eligible for Medicaid or Medicare services.

# HUMAN SERVICES AUTHORITIES/DISTRICTS

## 10 YEAR BUDGET HISTORY



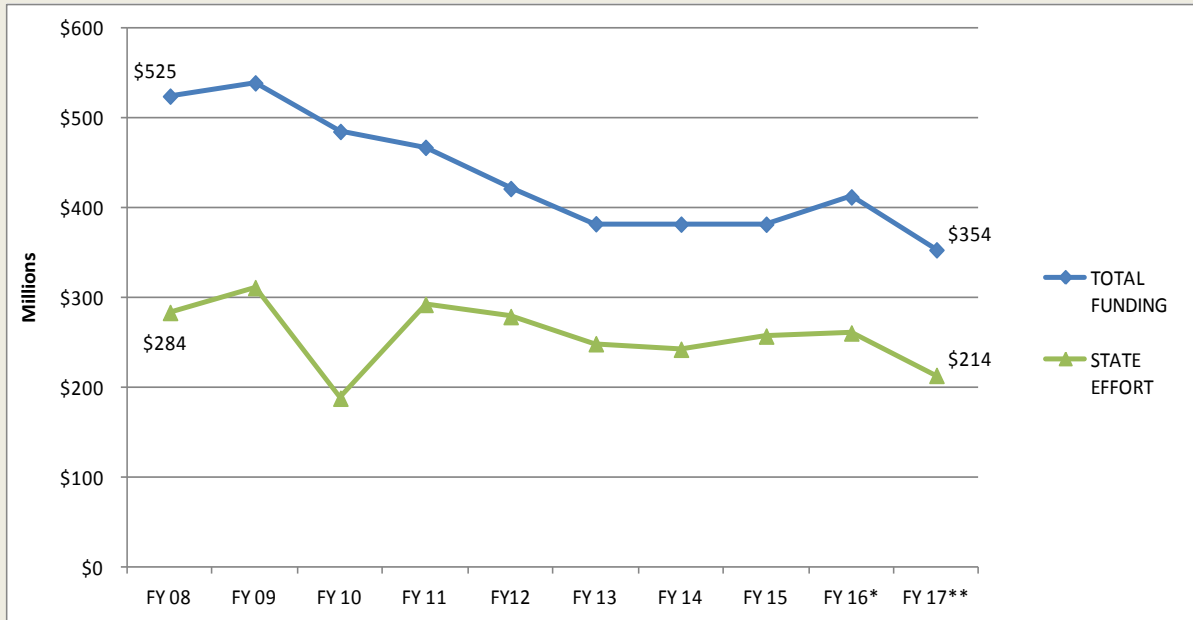
\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	47%
State Effort	66%

# COMBINED - BEHAVIORAL HEALTH AND H.S.A.'s

## 10 YEAR BUDGET HISTORY



\* Existing Operating Budget as of 12/1/15

\*\* Executive Budget Recommendation

Means of Finance	Percent Change FY 08 to FY 17
Total Funding	(33%)
State Effort	(25%)

