

Representative Cameron Henry  
Chairman



Representative Franklin Foil  
Vice Chairman

# **FY17-18 Executive Budget Review Louisiana Department of Health**

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

April 5, 2017

# TABLE OF CONTENTS

Department Structure	4
Budget History	6
Revenue Sources	10
Means of Finance	11
Expenditures	14
Discretionary/Non-Discretionary	18
Personnel Information	19
Office of the Secretary	21
Medicaid	24

Office of Public Health	42
Office of Aging and Adult Services	45
Office for Citizens w/Developmental Disabilities	49
Developmental Disabilities Council	52
Louisiana Emergency Response Network	54
Office of Behavioral Health	57
Human Services Authorities/Districts	60
Department Contacts	65

# LOUISIANA DEPARTMENT OF HEALTH - MISSION

## **Department of Health - 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."

# LDH STRUCTURE

## Louisiana Department of Health

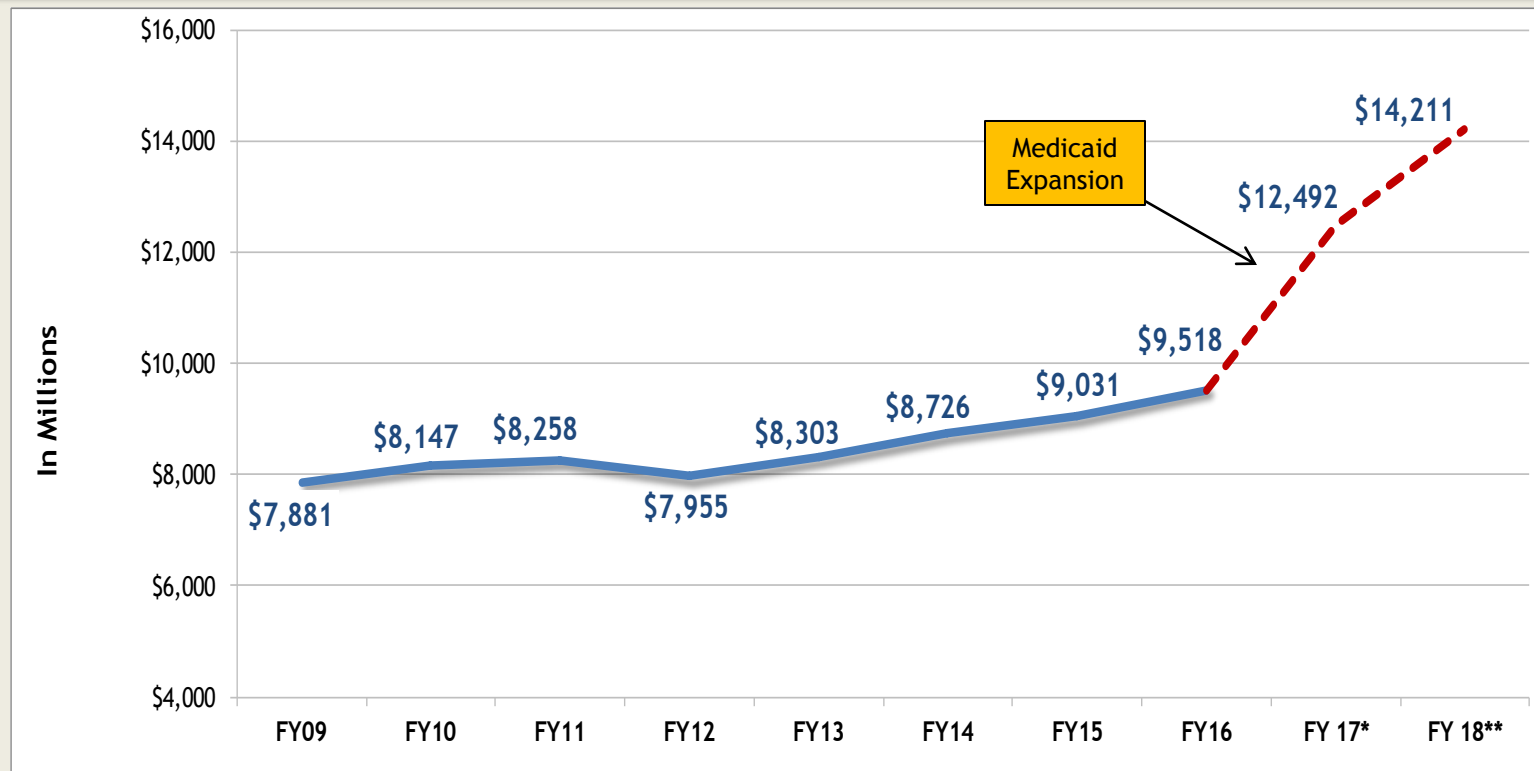
- Office of the Secretary
- Medical Vendor Administration
- Medical Vendor Payments
- Office of Public Health
- Office of Aging and Adult Services
- Office for Citizens with Developmental Disabilities
- Developmental Disabilities Council
- Louisiana Emergency Response Network
- Office of Behavioral Health

# LDH 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
- Northeast Delta Human Services Authority
- Acadiana Area Human Services District
- Imperial Calcasieu Human Services Authority
- Central Louisiana Human Services District
- Northwest Louisiana Human Services District

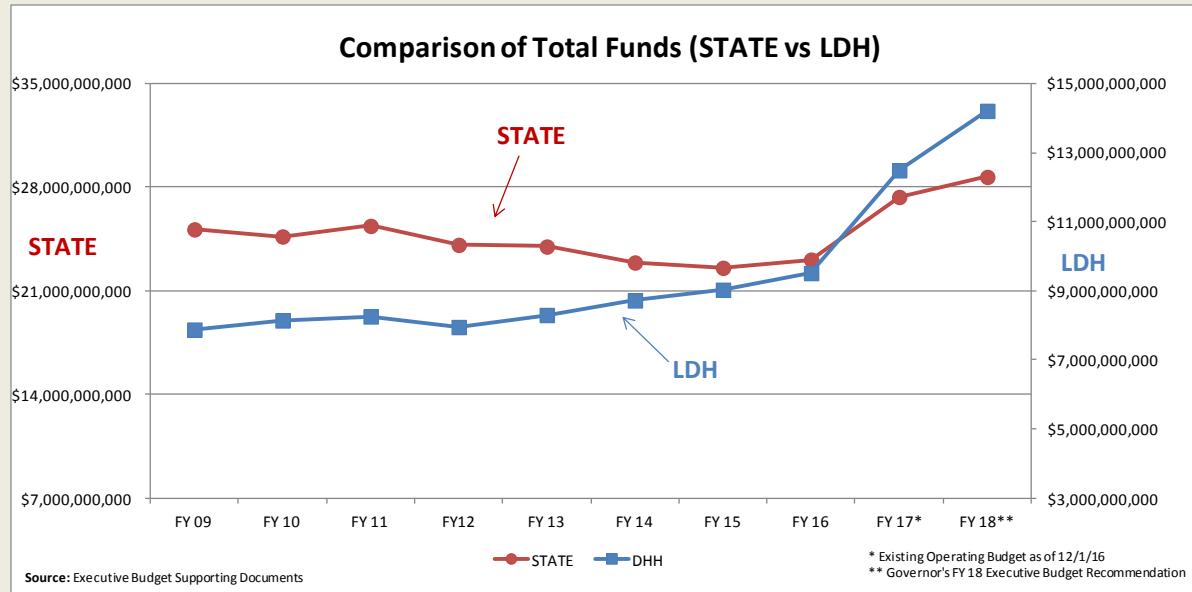
# BUDGET HISTORY (IN MILLIONS)



Source: Executive Budget Supporting Documents

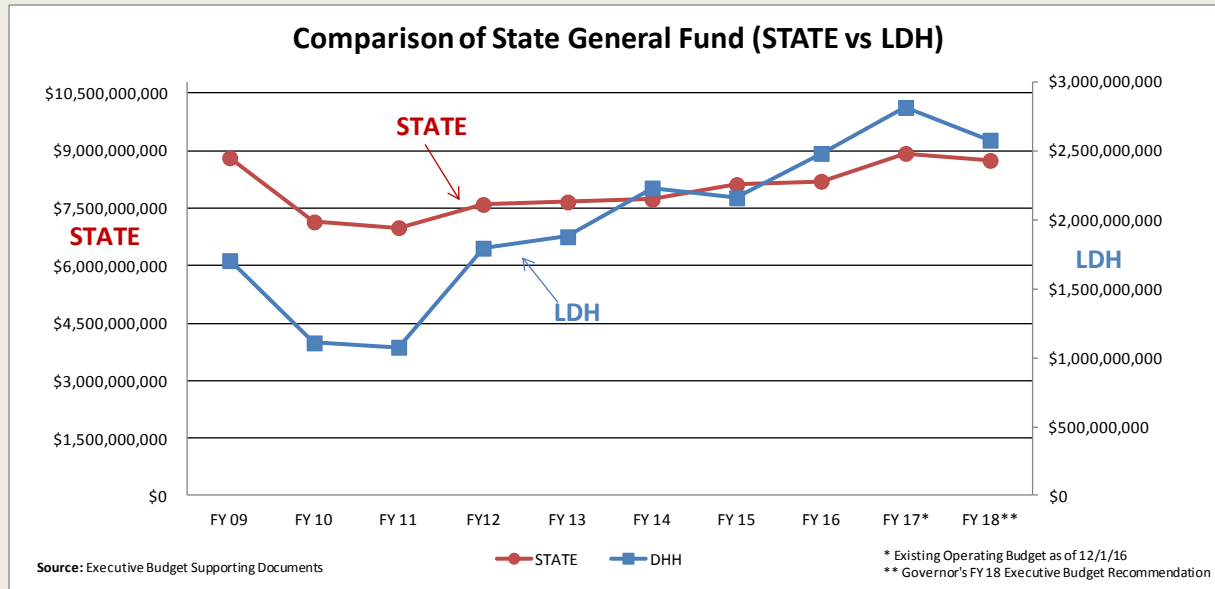
\*Existing Operating Budget as of 12/1/16  
\*\* Governor's Executive Budget Recommendation

# GENERAL APPROPRIATIONS COMPARISONS



TOTAL GENERAL APPROPRIATIONS					
	FY 08-09 Actual	FY 17-18 HB 1	Change	% Change	Avg. Annual % Change
LDH	\$7,880,548,109	\$14,211,356,513	\$6,330,808,404	80%	8%
STATE	\$25,155,718,876	\$28,699,729,193	\$3,544,010,317	14%	2%

# GENERAL APPROPRIATIONS COMPARISONS



STATE GENERAL FUND					
	FY 08-09 Actual	FY 17-18 HB 1	Change	% Change	Avg. Annual % Change
LDH	\$1,704,216,301	\$2,576,724,967	\$872,508,666	51%	5%
STATE	\$8,815,779,146	\$8,749,586,656	(\$66,192,490)	(1%)	(0.1%)



# LDH BUDGET COMPARED TO GENERAL APPROPRIATIONS

Means of Finance	LDH	Total State Budget (HB 1)	% of Total HB 1
State General Fund	\$2,576,724,967	\$8,749,586,656	29.4%
Interagency Transfers	\$303,622,368	\$980,393,182	31.0%
Fees and Self-Gen. Rev.	\$399,784,214	\$2,497,080,456	16.0%
Statutory Dedications	\$861,060,681	\$2,862,306,218	30.1%
Federal Funds	\$10,070,164,283	\$13,610,362,681	74.0%
<b>TOTAL</b>	<b>\$14,211,356,513</b>	<b>\$28,699,729,193</b>	<b>49.5%</b>
Authorized Positions	5,788	31,654	18.3%

LDH'S SGF % of SGF in HB 1

FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
18%	17%	16%	15%	15%	19%	16%	15%	24%	24%	29%	27%	30%	32%	29%

Source: Executive Budget Supporting Documents

# MAJOR SOURCES OF REVENUE

## **Federal Funds \$10 Billion**

Federal financial participation in the Title XIX Medicaid Program is matched at a rate of 63.34%. So each state dollar is matched with \$1.74 of federal funds.

