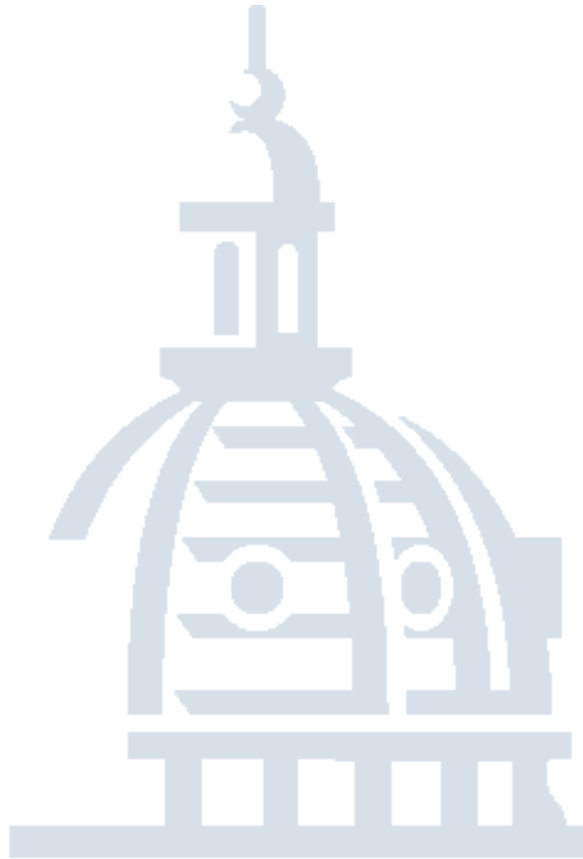

**HEALTH AND HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE
DETAILED ANALYSIS OF THE
FY 2014 GOVERNOR'S RECOMMENDATIONS**



FISCAL SERVICES DIVISION

JANUARY 2013



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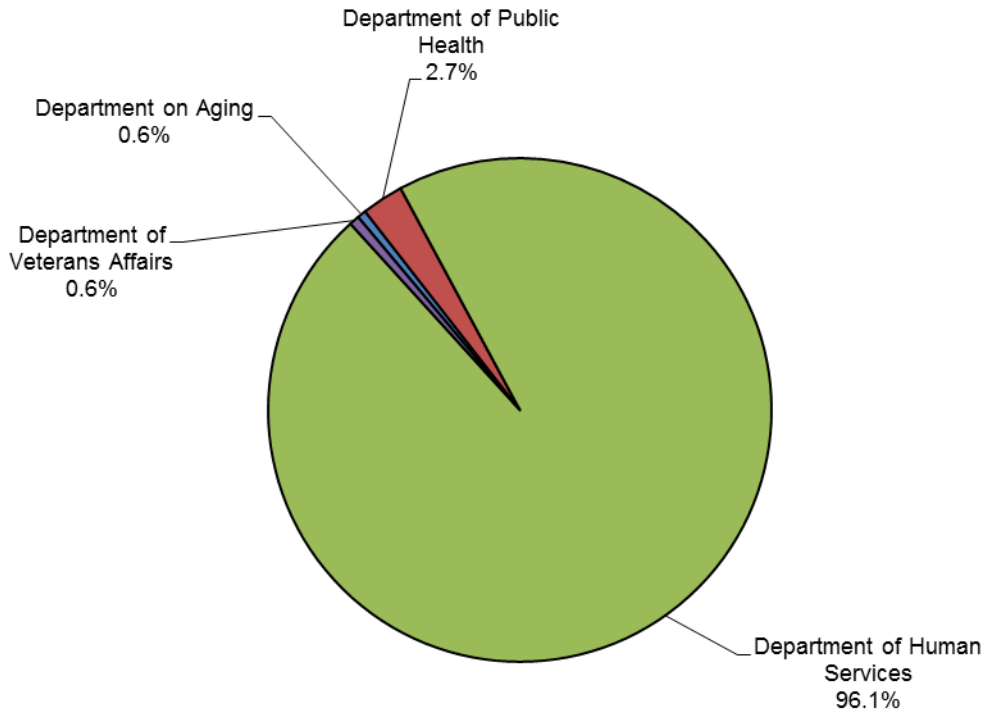
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FY 2014 Governor's General Fund Recommendations