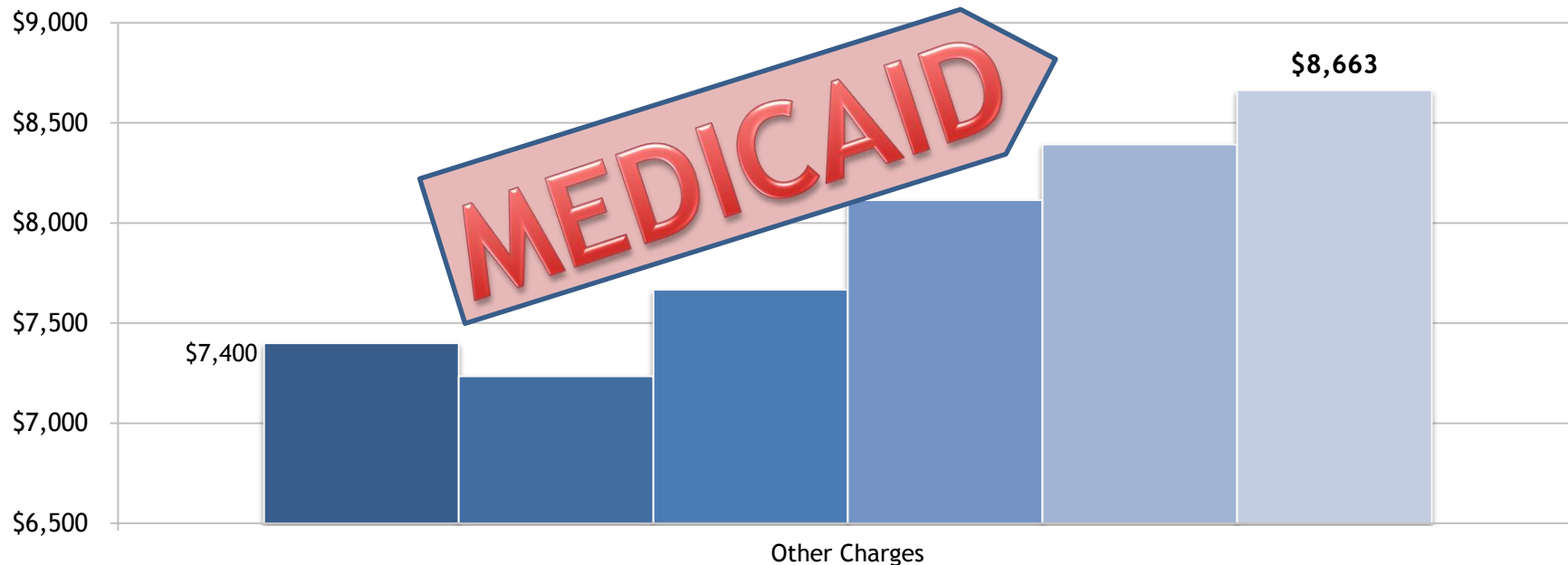
# EXPENDITURE BREAKDOWN

Expenditure	FY 14-15 Prior Year Actual Expenditures	FY 15-16 Existing Operating Budget	FY 16-17 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$273,531,954	\$269,298,561	\$224,257,717	(\$45,040,844)	(16.7%)
Other Compensation	\$48,613,999	\$13,732,542	\$17,137,683	\$3,405,141	24.8%
Related Benefits	\$125,214,928	\$168,522,708	\$149,588,628	(\$18,934,080)	(11.2%)
Travel	\$2,557,165	\$3,883,439	\$3,874,912	(\$8,527)	(0.2%)
Operating Services	\$31,525,013	\$36,985,366	\$34,905,876	(\$2,079,490)	(5.6%)
Supplies	\$28,695,930	\$32,498,777	\$32,321,693	(\$177,084)	(0.5%)
Professional Services	\$127,185,383	\$166,478,325	\$207,224,074	\$40,745,749	24.5%
Other Charges	\$8,393,203,633	\$8,663,094,206	\$11,279,508,971	\$2,616,414,765	30.2%
Acq/Major Repairs	\$641,386	\$5,301,741	\$5,451,976	\$150,235	2.8%
Unallotted	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$9,031,169,391</b>	<b>\$9,359,795,665</b>	<b>\$11,954,271,530</b>	<b>\$2,594,475,865</b>	<b>27.7%</b>
Authorized Positions	5,613	5,502	5,587	85	1.5%

The decreases in Salaries and Related Benefits are the cumulative effect of the budget shortfall; the increase in Professional Services is for automation of Medicaid eligibility and enrollment; and the increase in Other Charges is due to federal fund increases for Medicaid expansion.