## **Statutory Dedications \$861 Million**

The four largest include:

- \$615 Million - La. Medical Assistance Trust Fund
- \$132 Million - Tobacco Tax Medicaid Match Fund
- \$56 Million - Hospital Stabilization Fund
- \$29 million - Health Excellence Fund

## **Self Generated \$400 Million**

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

## **Interagency Transfers \$304 Million**

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

# MEANS OF FINANCE BREAKDOWN

Means of Financing	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
State General Fund	\$2,481,088,826	\$2,813,725,201	\$2,576,724,967	(\$237,000,234)	(8.4%)
Interagency Transfers	\$324,441,305	\$303,563,914	\$303,622,368	\$58,454	0.0%
Fees and Self-Gen Rev.	\$239,757,016	\$405,101,512	\$399,784,214	(\$5,317,298)	(1.3%)
Statutory Dedications	\$543,111,476	\$713,618,626	\$861,060,681	\$147,442,055	20.7%
Federal Funds	\$5,929,485,774	\$8,256,084,995	\$10,070,164,283	\$1,814,079,288	22.0%
<b>Total Means of Finance</b>	<b>\$9,517,884,397</b>	<b>\$12,492,094,248</b>	<b>\$14,211,356,513</b>	<b>\$1,719,262,265</b>	<b>13.8%</b>
State Effort	\$3,263,957,318	\$3,932,445,339	\$3,837,569,862	(\$94,875,477)	(2.4%)
Authorized Positions	5,502	5,732	5,788	56	1.0%

Source: Executive Budget Supporting Documents

# MEANS OF FINANCE BREAKDOWN - AFTER DEFICITS

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$2,481,088,826	\$2,423,835,283	\$2,576,724,967	\$152,889,684	6%
Interagency Trans	\$324,441,305	\$303,563,914	\$303,622,368	\$58,454	0%
Fees & Self Gen.	\$239,757,016	\$443,776,355	\$399,784,214	(\$43,992,141)	(10%)
Statutory Ded.	\$543,111,476	\$852,776,766	\$861,060,681	\$8,283,915	1%
Federal	\$5,929,485,774	\$7,758,546,709	\$10,070,164,283	\$2,311,617,574	30%
<b>Total</b>	<b>\$9,517,884,397</b>	<b>\$11,782,499,027</b>	<b>\$14,211,356,513</b>	<b>\$2,428,857,486</b>	<b>21%</b>
State Effort	\$3,263,957,318	\$3,720,388,404	\$3,837,569,862	\$117,181,458	3%
Authorized Positions	5,502	5,732	5,788	56	1%

Change to FY 16-17 Existing Budget: **(\$390 million)** or **(3.1%)** of total budget

- 1<sup>st</sup> Deficit: **(\$252 million)** - Net cut of \$12 million after backfills and pushed payments;
- 2<sup>nd</sup> Deficit: **(\$138 million)** - Net cut of \$47 million after backfills and pushed payments;
- \$60 million of all cuts were recurred or annualized in FY 17-18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# LDH AGENCY BUDGET COMPARISONS

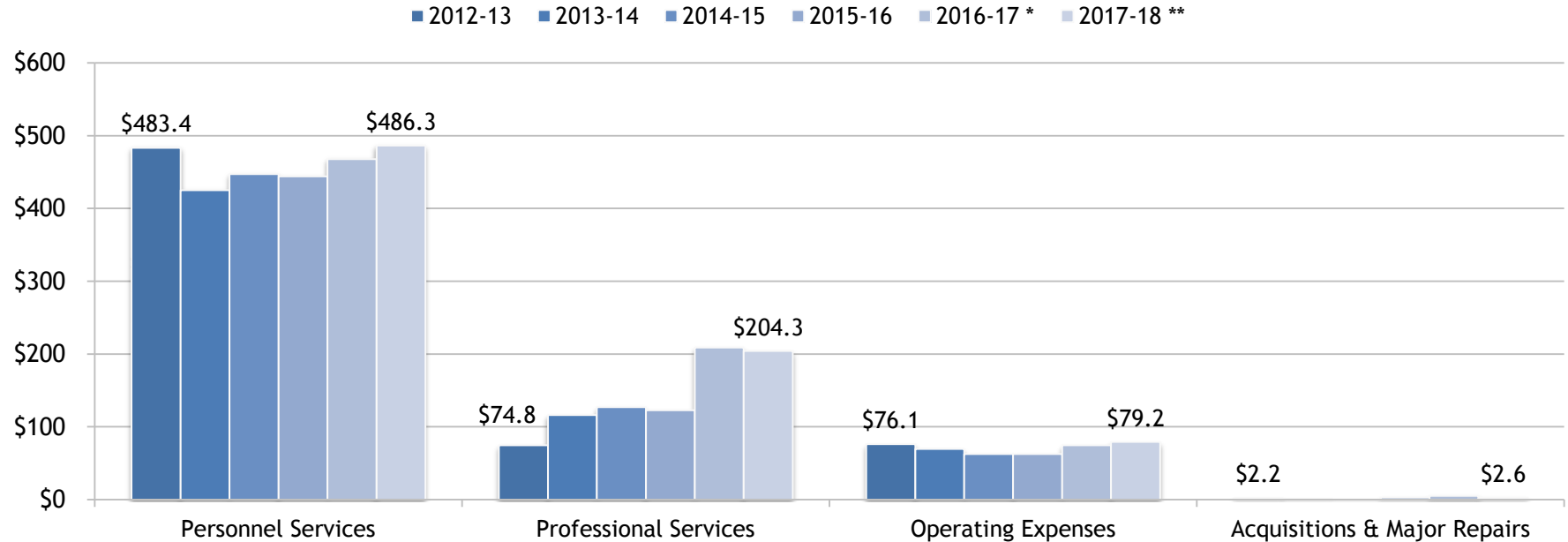
Means of Finance	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Executive Budget	Difference	% Diff
Medical Vendor Payments	\$11,006,859,366	\$12,607,975,617	\$1,601,116,251	14.5%
Medical Vendor Administration	\$410,316,767	\$523,535,861	\$113,219,094	27.6%
Office of Public Health	\$377,621,204	\$387,961,090	\$10,339,886	2.7%
Office of Behavioral Health	\$230,157,284	\$226,156,050	(\$4,001,234)	(1.7%)
Office Citizens w/ Dev. Disabilities	\$144,780,249	\$151,377,632	\$6,597,383	4.6%
Office of Secretary	\$83,588,629	\$78,807,564	(\$4,781,065)	(5.7%)
Aging and Adult Services	\$47,608,990	\$50,843,739	\$3,234,749	6.8%
Metropolitan H.S.D.	\$26,883,308	\$25,893,907	(\$989,401)	(3.7%)
Capital Area H.S.D.	\$25,847,213	\$25,650,607	(\$196,606)	(0.8%)
South Central H.S.A.	\$21,952,879	\$21,984,045	\$31,166	0.1%
Florida Parishes H.S.A.	\$19,028,398	\$18,488,684	(\$539,714)	(2.8%)
Jefferson Parish H.S.A.	\$18,702,183	\$18,398,658	(\$303,525)	(1.6%)
Acadiana H.S.D.	\$18,671,647	\$17,912,628	(\$759,019)	(4.1%)
Central LA H.S.D.	\$15,083,052	\$14,845,250	(\$237,802)	(1.6%)
Northeast Delta H.S.A.	\$15,066,923	\$13,698,005	(\$1,368,918)	(9.1%)
Northwest LA H.S.D.	\$14,714,142	\$13,128,835	(\$1,585,307)	(10.8%)
Imperial Calcasieu H.S.A.	\$11,574,981	\$11,009,763	(\$565,218)	(4.9%)
Developmental Disabilities Council	\$1,987,518	\$2,062,425	\$74,907	3.8%
LA Emergency Response Network	\$1,649,515	\$1,626,153	(\$23,362)	(1.4%)
<b>TOTAL</b>	<b>\$12,492,094,248</b>	<b>\$14,211,356,513</b>	<b>\$1,719,262,265</b>	<b>13.8%</b>

Source: Executive Budget Supporting Documents

# EXPENDITURE BREAKDOWN

Expenditure	FY 15-16 Prior Year Actual Expenditures	FY 16-17 Existing Operating Budget	FY 17-18 Executive Budget Recommendation	\$ Change from Existing	% Change from Existing
Salaries	\$266,645,675	\$276,802,470	\$285,420,602	\$8,618,132	3.1%
Other Compensation	\$12,195,815	\$14,687,516	\$14,512,894	(\$174,622)	(1.2%)
Related Benefits	\$165,350,150	\$176,373,509	\$186,365,976	\$9,992,467	5.7%
Travel	\$2,788,324	\$3,948,680	\$3,903,908	(\$44,772)	(1.1%)
Operating Services	\$30,543,305	\$37,938,252	\$41,311,559	\$3,373,307	8.9%
Supplies	\$29,304,759	\$32,719,416	\$34,020,144	\$1,300,728	4.0%
Professional Services	\$122,909,903	\$208,767,010	\$204,290,364	(\$4,476,646)	(2.1%)
Other Charges	\$8,885,388,142	\$11,735,563,733	\$13,438,904,941	\$1,703,341,208	14.5%
Acq/Major Repairs	\$2,758,324	\$5,293,662	\$2,626,125	(\$2,667,537)	(50.4%)
Unallotted	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$9,517,884,397</b>	<b>\$12,492,094,248</b>	<b>\$14,211,356,513</b>	<b>\$1,719,262,265</b>	<b>13.8%</b>
Authorized Positions	5,502	5,732	5,788	56	1.0%

# EXPENDITURE HISTORY

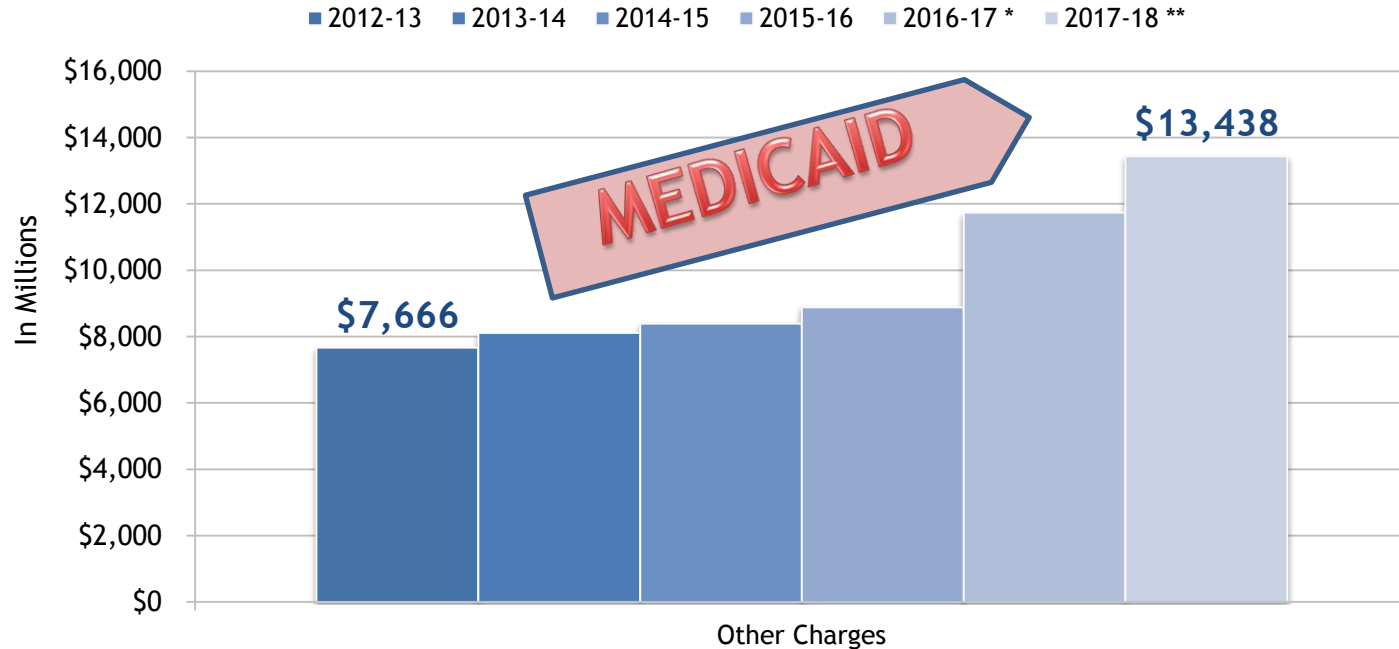


Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# EXPENDITURE HISTORY



Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation



# OTHER CHARGES - \$13.4 BILLION

Other Charges and Interagency Transfers	
AMOUNT	DESCRIPTION
\$12.5 Billion	Medicaid
\$213 million	Human Services Authorities/Districts
\$190 million	Public Health
\$155 million	Developmental Disabilities
\$113 million	Medicaid to Dept. of Corrections
\$78 million	To the Dept. of Children and Family Services
\$28 million	Behavioral Health
\$10 million	Aging and Adult Services
<b>\$13.3 Billion</b>	<b>SUBTOTAL</b>

Interagency Transfers for Statewide Services	
AMOUNT	DESCRIPTION
\$87.5 million	Office of Telecommunication Fees
\$21.2 million	Risk Management
\$9.8 million	Rent
\$3.1 million	Telecommunications
\$2.0 million	Audit Fees
\$1.4 million	Procurement
<b>\$125 million</b>	<b>SUBTOTAL</b>