FY 2014 Governor's General Fund Recommendations

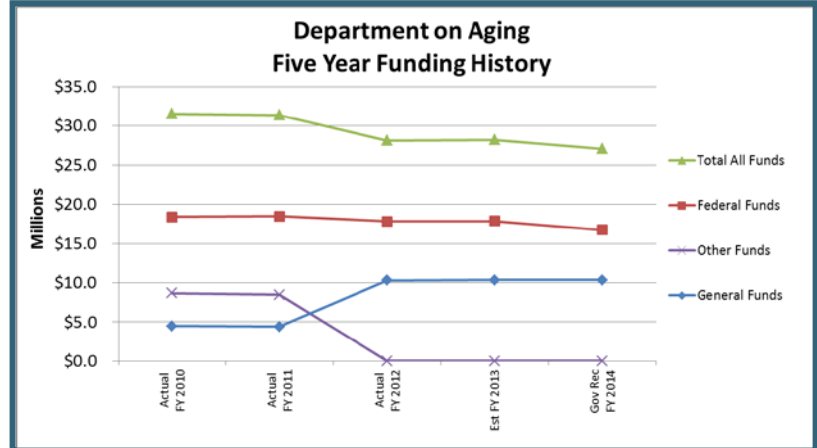
Department on Aging	\$ 10,342,086
Department of Public Health	48,948,269
Department of Human Services	1,754,431,909
Department of Veterans Affairs	11,721,638
	<u>\$ 1,825,443,902</u>

DEPARTMENT ON AGING

Overview and Funding History

Agency Overview: The Department on Aging is designated as the State Unit on Aging. The Department advocates for lowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older lowans through the 13 local Area Agencies on Aging across the State.

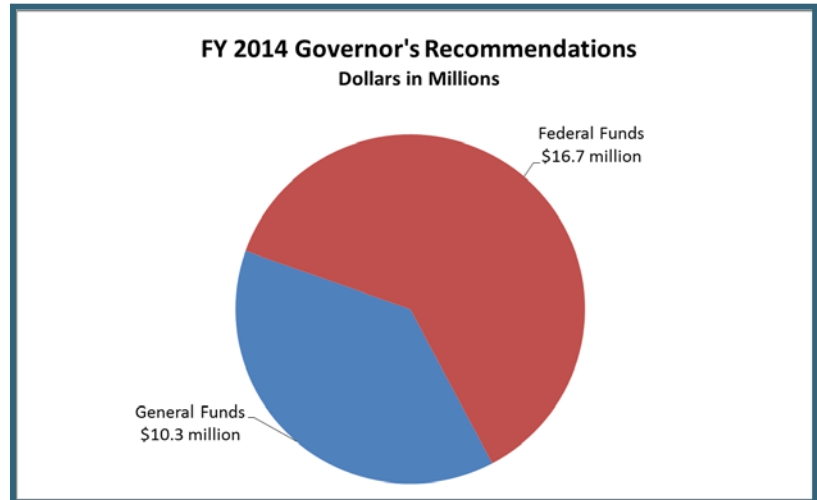
Funding History: State Funding for the Department on Aging has declined by approximately \$3.5 million since FY 2011 due mainly to budget reductions. Federal funding has remained relatively stable between \$17.6 million and \$18.5 million per year over the last five years. The Department received and appropriation from the Senior Living Trust Fund up until FY 2013 when funding from the fund was exhausted.



Governor’s Recommendations

FY 2014: The Governor is recommending General Fund appropriations totaling \$10.3 million. This is no change compared to estimated FY 2013.

FY 2015: The Governor is recommending General Fund appropriations totaling \$10.3 million. This is no change compared to estimated FY 2014.



Issues

Elder Abuse Task Force – The Elder Abuse Task Force has been meeting throughout the summer and fall. The Subcommittee may wish to review the recommendations from the task force.

Area Agency on Aging Reorganization – House File 45 (FY 2011 Appropriations Adjustment Act) required the Department to develop a plan to reduce the number of Area Agencies on Aging in the State. The Department is in the process of implementing this reorganization and the General Assembly may wish to review this plan and the companion legislation.