# EXPENDITURE HISTORY (IN MILLIONS)

■ 10-11 ■ 11-12 ■ 12-13 ■ 13-14 ■ 14-15 ■ 15-16 EOB

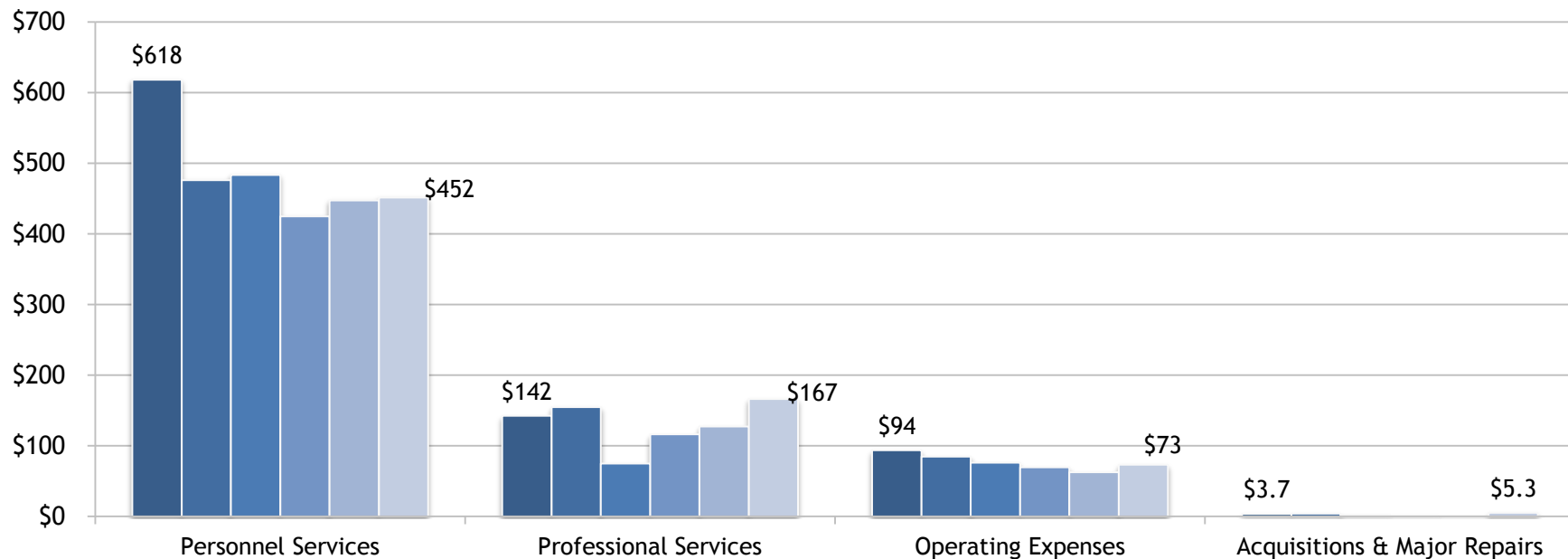


Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/15

# EXPENDITURE HISTORY (IN MILLIONS)

■ 10-11 ■ 11-12 ■ 12-13 ■ 13-14 ■ 14-15 ■ 15-16 EOB



Source: Executive Budget Supporting Documents

\*Existing Operating Budget as of 12/1/15

# DISCRETIONARY/NON-DISCRETIONARY FUNDING

**TOTAL BUDGET**  
**\$12 Billion**

**\$293 Million IAT  
Double Count**

**\$11.7 Billion  
Remaining**

**Self Generated  
Revenue  
\$267 Million**

**Statutory  
Dedications  
\$448 Million**

**Federal Funds  
\$8.4 Billion**

**State General Fund  
\$2.5 Billion**

**Non Discretionary  
\$1.2 Billion**

**Discretionary  
\$1.3 Billion**

**Medicaid (minimum level)  
\$848 Million**

**Avoidance of Court Order  
\$303 Million**

**State Bldg Maintenance,  
Audit Fees, Retiree Ins.  
\$23 Million**

**Rent in State Buildings  
\$9.5 Million**

**Medicaid  
\$1.1 Billion**

**Human Services Authorities  
\$94 Million**

**Public Health, Behavioral  
Health, Aging & Adult, and  
Disabilities  
\$71 Million**

**Office of Secretary and LERN  
\$29 Million**

# PERSONNEL INFORMATION

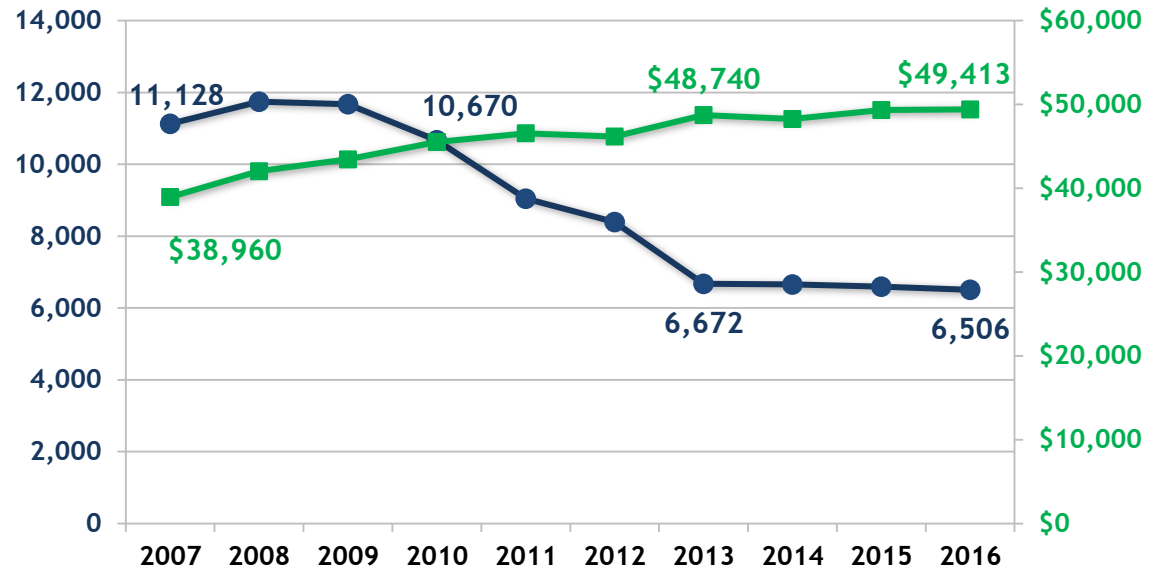
**\$241 million** Salaries and Other Compensation  
**\$150 million** Related Benefits  
Total Personnel Services = \$391 million  
▪ *58% of the DHH's total Executive Budget Recommendation (excluding Other Charges)*

## Authorized Positions

- 5,587 (5,505 classified and 82 unclassified)
- 427 full-time non-T.O. positions
- 1,430 Other Charges positions