Source: Executive Budget Supporting Documents

# DISCRETIONARY/NON-DISCRETIONARY FUNDING

**TOTAL BUDGET**  
**\$14.2 Billion**

**\$304 Million IAT  
Double Count**

**\$13.9 Billion  
Remaining**

**Self Generated  
Revenue  
\$400 Million**

**Statutory  
Dedications  
\$861 Million**

**Federal Funds  
\$10 Billion**

**State General Fund  
\$2.6 Billion**

**Non-Discretionary  
\$776 Million**

**Discretionary  
\$1.8 Billion**

**Medicaid (minimum level)  
\$418 Million**

**Avoidance of Court Order  
\$320 Million**

**State Bldg Maintenance, Audit  
Fees, Retiree Ins., Rent  
\$35.4 Million**

**Safe Drinking Water Act  
\$2.6 Million**

**Medicaid  
\$1.5 Billion**

**Human Services Authorities  
\$115 Million**

**Public Health, Behavioral  
Health, Aging & Adult, and  
Disabilities  
\$104 Million**

**Office of Secretary and LERN  
\$40 Million**

Source: Office of Planning and Budget

# PERSONNEL INFORMATION

## Personnel/Budget Ratio

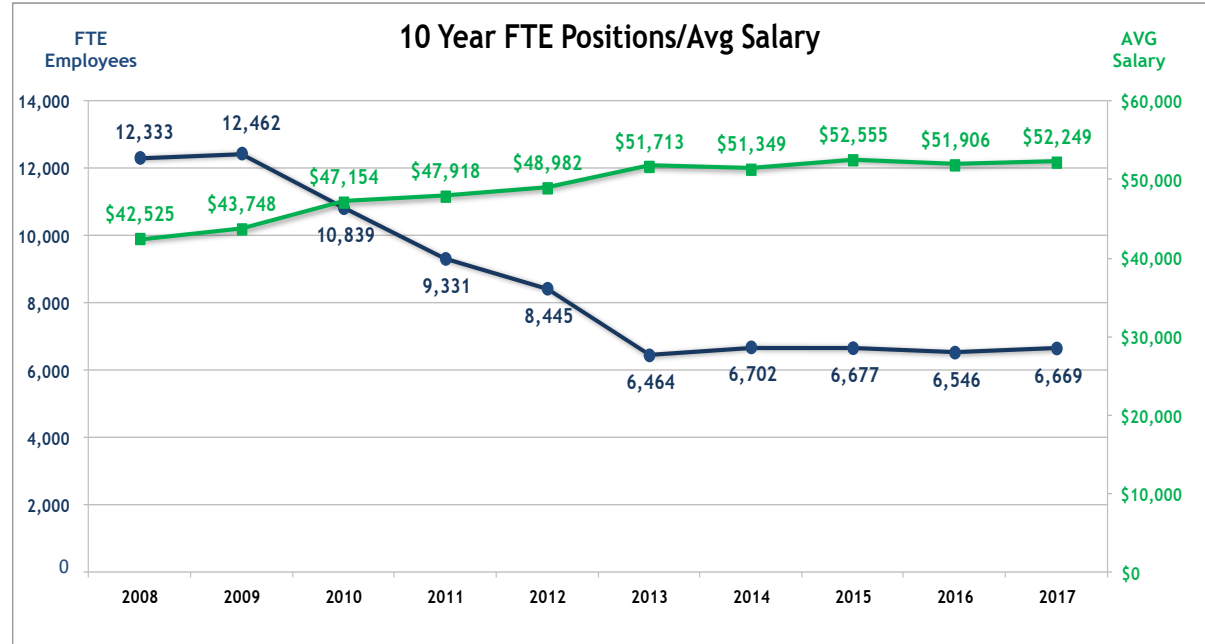
\$300 M Salaries and Other Comp.  
 + \$186 M Related Benefits  
 = \$486 M Total Personnel Services

**63% of budget expenditures**  
 (excluding Other Charges)

## Authorized Positions

- 5,788 (5,705 classified and 83 unclassified)
- 426 full-time non-T.O. positions
- 1,421 Other Charges Positions

\* As of 1/27/2017, LDH had 489 vacant positions and 16 were eliminated in the Executive Budget.



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total Salaries in Millions	\$524.5	\$545.2	\$511.1	\$447.1	\$413.6	\$334.3	\$344.1	\$350.9	\$339.8	\$348.5

Source: FTE and Average Salary data provided by the Dept. of Civil Service

# LDH AGENCIES

## LA DEPARTMENT OF HEALTH 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.



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, and Internal Audit.

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$40,937,435	\$43,786,505	\$44,562,307	\$775,802	2%
Interagency Trans	\$11,494,322	\$14,539,668	\$12,339,668	(\$2,200,000)	(15%)
Fees & Self Gen	\$2,404,298	\$2,463,565	\$2,650,601	\$187,036	8%
Statutory Ded.	\$3,890,782	\$5,095,793	\$1,373,390	(\$3,722,403)	(73%)
Federal	\$15,776,813	\$17,703,098	\$17,881,598	\$178,500	1%
<b>Total</b>	<b>\$74,503,650</b>	<b>\$83,588,629</b>	<b>\$78,807,564</b>	<b>(\$4,781,065)</b>	<b>(6%)</b>
Positions	384	410	406	(4)	(1%)

Major Budget Changes: decreased \$2 million in Interagency Transfers from GOHSEP to nonrecur expenditures for generator program; decreased \$2.4 million Statutory Dedications for transfer of La Commission for the Deaf to the Office of Public Health; means of finance swap to increase General Fund and decrease Statutory Dedication Fraud Detection Fund by \$1.3 million based on projected collections; 4 positions transferred to Public Health for La. Commission for Deaf.

### SOURCES OF REVENUE

- Interagency Transfers from GOHSEP for hurricanes/disasters, Medicaid for health standards and Council on Physical Fitness, and Health and Human Services hospital preparedness grant.
- Fees/Self-Generated Revenues are from health standards licensing.
- Statutory Dedications are derived from the Medical Assistance Program Fraud Detection Fund, and Nursing Home Resident's Trust Fund.

# OFFICE OF THE SECRETARY - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$40,937,435	\$42,429,407	\$44,562,307	\$2,132,900	5%
Interagency Trans	\$11,494,322	\$14,539,668	\$12,339,668	(\$2,200,000)	(15%)
Fees & Self Gen	\$2,404,298	\$2,436,922	\$2,650,601	\$213,679	9%
Statutory Ded.	\$3,890,782	\$5,095,793	\$1,373,390	(\$3,722,403)	(73%)
Federal	\$15,776,813	\$17,703,098	\$17,881,598	\$178,500	1%
<b>Total</b>	<b>\$74,503,650</b>	<b>\$82,204,888</b>	<b>\$78,807,564</b>	<b>(\$3,397,324)</b>	<b>(4%)</b>
Positions	384	410	406	(4)	(1%)

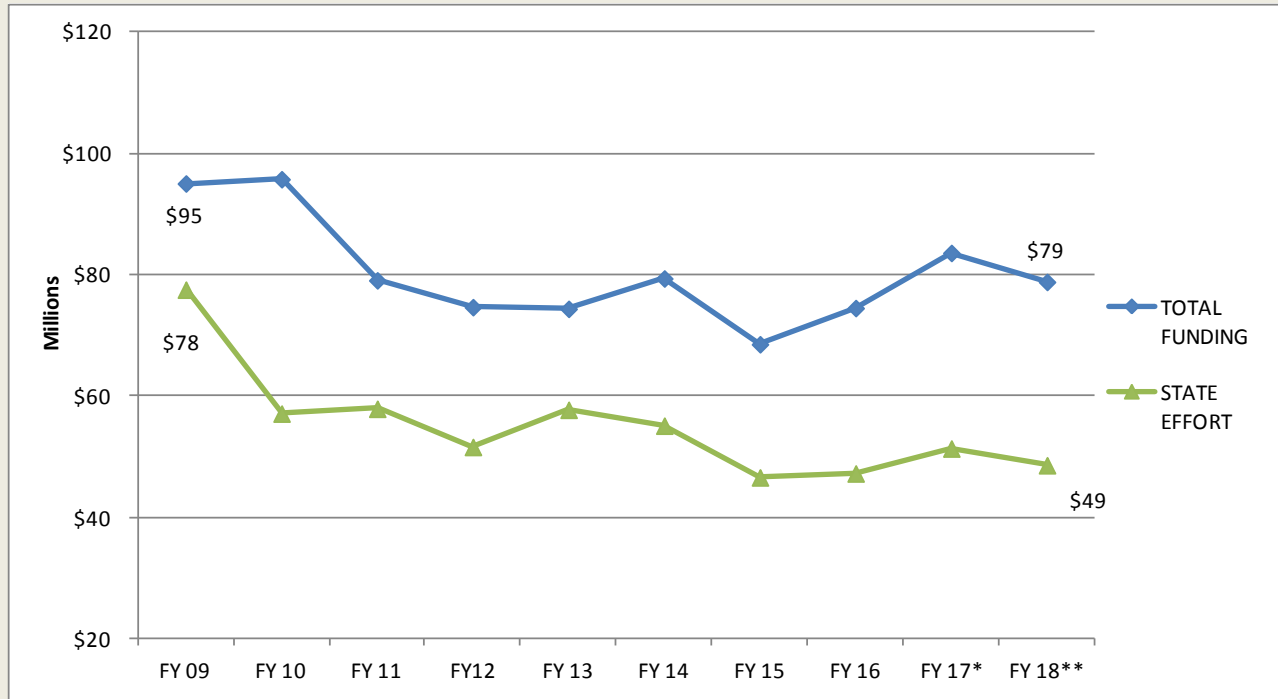
Change to FY 16-17 Existing Budget: **(\$1.38 million)** or **(1.7%)** of total budget

- 1<sup>st</sup> Deficit: **(\$903,000)**  
- Expenditure Freeze Savings;
- 2<sup>nd</sup> Deficit: **(\$481,315)**  
- Reduce various contracts managed by OTS, reduce overtime budget, and eliminate 2 administrative positions.
- \$393,871 of all cuts were annualized in FY 17-18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# OFFICE OF THE SECRETARY

## 10 YEAR BUDGET HISTORY



Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(17%)
State Effort	(37%)

# 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 LDH budget (FY 17-18)

Means of Financing	LDH	Medicaid*	% of DHH Budget
State General Fund	\$2,576,724,967	\$2,219,838,628	86%
Interagency Transfers	\$303,622,368	\$25,077,459	8%
Fees and Self-Gen Rev.	\$399,784,214	\$324,395,434	81%
Statutory Dedications	\$861,060,681	\$843,410,036	98%
Federal Funds	\$10,070,164,283	\$9,718,789,921	97%
<b>Total Means of Finance</b>	<b>\$14,211,356,513</b>	<b>\$13,131,511,478</b>	<b>92%</b>

\* Includes Medical Vendor Payments and Medical Vendor Administration

Source: Executive Budget Supporting Documents

# MEDICAID

## Federal Medical Assistance Percentage (FMAP)

### Medicaid Claims Payment FMAP History (blended)

FY 11-12	FY 12-13*	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18
69.35%	66.58%	62.96%	62.06%	62.17%	62.26 %	63.34 %

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

- Slight increase in federal matching percentage in FY 17-18 for a net savings of \$90 million in state general fund that is replaced with federal funding.
- Federal match on Medicaid Expansion population will be 95% in 2017 and 94% in 2018.
- 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.

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, Program Integrity, and Collections & Recovery.