FY 2013 Quick Facts

61,219
Number of consumers that received one or more services

2.8+ Million
Number of meals provided

534,256
Number of Home and Community-Based Services Provided

DEPARTMENT OF PUBLIC HEALTH

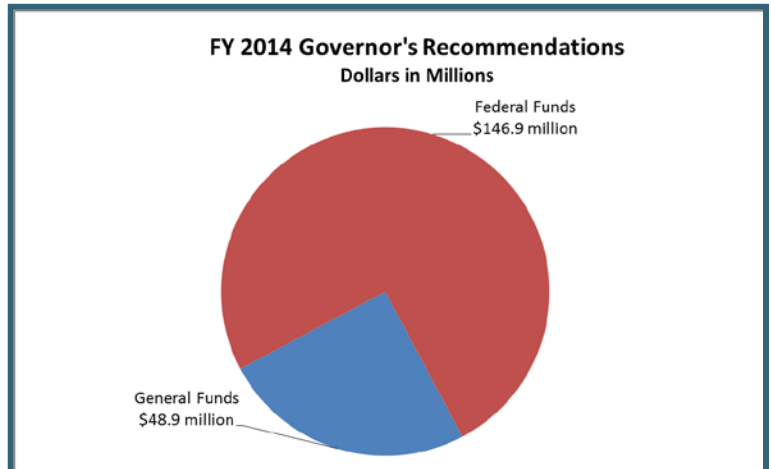
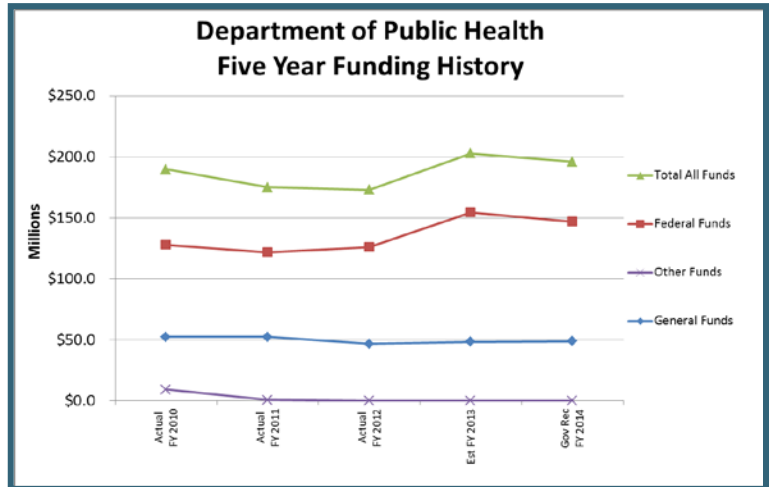
Overview and Funding History

Agency Overview: The Department of Public Health (DPH) works with local public health agencies to ensure quality health services in Iowa communities through contracts with more than 750 entities, in all 99 counties, to provide population-based health services and a limited number of personal health services. The Department assists in the administrative support for 24 licensure boards; prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

Governor’s Recommendations

FY 2014: The Governor is recommending General Fund appropriations totaling \$48.9 million. The recommendation is an increase of \$636,000 (1.4%) compared to estimated FY 2013.

FY 2015: The Governor is recommending General Fund appropriations of \$48.9 million. This is a decrease of \$28,000 to reflect elimination of one-time funding for converting the licensing of certain professions to a fee-supported model.



FY 2013 Quick Facts

141
Number of federally certified rural health clinics in Iowa with primary care services.

3,271
Number of children served annually in a Child Protection Center funded by the DPH.

119
Number of currently licensed substance abuse assessment and treatment programs with services available to residents.

General Fund Recommendations

	<u>Estimated FY 2013</u>	<u>Dept Request FY 2014</u>	<u>Gov Rec FY 2014</u>	<u>Gov Rec vs Est FY 2013</u>
<u>Public Health, Dept. of</u>				
Public Health, Dept. of				
Addictive Disorders	\$ 23,863,690	\$ 23,913,690	\$ 23,863,690	\$ 0
Healthy Children and Families	2,603,559	2,653,559	2,653,559	50,000
Chronic Conditions	3,905,429	4,120,692	4,120,692	215,263
Community Capacity	4,869,980	4,894,980	4,894,980	25,000
Healthy Aging	7,297,142	7,297,142	7,297,142	0
Environmental Hazards	803,870	803,870	803,870	0
Infectious Diseases	1,335,155	1,335,155	1,335,155	0
Public Protection	2,779,127	3,267,127	3,175,127	396,000
Resource Management	804,054	2,204,054	804,054	0
Iowa Youth Suicide Prevention	50,000	0	0	-50,000
Total Public Health, Dept. of	\$ 48,312,006	\$ 50,490,269	\$ 48,948,269	\$ 636,263