\*As of 1/29/2016, DHH had 337 vacancies; none of these vacancies were eliminated in the Executive Budget.

## 10 Year FTE Positions/Avg Salary



Source: Prepared by House Fiscal Division staff using information from Civil Service



# DEPARTMENT CONTACTS



Dr. Rebekah Gee  
Secretary  
225-342-9503



Mr. Jeff Reynolds  
Undersecretary  
225-342-6726



Michelle Alletto  
Deputy Secretary  
225-342-7092

# DEPARTMENT CONTACTS

AGENCY	Agency Head	Phone
Medical Vendor Administration/Payments	Jen Steele	225-342-3891
Office of Aging and Adult Services	Tara LeBlanc	225-342-4725
Office of Public Health	Beth Scalco	225-342-6188
Office of Behavioral Health	James Hussey	225-342-1868
Office for Citizens w/Developmental Disabilities	Mark Thomas	225-342-0095
Developmental Disabilities Council	Sandee Winchell	225-342-6804
LA Emergency Response Network	Paige Hargrove	225-756-3444
<b>Human Services Authorities/Districts</b>		
Jefferson Parish Human Services Authority	Alicia (Lisa) Rhoden	504-838-5215
Florida Parishes Human Services Authority	Melanie Watkins	985-748-2220
Capital Area Human Services District	Jan Kasofsky	225-922-2700
Metropolitan Human Services District	Rochelle Head-Dunham	504-535-2909
South Central LA Human Services Authority	Lisa Schilling	985-858-2932
Acadiana Area Human Services District	Brad Farmer	337-262-4190
Northeast Delta Human Services Authority	Monteic Sizer	318-362-3270
Imperial Calcasieu Human Services Authority	Tanya McGee	337-475-3100
Central Louisiana Human Services Authority	John Egan Jones	318-487-5191
Northwest La. Human Services Authority	Doug Efferson	318-862-3086