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$78,093,014	\$101,829,357	\$118,413,627	\$16,584,270	16%
Interagency Trans	\$286,000	\$473,672	\$473,672	\$0	0%
Fees & Self Gen.	\$2,256,965	\$4,200,000	\$4,200,000	\$0	0%
Statutory Ded.	\$0	\$2,261,387	\$1,051,683	(\$1,209,704)	(53%)
Federal	\$167,106,588	\$301,552,351	\$399,396,879	\$97,844,528	32%
<b>Total</b>	<b>\$247,742,567</b>	<b>\$410,316,767</b>	<b>\$523,535,861</b>	<b>\$113,219,094</b>	<b>28%</b>
Positions	874	888	891	3	0%

### 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 - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$78,093,014	\$91,067,339	\$118,413,627	\$27,346,288	30%
Interagency Trans	\$286,000	\$473,672	\$473,672	\$0	0%
Fees & Self Gen.	\$2,256,965	\$4,200,000	\$4,200,000	\$0	0%
Statutory Ded.	\$0	\$2,261,387	\$1,051,683	(\$1,209,704)	(53%)
Federal	\$167,106,588	\$285,686,007	\$399,396,879	\$113,710,872	40%
<b>Total</b>	<b>\$247,742,567</b>	<b>\$383,688,405</b>	<b>\$523,535,861</b>	<b>\$139,847,456</b>	<b>36%</b>
Positions	874	888	891	3	0.3%

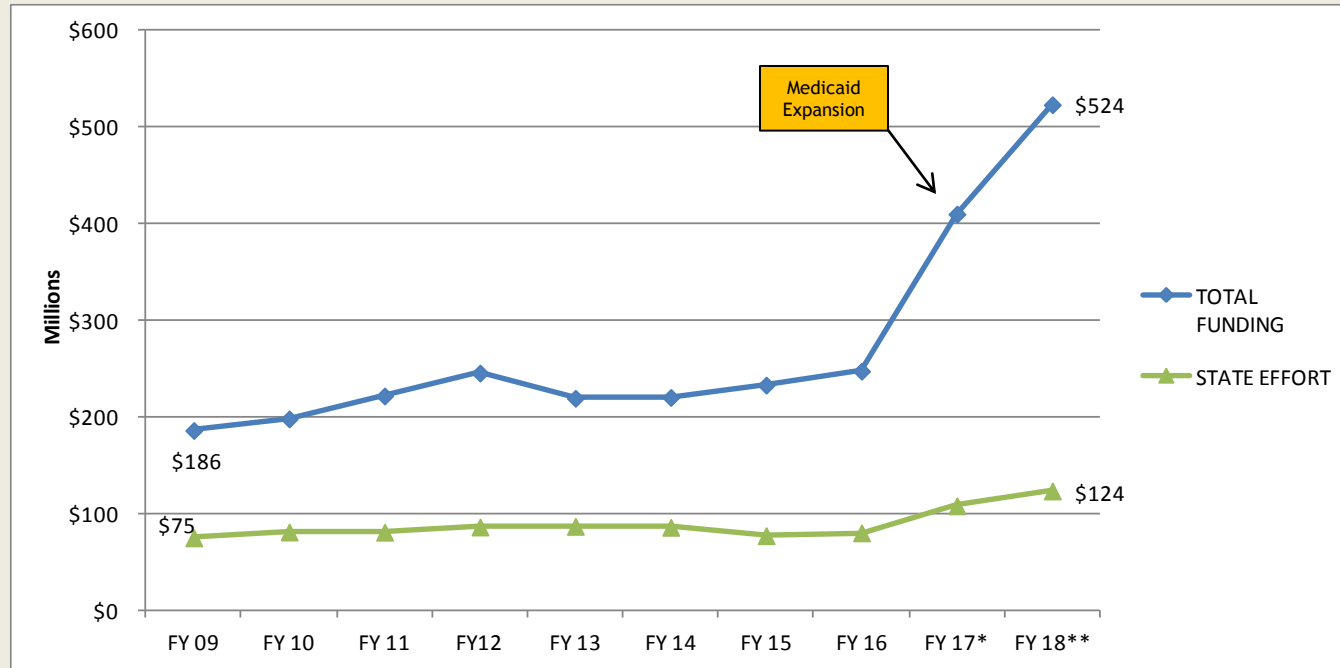
Change to FY 16-17 Existing Budget: **(\$10.76 million)** or **(2.6%)** of total budget

- 1<sup>st</sup> Deficit: **(\$6.8M)** - Contract reductions of \$4.7M and delay in enrollment broker contract of \$2.1M.
- 2<sup>nd</sup> Deficit: **(\$3.9M)** - Reduce various contracts and operating services.
- \$3.4 million of all cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# MEDICAL VENDOR ADMINISTRATION

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	181%
State Effort	65%

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# MEDICAL VENDOR ADMINISTRATION

Significant Budget Changes from FY 17 to FY 18 (in millions)

	SGF	SD	FED	TOTAL
Means of Finance Substitution	\$1.2	(\$1.2)	\$0.0	\$0.0
Contracts	\$3.3	\$0.0	\$3.4	\$6.7
Eligibility Systems	\$6.5	\$0.0	\$92.3	\$98.8
Transfer from Medicaid Payments	\$9.4	\$0.0	\$9.4	\$18.8
Annualize mid-year deficit	(\$3.4)	\$0.0	(\$8.1)	(\$11.5)
Other Adjustments	(\$0.5)	\$0.0	\$0.7	\$0.2
<b>Total Adjustments</b>	<b>\$16.5</b>	<b>(\$1.2)</b>	<b>\$97.7</b>	<b>\$113.0</b>

Increase 3 authorized positions due to conversion of 4 job appointments and loss of 1 unclassified position.

# MEDICAL VENDOR PAYMENTS

## 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.

### Louisiana Medicaid Annual Report

State Fiscal Year  
2014/15



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)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$2,053,493,691	\$2,347,201,044	\$2,101,425,001	(\$245,776,043)	(10%)
Interagency Trans	\$78,354,141	\$35,573,960	\$24,603,787	(\$10,970,173)	(31%)
Fees & Self Gen.	\$188,248,068	\$332,224,531	\$320,195,434	(\$12,029,097)	(4%)
Statutory Ded.	\$526,164,369	\$690,684,380	\$842,358,353	\$151,673,973	22%
Federal	\$5,471,133,787	\$7,601,175,451	\$9,319,393,042	\$1,718,217,591	23%
<b>Total</b>	<b>\$8,317,394,056</b>	<b>\$11,006,859,366</b>	<b>\$12,607,975,617</b>	<b>\$1,601,116,251</b>	<b>15%</b>
Positions	0	0	0	0	0%

### SOURCES OF REVENUE

- Federal funds are from Title XIX Medicaid, and match state funds at a rate of 63% federal and 37% state, or \$1.74 federal funds for every state \$1.00.
- The largest statutory dedications are from the Louisiana Medical Assistance Trust Fund at \$615M and the Tobacco Tax Medicaid Match Fund at \$132M.

# MEDICAL VENDOR PAYMENTS - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$2,053,493,691	\$1,988,399,038	\$2,101,425,001	\$113,025,963	6%
Interagency Trans	\$78,354,141	\$35,573,960	\$24,603,787	(\$10,970,173)	(31%)
Fees & Self Gen.	\$188,248,068	\$369,431,239	\$320,195,434	(\$49,235,805)	(13%)
Statutory Ded.	\$526,164,369	\$829,842,520	\$842,358,353	\$12,515,833	2%
Federal	\$5,471,133,787	\$7,118,503,509	\$9,319,393,042	\$2,200,889,533	31%
<b>Total</b>	<b>\$8,317,394,056</b>	<b>\$10,341,750,266</b>	<b>\$12,607,975,617</b>	<b>\$2,266,225,351</b>	<b>22%</b>
Positions	0	0	0	0	0%

Change to FY 16-17 Existing Budget: **(\$359 million)** or **(3.3%)** of total budget

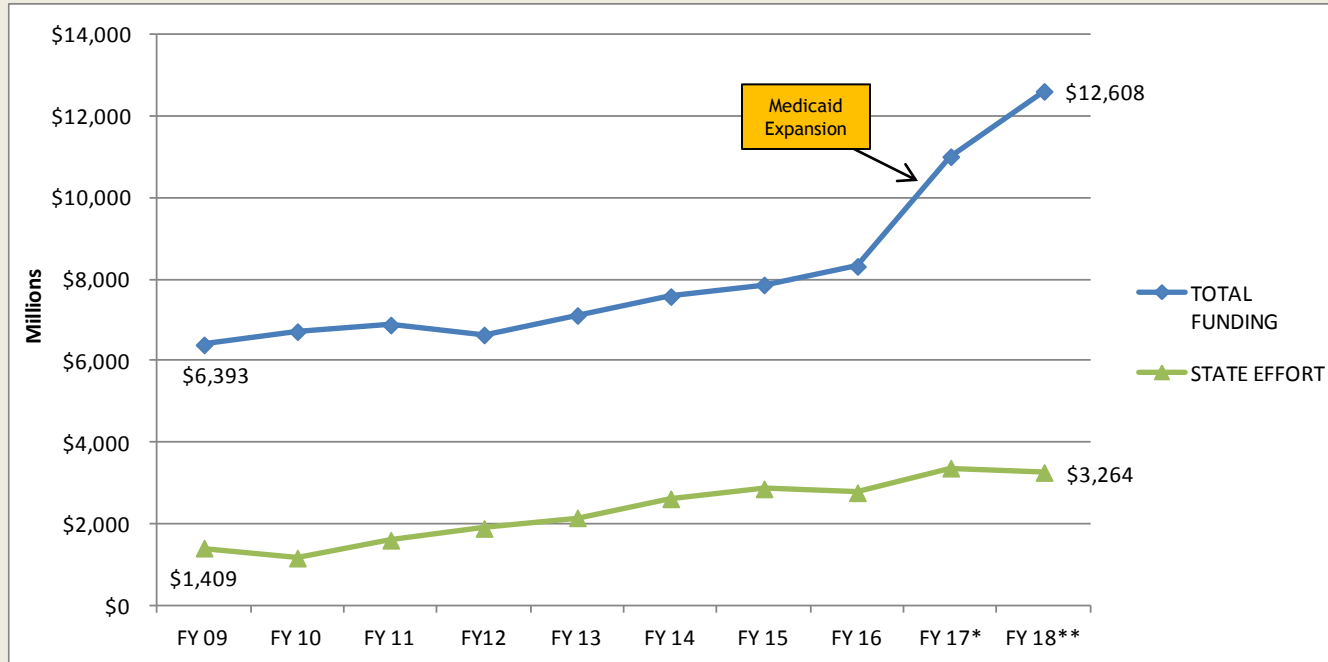
- 1<sup>st</sup> Deficit: **(\$238M)** - Pushed Medicaid payment of \$152M and did backfills of \$85M.
- 2<sup>nd</sup> Deficit: **(\$121M)** - \$90M in MOF swaps, \$17M in Medicaid surplus, pushed dental payment \$4.8M, and reduction to PPP hospitals of \$3.7M.
- \$48 million of all cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.



# MEDICAL VENDOR PAYMENTS

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	97%
State Effort	132%

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# CONTRIBUTORS TO MEDICAID GROWTH

	Fiscal Year 07-08	Fiscal Year 16-17*	Difference	% Difference
FMAP Rate	72.47%	62.26%	(10.21%)	(14%)
Enrollment	1,056,016	1,562,504	506,488	48%
Dual Eligible Costs	\$284 million	\$471 million	\$187 million	66%
Waivers	\$407 million	\$597 million	\$190 million	47%
Nursing Homes	\$692 million	\$1.1 billion	\$408 million	59%
Supplemental Payments	\$0	\$1.0 billion	\$1.0 billion	N/A
Expansion	\$0	\$1.5 billion	\$1.5 billion	N/A
TOTAL Medical Vendor Payments	\$6 billion	\$10 billion	\$4 billion	67%

Source: LDH

\* Enrollment is from enrollment trends report as of January 2017; FY 17 expenditures from activity reports as of 12/31/16

# 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.

## 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.

Program	FY 17-18 Executive Budget Recommendation	% of Total Medicaid Payments Budget
Private Providers	\$11,159,141,201	88.5%
Public Providers	\$220,763,218	1.8%
Medicare Buy-Ins	\$528,565,285	4.2%
Uncompensated Care Costs	\$699,505,913	5.5%
<b>Total</b>	<b>\$12,607,975,617</b>	<b>100%</b>

# MEDICAID - ADJUSTMENTS FROM FY 17 TO FY 18 (IN MILLIONS)

Adjustment	SGF	IAT	SGR	SD	FED	TOTAL
Means of Finance Substitution	(\$89)	(\$6)	\$25	(\$13)	\$84	\$0
Reduce payment pushed FY 16 to 17	(\$119)				(\$225)	(\$344)
Replace payment pushed FY 17 to 18	\$157				\$470	\$627
Healthy LA MCO	(\$181)		(\$59)	\$158	\$1,300	\$1,218
Annualize mid-year deficit changes	(\$18)		\$25	\$1	\$11	\$19
Public Private Partner 6% reduction	(\$31)				(\$54)	(\$84)
Rural Hospital Reduction	(\$6)				(\$10)	(\$16)
Utilization	\$14			\$0	\$28	\$42
Federal/State Mandate	\$35				\$33	\$68
Hospital Base Payment			(\$1)		\$162	\$161
Other Adjustments	(\$8)	(\$5)	(\$2)	\$6	(\$73)	(\$82)
<b>Total Adjustments</b>	<b>(\$246)</b>	<b>(\$11)</b>	<b>(\$12)</b>	<b>\$152</b>	<b>\$1,726</b>	<b>\$1,609</b>