Governor’s General Fund Recommendations: Significant Increases/Decreases

Department of Public Health

Healthy Children and Families: An increase to move youth suicide prevention funding from a separate appropriation to the Healthy Children and Families appropriation	\$50,000
Chronic Conditions: An increase to continue the activities of the Prevention and Chronic Care Management and Medicare Home Advisory Council that was previously funded by the Department of Human Services Health Care Transformation Account. The Account does not have sufficient funds for this item for FY 2014.	\$215,263
Community Capacity: An increase for the establishment of a Director’s Wellness Council.	\$25,000
Public Protection: An increase to maintain environmental health programs that currently deposit program fees in the General Fund. This total includes a onetime \$28,000 amount to assist with transitioning the licensing of orthotics, prosthetics, and pedorthists to a fee-supported model.	\$396,000
Iowa Youth Suicide Prevention: A decrease to reflect transfer of funding for this item to Healthy Children and Families.	\$ -50,000

DEPARTMENT OF HUMAN SERVICES

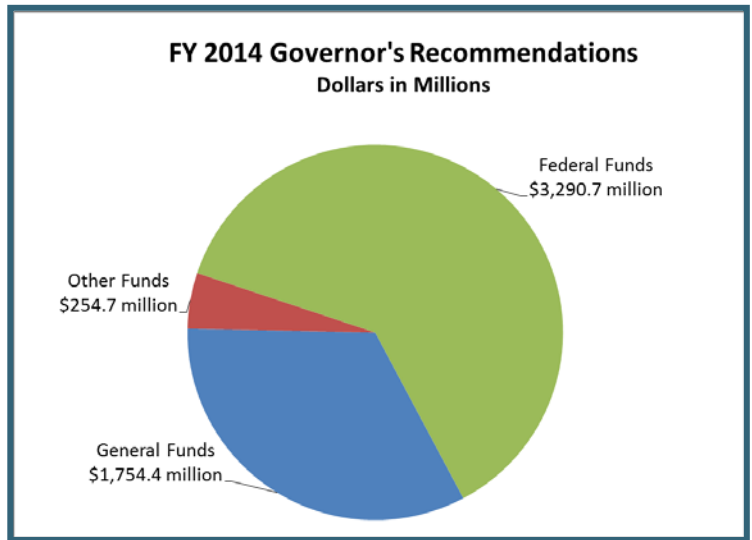
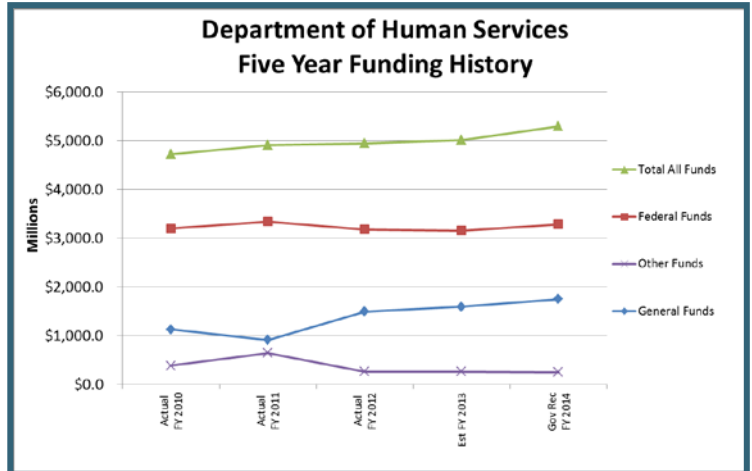
Overview and Funding History

Agency Overview: The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes and two resource centers for individuals with intellectual disabilities.

Funding History: Funding for the Department of Human Services (DHS) has continued to increase from FY 2010-FY 2014 mainly due to increasing caseloads during the recession and increased costs of services. General Fund appropriations declined in FY 2010-FY 2011 as a result of federal stimulus dollars provided through the federal American Recovery and Reinvestment Act. In addition, the Federal Medical Assistance Percentage (FMAP) match rate continues to decline resulting in a need for additional General Fund appropriations for numerous DHS Programs (For more information on the FMAP rate decline, please see the Medicaid section of this document.)