# FY 18 MEDICAID ACTIVITY SUMMARY (IN MILLIONS)

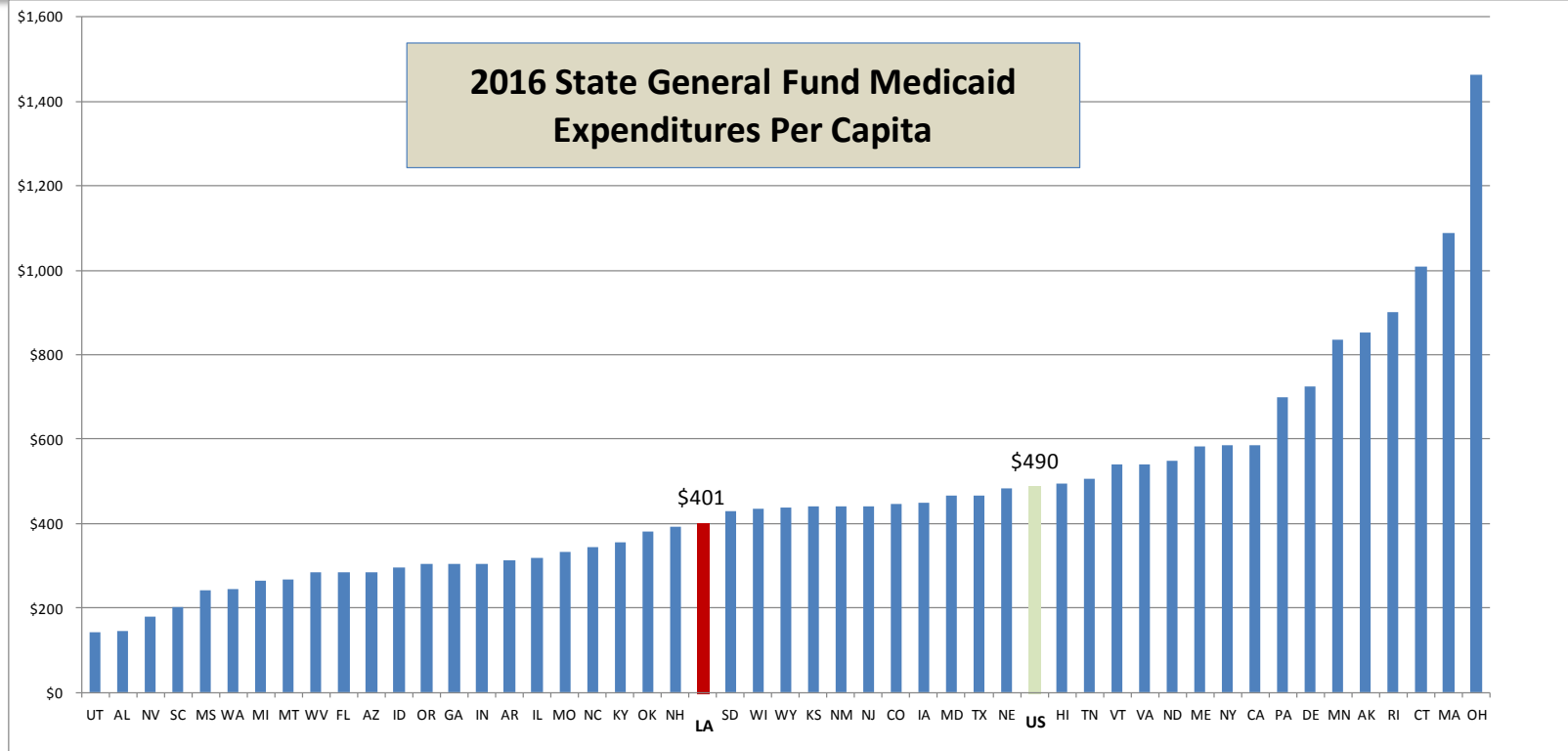
	SGF	Other Match	FED	TOTAL
Mandatory Services	\$682	\$556	\$2,462	\$3,700
Optional Services	\$715	\$38	\$1,424	\$2,177
Optional Populations	\$239	\$115	\$658	\$1,012
Expansion (optional)	\$0	\$208	\$3,571	\$3,779
Supplemental Payments (mostly optional)	\$57	\$226	\$582	\$865
<b>Subtotal Public and Private Providers</b>	<b>\$1,693</b>	<b>\$1,143</b>	<b>\$8,697</b>	<b>\$11,533</b>
Medicare Buy-Ins (mostly mandatory)	\$283	\$0	\$245	\$528
Uncompensated Care Costs (mostly optional)	\$125	\$44	\$376	\$545
<b>Medicaid Payments Total</b>	<b>\$2,101</b>	<b>\$1,187</b>	<b>\$9,318</b>	<b>\$12,606</b>

Source: LDH; FY 17-18 Executive Budget; rounding may affect totals

# MEDICAID EXPANSION

- Implemented in July 2016
- Adults up to 138% of poverty (about \$33,000 annually for a family of 4)
- 411,221 enrollees as of March 20, 2017
- 95% federal match in calendar year 2017, 94% in 2018, 93% in 2019 and 90% 2020 and beyond
- LDH Medicaid expansion dashboard <http://ldh.la.gov/healthyladashboard/>

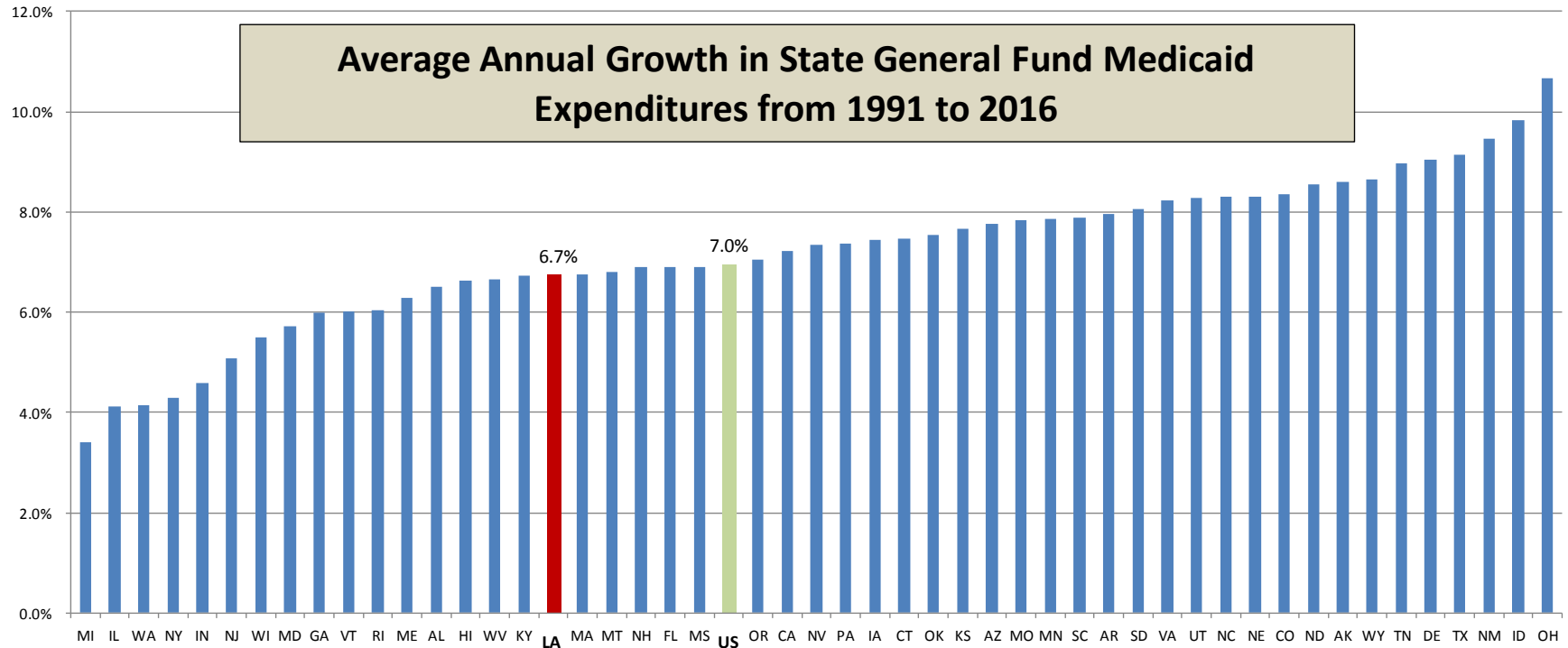
# MEDICAID COMPARISONS



SOURCE: National Association of State Budget Officers. This data is proprietary to the National Association of State Budget Officers. This data has been modified by the House Fiscal Division.

# MEDICAID COMPARISONS

**Average Annual Growth in State General Fund Medicaid Expenditures from 1991 to 2016**



**SOURCE:** National Association of State Budget Officers. This data is proprietary to the National Association of State Budget Officers. This data has been modified by the House Fiscal Division.



# AUDIT FINDINGS

## Violations of Medicaid dental program rules

- Recommendation to strengthen oversight of program, including process for identifying and preventing payments that violate program rules

## Medicaid recipient eligibility - managed care and Louisiana residency

- Recommendation to strengthen processes to ensure managed care monthly premiums are paid only for eligible recipients, especially related to instate residency

## Consecutive year findings

- Noncompliance with processes that identify and recover claims when a third party is liable
- Inaccurate completion of quarterly federal expenditure reports
- Waiver service claims paid without proper documentation
- Noncompliance with cost containment and monitoring of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program
- Inadequate monitoring of WIC program subrecipients
- Inadequate controls over state reporting of subrecipients for federal awards related to public health activities
- Inadequate internal audit function

# 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	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$42,546,640	\$43,647,958	\$47,196,802	\$3,548,844	8%
Interagency Trans	\$6,637,216	\$10,323,249	\$7,955,554	(\$2,367,695)	(23%)
Fees & Self Gen.	\$27,604,612	\$38,271,850	\$47,923,983	\$9,652,133	25%
Statutory Ded.	\$6,140,334	\$7,040,956	\$8,040,956	\$1,000,000	14%
Federal	\$243,903,377	\$278,337,191	\$276,843,795	(\$1,493,396)	(1%)
<b>Total</b>	<b>\$326,832,179</b>	<b>\$377,621,204</b>	<b>\$387,961,090</b>	<b>\$10,339,886</b>	<b>3%</b>
Positions	1,165	1,204	1,196	(8)	(1%)

Major Budget Changes: \$2M increase in General Fund to continue efforts provided through a federal Zika grant; \$1.4M increase in general fund to replace decreasing Telecommunications for the Deaf Fund; \$6.7M increase in Self-gen funds for increases in drinking water fees per Act 605 of 2016 Regular Session; \$3M increase in Self-gen authority due to a change in the revenue stream from Managed Care Plans (this offsets IAT decrease of same amt); 12 position decrease for closure of EBR Parish Health Unit and 4 positions transferred in from Office of the Secretary for La. Commission for the Deaf.

### SOURCES OF REVENUE

- Interagency Transfers come from the Medicaid Program.
- Fees & Self-Generated funds are mainly from Safe Drinking Water and vital records fees, permit fees on retail food outlets, patient fees or 3<sup>rd</sup> party reimbursements for medical services, rebates, and local funds for parish health units.
- Statutory Dedications come largely from the Louisiana Fund (\$6.8M) and the Telecommunications for the Deaf Fund (\$1M).
- Federal funds come mainly from the USDA Commodity Supplemental Food and WIC Program and from grants for STD & AIDS Prevention.

# OFFICE OF PUBLIC HEALTH - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$42,546,640	\$42,172,926	\$47,196,802	\$5,023,876	12%
Interagency Trans	\$6,637,216	\$10,323,249	\$7,955,554	(\$2,367,695)	(23%)
Fees & Self Gen.	\$27,604,613	\$38,271,850	\$47,923,983	\$9,652,133	25%
Statutory Ded.	\$6,140,334	\$7,040,956	\$8,040,956	\$1,000,000	14%
Federal	\$243,903,377	\$279,337,191	\$276,843,795	(\$2,493,396)	(1%)
<b>Total</b>	<b>\$326,832,180</b>	<b>\$377,146,172</b>	<b>\$387,961,090</b>	<b>\$10,814,918</b>	<b>3%</b>
Positions	1,165	1,204	1,196	(8)	(1%)

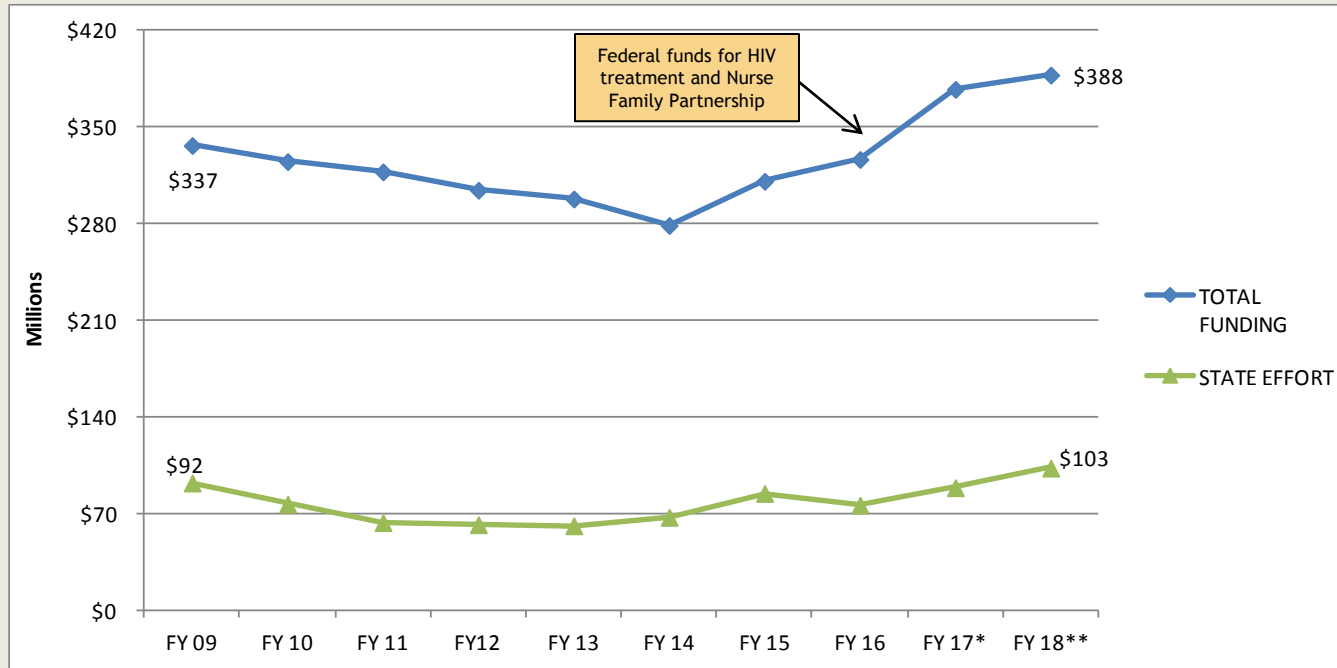
Change to FY 16-17 Existing Budget: **(\$475,032)** or **(0.1%)** of total budget

- 1<sup>st</sup> Deficit: **(\$108,005)** - Expenditure reduction to travel and supplies.
- 2<sup>nd</sup> Deficit: **(\$367,027)** - Attrition (\$342,713), contract reduction (\$13,814) and operating service and equipment replacement reductions (\$10,625).
- \$82,827 of all cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# OFFICE OF PUBLIC HEALTH

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	15%
State Effort	12%

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# OFFICE OF AGING AND ADULT SERVICES

## SERVICES

**Resources.  
Solutions.  
Connections.**

## 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.

The Office of Aging and Adult Services has the following activities: Executive Admin., Long-Term Supports and Services, Adult Protective Services, Nursing Facility Admissions Review, Permanent Supportive Housing, Money Follows the Person, Disaster Case Management, Villa Felician Medical Complex, Traumatic Head and Spinal Cord Injury Trust Fund, Independent Living Program, Nursing Facility Quality Initiatives, and Auxiliary Fund.

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$14,158,082	\$16,583,162	\$16,294,897	(\$288,265)	(2%)
Interagency Trans	\$22,225,194	\$26,929,588	\$29,437,397	\$2,507,809	9%
Fees & Self Gen.	\$1,171,251	\$1,197,437	\$1,197,437	\$0	0%
Statutory Ded.	\$2,030,524	\$2,445,812	\$3,045,812	\$600,000	25%
Federal	\$0	\$452,991	\$868,196	\$415,205	92%
<b>Total</b>	<b>\$39,585,051</b>	<b>\$47,608,990</b>	<b>\$50,843,739</b>	<b>\$3,234,749</b>	<b>7%</b>
Positions	382	387	383	(4)	(1%)

Major Budget Changes: See next page. Net position decrease of 4 includes the transfer of 39 positions to the Governor's Office of Elderly Affairs, increase of 32 positions to respond to Justice Department findings regarding care, and making 3 temporary positions permanent in the Compliance and Audit Team to assess cases to ensure participants meet program eligibility requirements and to detect potential fraud.

## 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 (\$1.6M) and the Nursing Home Residents' Trust Fund (\$1.4M).

# OFFICE OF AGING AND ADULT SERVICES - SIGNIFICANT ADJUSTMENTS



\$3.4 million  
General Fund  
\$415,205 FED

Increase State General Fund and Federal Funds for the costs (including 32 new authorized positions) of creating a system of care in response to the Department of Justice Findings.



\$3 million  
General Fund

Decrease State General Fund to transfer funding and 39 positions to the Governor's Office of Elderly Affairs for the Elderly Protective Service activity.



\$1 million  
Interagency  
Transfers

Funding from the Office of Behavioral Health for eight beds at the Villa Feliciana Medical Complex for hospital-based physical care service beds for Eastern Louisiana Mental Health System clients.



\$600,000  
Statutory  
Dedication

Increase in Nursing Home Residents Trust Fund to provide demonstration projects to improve the quality of care of Louisiana's nursing home facilities. This will increase the expenditures out of the fund from \$800,000 to \$1.4 million. The fund balance is \$11 million with annual revenues at \$1.3 million.

# AGING AND ADULT SERVICES - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$14,158,082	\$15,467,235	\$16,294,897	\$827,662	5%
Interagency Trans	\$22,225,194	\$26,929,588	\$29,437,397	\$2,507,809	9%
Fees & Self Gen.	\$1,171,251	\$1,159,119	\$1,197,437	\$38,318	3%
Statutory Ded.	\$2,030,524	\$2,445,812	\$3,045,812	\$600,000	25%
Federal	\$0	\$452,991	\$868,196	\$415,205	92%
<b>Total</b>	<b>\$39,585,051</b>	<b>\$46,454,745</b>	<b>\$50,843,739</b>	<b>\$4,388,994</b>	<b>9%</b>
Positions	382	387	383	(4)	(1%)

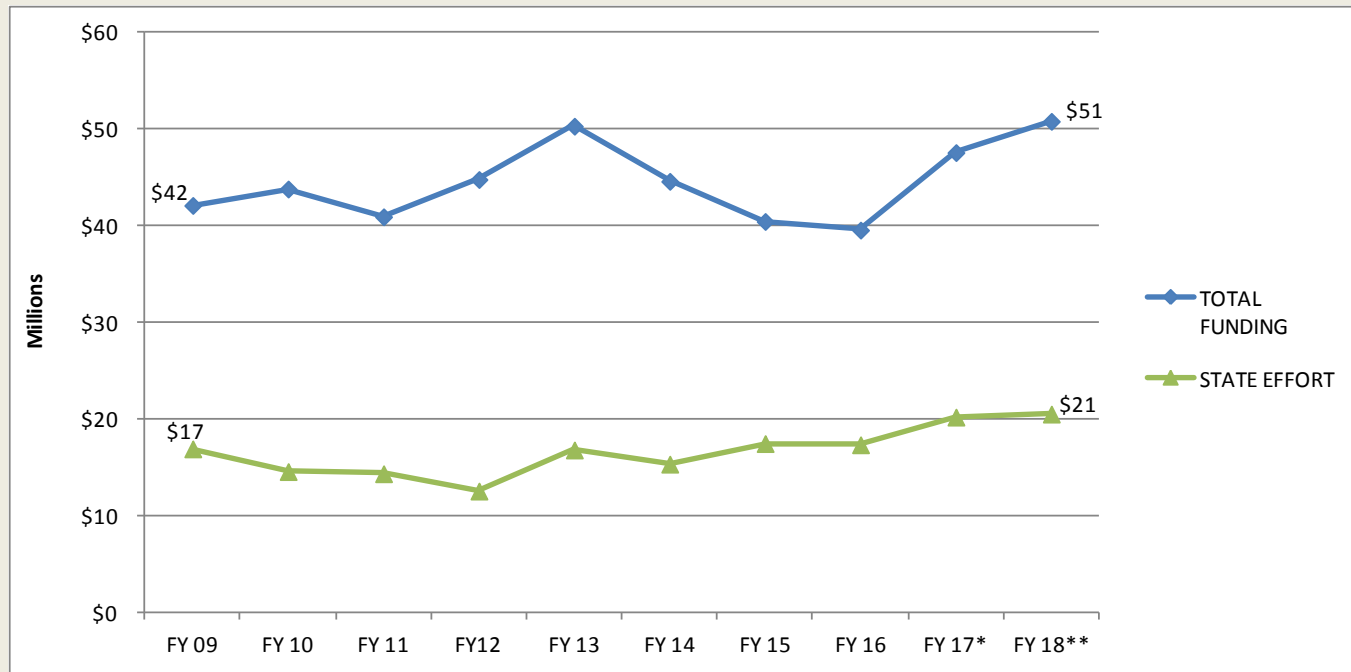
Change to FY 16-17 Existing Budget: **(\$1.1 million)** or **(2.4%)** of total budget

- 1<sup>st</sup> Deficit: **(\$620,275)** - Expenditure freeze savings.
- 2<sup>nd</sup> Deficit: **(\$533,970)** - Reduce Traumatic Head and Spinal Cord Program (\$421,311) reduce professional services (\$30,000) and reduce travel (\$8,500).
- \$484,485 of the cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# OFFICE OF AGING AND ADULT SERVICES

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	21%
State Effort	21%

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation



# 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 provide programmatic leadership necessary in the design and development of services to afford people with developmental disabilities and their families a seamless services system that is responsive to both individual needs and desires.

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$23,735,077	\$25,623,579	\$22,811,888	(\$2,811,691)	(11%)
Interagency Trans	\$107,940,460	\$108,701,649	\$117,755,422	\$9,053,773	8%
Fees & Self Gen.	\$373,746	\$4,042,994	\$4,054,471	\$11,477	0%
Statutory Ded.	\$0	\$0	\$0	\$0	0%
Federal	\$1,279,384	\$6,412,027	\$6,755,851	\$343,824	5%
<b>Total</b>	<b>\$133,328,667</b>	<b>\$144,780,249</b>	<b>\$151,377,632</b>	<b>\$6,597,383</b>	<b>5%</b>
Positions	1,352	1,406	1,487	81	6%

Major Budget Changes: \$1.5 million decrease in General Fund to adjust for screenings anticipated for FY 18; \$1 million decrease in General Fund to restrict enrollment in Early Steps Program; \$397,253 decrease in General Fund to annualize mid-year cuts; Interagency Transfers increased to fully fund salaries, retirement rate increases and for 81 new positions to meet staffing ratio requirements at Pinecrest Supports and Services Center.

### SOURCES OF REVENUE

- Interagency Transfers come from Title XIX Medicaid from Medical Vendor Payments.
- Fees and Self-generated Revenue includes collections from patients at Pinecrest who were determined by Medicaid to owe a portion of their cost of care, sale of merchandise, Early Steps Family cost participation, and other miscellaneous receipts.

# OFFICE FOR CITIZENS W/DEVELOPMENTAL DISABILITIES - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$23,735,077	\$24,709,895	\$22,811,888	(\$1,898,007)	(8%)
Interagency Trans	\$107,940,460	\$108,701,649	\$117,755,422	\$9,053,773	8%
Fees & Self Gen.	\$373,746	\$4,042,994	\$4,054,471	\$11,477	0%
Statutory Ded.	\$0	\$0	\$0	\$0	0%
Federal	\$1,279,384	\$6,412,027	\$6,755,851	\$343,824	5%
<b>Total</b>	<b>\$133,328,667</b>	<b>\$143,866,565</b>	<b>\$151,377,632</b>	<b>\$7,511,067</b>	<b>5%</b>
Positions	1,352	1,406	1,487	81	6%

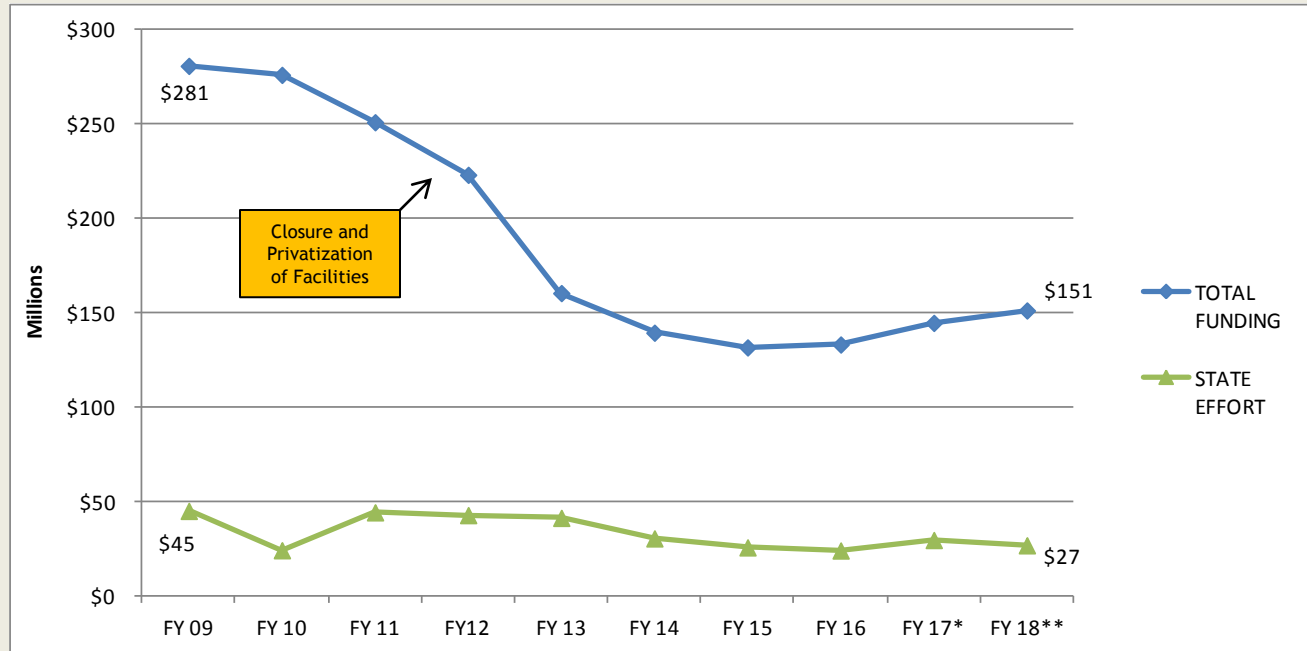
Change to FY 16-17 Existing Budget: **(\$913,684)** or **(0.6%)** of total budget