Governor’s Recommendations

FY 2014: The Governor is recommending FY 2014 General Fund appropriations totaling \$1,754.4 million. This is an increase of \$157.0 million compared to estimated FY 2013. The Governor is also recommending other fund appropriations totaling \$254.7 million for FY 2014. This recommendation is a decrease of \$11.3 million compared to estimated FY 2013.



FY 2012 Quick Facts

52,055
Number of children received health care coverage under the *hawk-i* Program

1,400
Individuals served at the four Mental Health Institutes

\$332.4 million
Amount of child support payments collected by the Child Support Recovery Unit

FY 2015: The Governor is recommending General Fund appropriations totaling \$1,809.4 million. This is an increase of \$55.0 million compared to estimated FY 2014. The Governor is also recommending other fund appropriations totaling \$248.0 million for FY 2015. This recommendation is a decrease of \$6.7 million compared to estimated FY 2014.

Governor’s General Fund Recommendations – Department of Human Services

	Estimated FY 2013	Dept Request FY 2014	Gov Rec FY 2014	Gov Rec vs Est FY 2013
Human Services, Dept. of				
Assistance				
Family Investment Program/JOBS	\$ 48,397,214	\$ 47,897,214	\$ 47,897,214	\$ -500,000
Medical Assistance	914,993,421	1,032,470,780	1,024,388,866	109,395,445
State Supplementary Assistance	15,450,747	16,512,174	16,512,174	1,061,427
State Children's Health Insurance	36,806,102	43,877,719	36,806,102	0
Child Care Assistance	62,264,342	67,195,101	61,222,955	-1,041,387
Child and Family Services	81,231,561	81,738,194	81,274,946	43,385
Adoption Subsidy	36,788,576	39,157,985	39,156,832	2,368,256
Family Support Subsidy	1,096,784	1,092,955	994,955	-101,829
Conners Training	33,622	33,622	33,622	0
MI/MR/DD State Cases	11,150,820	0	0	-11,150,820
MH/DD Community Services	14,211,100	0	0	-14,211,100
Volunteer Services	84,660	84,660	84,660	0
MH/DD Growth Factor	74,697,893	0	0	-74,697,893
Medical Contracts	5,791,994	15,761,250	9,562,544	3,770,550
MH Property Tax Relief	81,199,911	0	0	-81,199,911
Non-Medicaid Cost Increases	0	1,960,000	0	0
IowaCare Program	0	8,934,329	0	0
Mental Health Redesign	40,000,000	259,201,434	255,459,813	215,459,813
Total Assistance	\$ 1,424,198,747	\$ 1,615,917,417	\$ 1,573,394,683	\$ 149,195,936
Toledo Juvenile Home				
Toledo Juvenile Home	\$ 8,297,765	\$ 8,859,355	\$ 8,859,355	\$ 561,590
Eldora Training School				
Eldora Training School	\$ 10,680,143	\$ 11,256,969	\$ 11,256,969	\$ 576,826
Cherokee				
Cherokee MHI	\$ 5,535,738	\$ 5,954,464	\$ 5,954,464	\$ 418,726
Clarinda				
Clarinda MHI	\$ 6,442,688	\$ 6,751,868	\$ 6,751,868	\$ 309,180
Independence				
Independence MHI	\$ 9,738,520	\$ 10,318,778	\$ 10,318,778	\$ 580,258
Mt Pleasant				
Mt Pleasant MHI	\$ 885,459	\$ 1,366,686	\$ 1,366,686	\$ 481,227
Glenwood				
Glenwood Resource Center	\$ 18,866,116	\$ 20,958,331	\$ 20,046,519	\$ 1,180,403
Woodward				
Woodward Resource Center	\$ 13,033,115	\$ 15,453,151	\$ 13,809,566	\$ 776,451
Cherokee CCUSO				
Civil Commitment Unit for Sexual Offenders	\$ 8,899,686	\$ 11,142,979	\$ 9,416,969	\$ 517,283