- 1<sup>st</sup> Deficit: **(\$34,363)** - expenditure freeze savings.
- 2<sup>nd</sup> Deficit: **(\$879,321)** - eliminate GNO Resource Ctr. Dental Services; savings from vacancies; savings in delaying implementation of requests for registry.
- \$397,253 of all cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# OFFICE FOR CITIZENS W/DEVELOPMENTAL DISABILITIES

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(46%)
State Effort	(40%)

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# 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	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$495,439	\$507,076	\$507,067	(\$9)	(0%)
Interagency Trans	\$0	\$0	\$0	\$0	0%
Fees & Self Gen.	\$0	\$0	\$0	\$0	0%
Statutory Ded.	\$0	\$0	\$0	\$0	0%
Federal	\$1,170,756	\$1,480,442	\$1,555,358	\$74,916	5%
<b>Total</b>	<b>\$1,666,195</b>	<b>\$1,987,518</b>	<b>\$2,062,425</b>	<b>\$74,907</b>	<b>4%</b>
Positions	8	8	8	0	0%

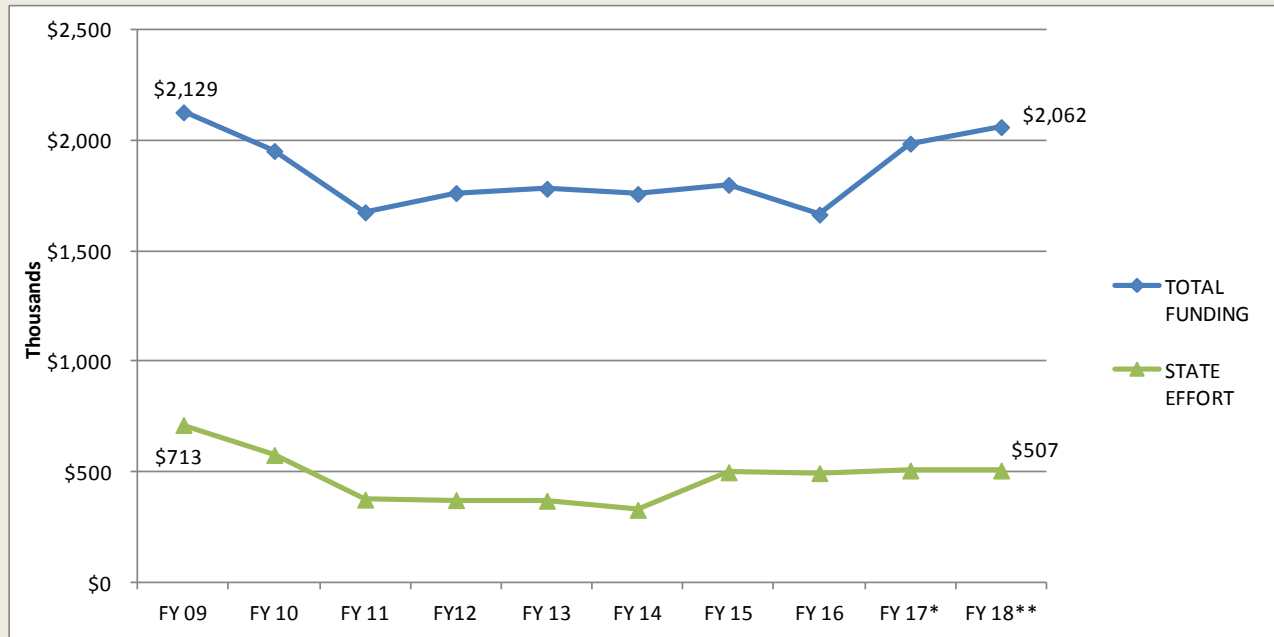
### SOURCES OF REVENUE

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

Major Budget Changes: The increase in federal funds is largely due to a federal disabilities grant to fund contracts and administrative expenditures for the disability initiatives around the state.

# DEVELOPMENTAL DISABILITIES COUNCIL

## 10 YEAR BUDGET HISTORY



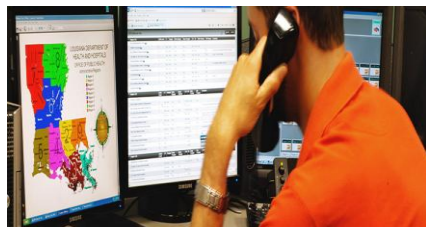
Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(3%)
State Effort	(29%)

# 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	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$1,611,349	\$1,579,615	\$1,576,253	(\$3,362)	(0.2%)
Interagency Trans	\$32,853	\$69,900	\$49,900	(\$20,000)	(29%)
Fees & Self Gen.	\$0	\$0	\$0	\$0	0%
Statutory Ded.	\$188,718	\$0	\$0	\$0	0%
Federal	\$0	\$0	\$0	\$0	0%
<b>Total</b>	<b>\$1,832,920</b>	<b>\$1,649,515</b>	<b>\$1,626,153</b>	<b>(\$23,362)</b>	<b>(1%)</b>
Positions	7	7	7	0	0%

Major Budget Changes: General Fund increases for retirement rate adjustment, Risk Management costs, and Office of State Procurement charges were offset by a decrease in contracts and operating expenditures. The \$20,000 decrease in Interagency Transfers is due to nonrecurring of a La. Highway Safety Commission grant used for a two-day National Highway Traffic Safety Administration recommended trauma course.

### 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 - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$1,611,349	\$1,551,990	\$1,576,253	\$24,263	2%
Interagency Trans	\$32,853	\$69,900	\$49,900	(\$20,000)	(29%)
Fees & Self Gen.	\$0	\$0	\$0	\$0	0%
Statutory Ded.	\$188,718	\$0	\$0	\$0	0%
Federal	\$0		\$0	\$0	0%
<b>Total</b>	<b>\$1,832,920</b>	<b>\$1,621,890</b>	<b>\$1,626,153</b>	<b>\$4,263</b>	<b>0%</b>
Positions	7	7	7	0	0%

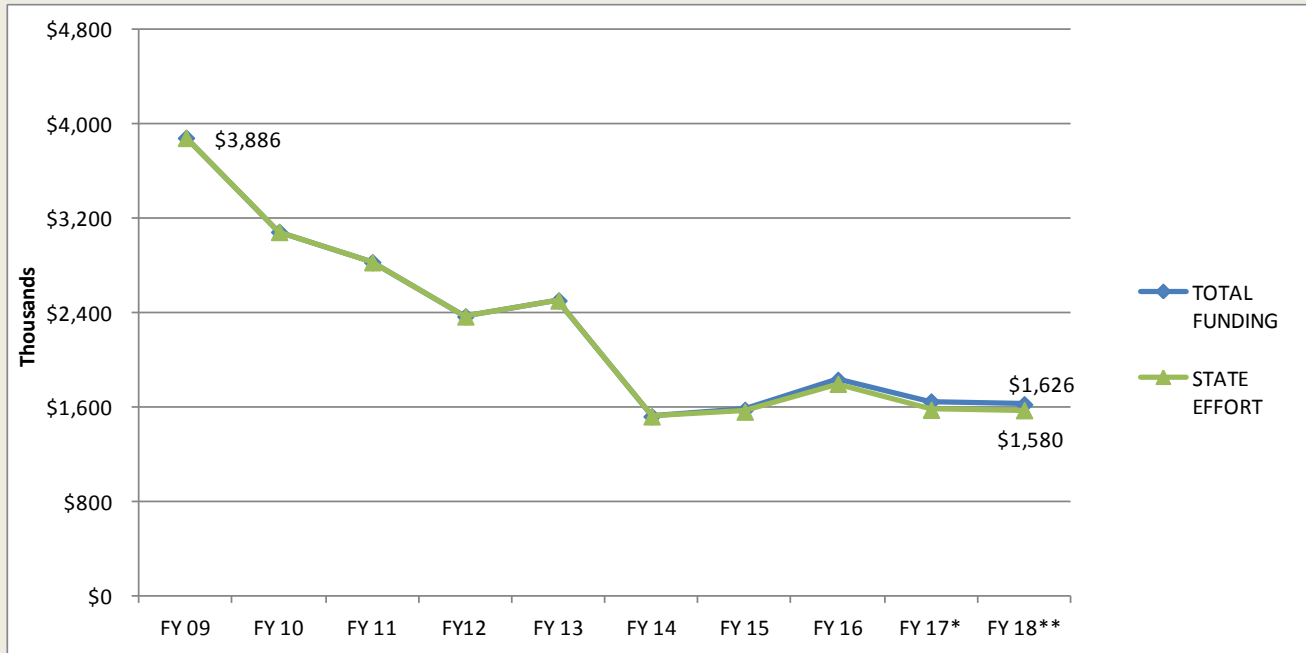
Change to FY 16-17 Existing Budget: **(\$27,625)** or **(1.7%)** of total budget

- 1<sup>st</sup> Deficit: \$0
- 2<sup>nd</sup> Deficit: **(\$27,625)** - delayed implementation of the Stop the Bleed Initiative (\$21,688) and decreased educational materials provided to hospitals by \$5,937.
- \$25,000 of the cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# LOUISIANA EMERGENCY RESPONSE NETWORK

## 10 YEAR BUDGET HISTORY



Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(58%)
State Effort	(59%)



# 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	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$105,032,482	\$109,207,641	\$104,047,126	(\$5,160,515)	(5%)
Interagency Trans	\$62,338,577	\$67,281,523	\$70,698,565	\$3,417,042	5%
Fees & Self Gen.	\$1,268,648	\$758,434	\$505,309	(\$253,125)	(33%)
Statutory Ded.	\$4,696,749	\$6,090,298	\$5,190,487	(\$899,811)	(15%)
Federal	\$27,760,017	\$46,819,388	\$45,714,563	(\$1,104,825)	(2%)
<b>Total</b>	<b>\$201,096,473</b>	<b>\$230,157,284</b>	<b>\$226,156,050</b>	<b>(\$4,001,234)</b>	<b>(2%)</b>
Positions	1,330	1,422	1,410	(12)	(1%)

Major Budget Changes: \$4.7 million General Fund reduction to annualize mid-year cuts; \$1.7 million General Fund decrease for Risk Management premiums; \$3.2 million IAT increase to annualize Eastern La. Mental Health System redesign and expansion; reduce Stat. Deds by \$900,000 to properly align budget with projected collections; decrease federal funds due to expiration of a grant for State Adolescent Treatment Enhancement and Dissemination Program.

### 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 (\$2.6M) and the Compulsive and Problem Gaming Fund (\$2.6M).

# OFFICE OF BEHAVIORAL HEALTH - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$105,032,482	\$104,774,283	\$104,047,126	(\$727,157)	(1%)
Interagency Trans	\$62,338,577	\$67,281,523	\$70,698,565	\$3,417,042	5%
Fees & Self Gen.	\$1,268,648	\$758,434	\$505,309	(\$253,125)	(33%)
Statutory Ded.	\$4,696,749	\$6,090,298	\$5,190,487	(\$899,811)	(15%)
Federal	\$27,760,017	\$46,819,388	\$45,714,563	(\$1,104,825)	(2%)
<b>Total</b>	<b>\$201,096,473</b>	<b>\$225,723,926</b>	<b>\$226,156,050</b>	<b>\$432,124</b>	<b>0%</b>
Positions	1,330	1,422	1,410	(12)	(1%)

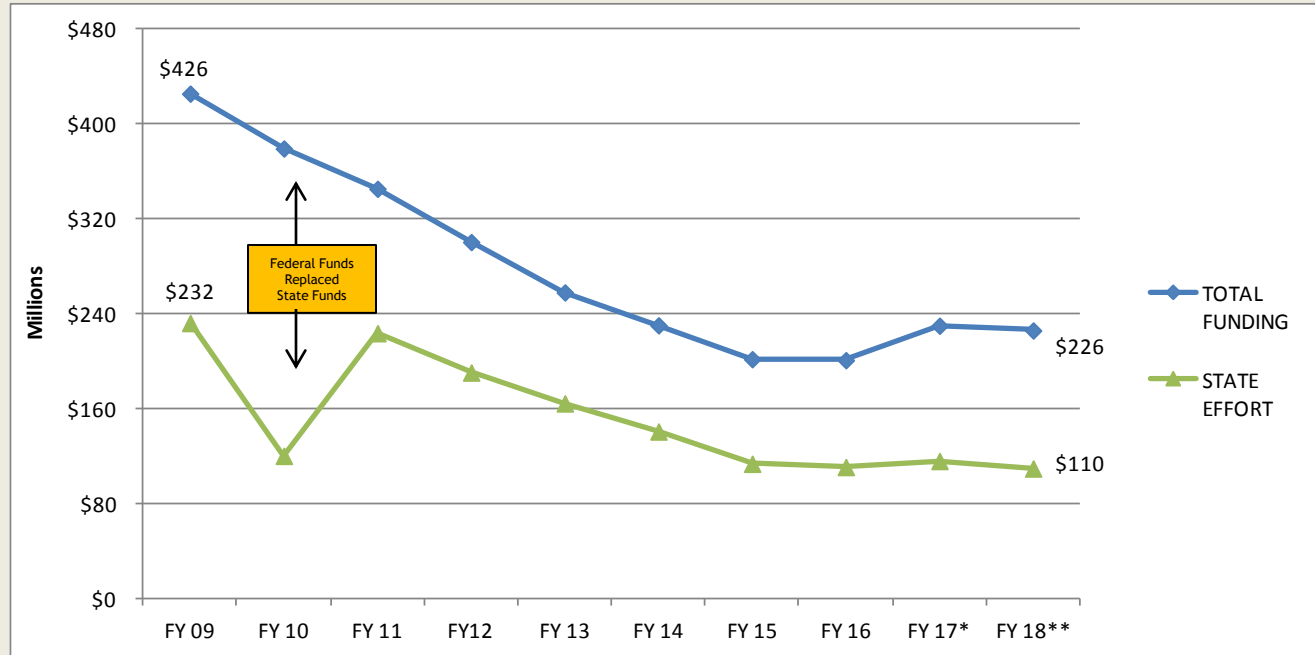
Change to FY 16-17 Existing Budget: **(\$4.4 million)** or **(1.9%)** of total budget

- 1<sup>st</sup> Deficit: **(\$1,559,019)** - expenditure freeze savings.
- 2<sup>nd</sup> Deficit: **(\$2,874,339)** - savings from attrition, travel, contract elimination, reduction in pharmacy supplies, and elimination of Access to Recovery and Care Authorization Management activity.
- \$4.7 million of all cuts were annualized in FY 18.

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# OFFICE OF BEHAVIORAL HEALTH

## 10 YEAR BUDGET HISTORY



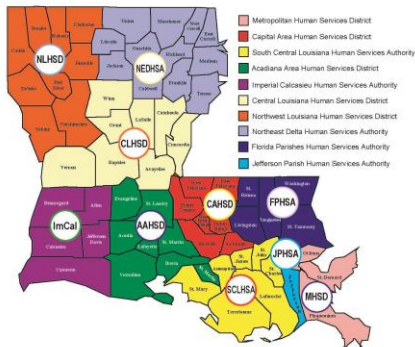
Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(47%)
State Effort	(53%)

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16  
 \*\* Governor's Executive Budget Recommendation

# 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. They are funded by appropriations from the state and provided through memoranda of agreement with the program offices of the department.

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 12/1/16	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$120,985,617	\$123,759,264	\$119,889,999	(\$3,869,265)	(3%)
Interagency Trans	\$35,132,542	\$39,670,705	\$40,308,403	\$637,698	2%
Fees & Self Gen.	\$16,429,427	\$21,942,701	\$19,056,979	(\$2,885,722)	(13%)
Statutory Ded.	\$0	\$0	\$0	\$0	0%
Federal	\$1,355,052	\$2,152,056	\$1,755,001	(\$397,055)	(18%)
<b>Total</b>	<b>\$173,902,638</b>	<b>\$187,524,726</b>	<b>\$181,010,382</b>	<b>(\$6,514,344)</b>	<b>(3%)</b>
Positions	No authorized positions for the H.S.A.'s				

Major Budget Changes: \$3 million decrease in General Fund to annualize mid-year cuts for deficits; \$2.2 million General Fund decrease for operating services; \$1.8 million increase in General Fund for statewide adjustments including retirement rate, attrition, salary base, related benefits base, audit fees, Civil Service, Technology Services, and State Procurement; IAT increase properly aligns Medicaid payments; Fees/Self-Generated decrease is to realign authority with projected collections; reduction in federal authority for Medicare revenue because it is collected as Self-Generated funds.

### 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 Managed Care Organizations and from clients not eligible for Medicaid or Medicare services.

# HUMAN SERVICES AUTHORITIES/DISTRICTS - MOF (AFTER DEFICITS)

Means of Finance	FY 15-16 Actual Expenditures	FY 16-17 Existing Operating Budget 3/1/17	FY 17-18 Recommended	Change from Existing	% Change
General Fund	\$120,985,617	\$112,756,094	\$119,889,999	\$7,133,905	6%
Interagency Trans	\$35,132,542	\$39,670,705	\$40,308,403	\$637,698	2%
Fees & Self Gen.	\$16,429,427	\$23,475,797	\$19,056,979	(\$4,418,818)	(19%)
Statutory Ded.	\$0	\$0	\$0	\$0	0%
Federal	\$1,355,052	\$2,152,056	\$1,755,001	(\$397,055)	(18%)
<b>Total</b>	<b>\$173,902,638</b>	<b>\$178,054,652</b>	<b>\$181,010,382</b>	<b>\$2,955,730</b>	<b>2%</b>
Positions	No authorized positions for the H.S.A.'s				

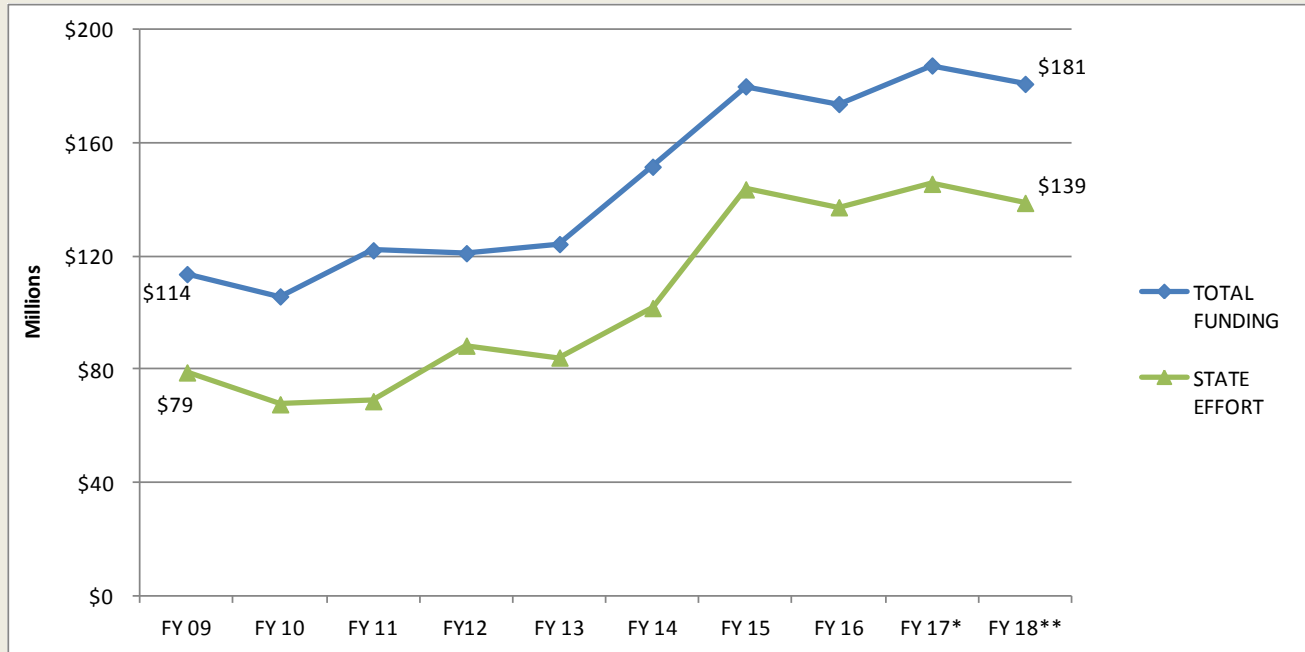
Change to FY 16-17 Existing Budget: **(\$11 million)** or **(5.9%)** of total budget

- 1<sup>st</sup> Deficit: **(\$2.7 million)** - expenditure freeze savings, acquisitions, supplies, travel, attrition, and vehicle maintenance.
- 2<sup>nd</sup> Deficit: **(\$8.3 million)** - savings from vacant positions, reductions in travel, maintenance, IT equipment, pharmacy, contracts, and services for psychiatric support and treatment.
- \$3 million of all cuts were annualized in FY 18

These comparisons are to the Existing Operating Budget at March 1, 2017 which includes all adjustments since December 1, 2016 including the two mid-year deficit reductions.

# HUMAN SERVICES AUTHORITIES/DISTRICTS

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	59%
State Effort	76%

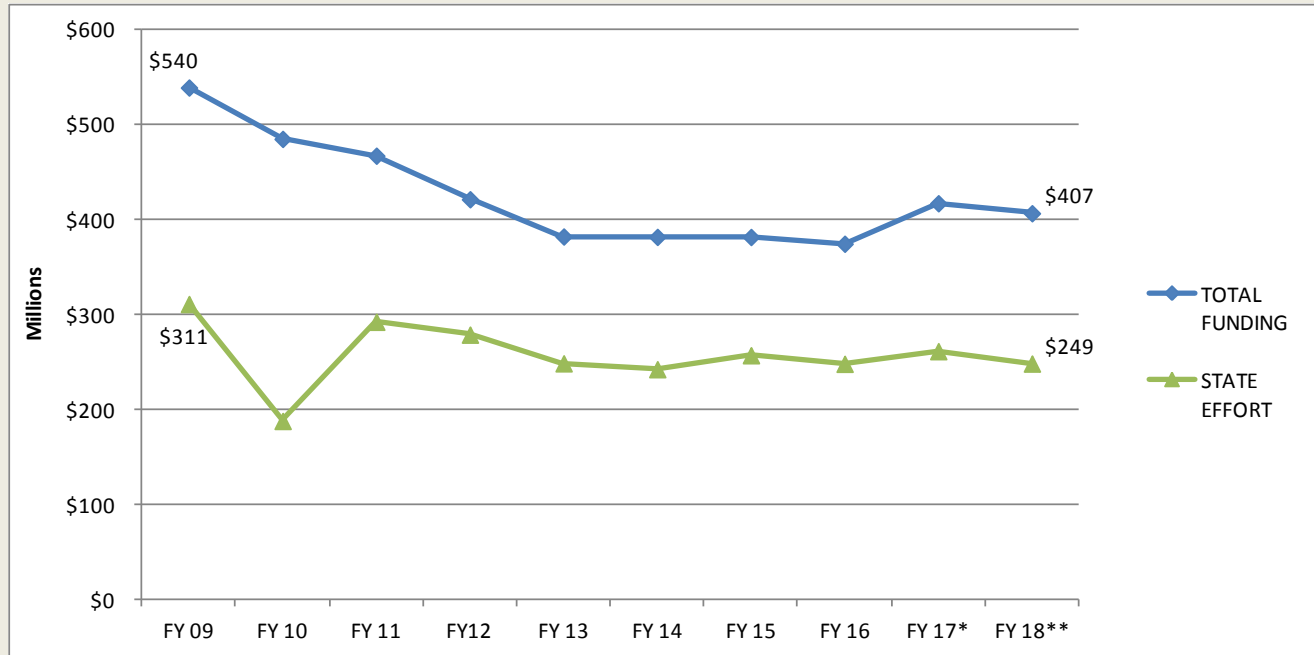
Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

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

## 10 YEAR BUDGET HISTORY



Means of Finance	Percent Change FY 09 to FY 18
Total Funding	(20%)
State Effort	(8%)

Source: Executive Budget Supporting Documents

\* Existing Operating Budget as of 12/1/16

\*\* Governor's Executive Budget Recommendation

# DEPARTMENT CONTACTS



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Mr. Jeff Reynolds  
Undersecretary  
225-342-6726



Ms. Michelle Alletto  
Deputy Secretary  
225-342-7092



# DEPARTMENT CONTACTS

AGENCY	Agency Head	Phone
Medical Vendor Administration/Payments	Jen Steele	225-342-9240
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	Richard Kramer	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	Michael DeCaire	318-487-5191
Northwest La. Human Services Authority	Doug Efferson	318-862-3086