	Estimated FY 2013	Dept Request FY 2014	Gov Rec FY 2014	Gov Rec vs Est FY 2013
Field Operations				
Child Support Recoveries	\$ 13,149,541	\$ 14,173,770	\$ 14,173,770	\$ 1,024,229
Field Operations	61,636,313	64,816,883	63,409,538	1,773,225
Total Field Operations	<u>\$ 74,785,854</u>	<u>\$ 78,990,653</u>	<u>\$ 77,583,308</u>	<u>\$ 2,797,454</u>
General Administration				
General Administration	<u>\$ 16,100,685</u>	<u>\$ 16,611,455</u>	<u>\$ 15,672,744</u>	<u>\$ -427,941</u>
Total Human Services, Dept. of	<u>\$ 1,597,464,516</u>	<u>\$ 1,803,582,106</u>	<u>\$ 1,754,431,909</u>	<u>\$ 156,967,393</u>

Governor’s General Fund Recommended Changes – Department of Human Services

Family Investment Program (FIP)/Promise Jobs – A decrease of \$500,000.	
A reduction as a result of the Governor’s veto in FY 2013.	\$ -500,000
A decrease due to a reduction in FIP caseload.	\$ -2,355,185
An increase to cover State share of operation and maintenance costs of new eligibility system.	\$681,768
An increase to meet federal Maintenance of Effort (MOE) requirements for FIP.	\$1,673,417
A decrease due to a reduction in Promise Jobs referrals.	\$ -545,089
An increase to meet federal MOE requirements for Promise Jobs.	\$545,089

Medicaid – A net increase of \$109.4 million.	
A reduction as a result of the Governor’s veto in FY 2013.	\$ -37,000
An increase to replace carryforward available in FY 2013.	\$15,337,099
An increase to fund the FY 2013 shortfall in FY 2014.	\$26,985,071
An increase to rebase nursing facilities.	\$14,268,148
A decrease due to changes in the Affordable Care Act changes being offset by higher Balancing Incentive Payment Program revenue.	\$ -80,861
An increase to reflect changes in the State’s FMAP rate.	\$43,206,760
An increase to transfer to the IowaCare Program due to increased expenditures.	\$15,158,120
An increase to replace FY 2013 funding from the Mental Health Risk Pool.	\$4,736,918
An increase to replace one-time funding from the Behavioral Health Account.	\$2,833,572
An increase to replace a one-time transfer from the Veterans Home in FY 2013.	\$3,533,208
A decrease due to increased revenue from the Nursing Facility Quality Assurance Trust Fund for FY 2014.	\$ -2,288,917
An increase due to decreased funding from the Hospital Health Care Access Trust Fund.	\$22,400
An increase due to a DOM adjustment to fund Medicaid at the bottom of the range projected by the forecasting group.	\$5,573,530
An increase due to a decrease in revenue from the CHIPRA performance bonus.	\$3,192,194
A decrease due to various cost containment strategies recommended by the Governor.	\$ -30,110,000
An increase due to a decrease in revenue from the Health Care Transformation Account.	\$7,065,203

State Supplementary Assistance – An increase of \$1.1 million.	
An increase due to growth in caseload.	\$1,061,427

Child Care Assistance – A decrease of \$1.0 million.	
An increase to restore services to FY 2013 levels.	\$1,183,051
An increase to provide funding for projected FY 2014 caseload growth.	\$1,895,652

A General Fund decrease due to an increase of available federal Temporary Assistance for Needy Families (TANF) funding.	-\$3,000,000
A decrease due to TANF carryforward funds from FY 2013.	-\$1,255,268
An increase to expand the federal fingerprint record check requirement.	\$135,178

Child and Family Services – An increase of \$43,000.	
An increase to reflect changes in the FMAP rate.	\$280,025
A transfer between the Children and Family Services and Adoption Subsidy appropriations for a provider rate increase for FY 2013 that was previously approved by the General Assembly.	\$201,608
An increase for family foster care rates to provide for 65.0% of the U.S. Department of Agriculture (USDA) estimated cost to raise a child in the Midwest.	\$1,738,174
A decrease to notwithstanding the family foster care rates to provide for 65.0% of the USDA estimated cost to raise a child in the Midwest and maintain payment rates at the FY 2013 level.	\$-1,738,174
A decrease to account for unused shelter beds.	\$ -438,248

Adoption Subsidy – An increase of \$2.4 million.	
A transfer between the Children and Family Services and Adoption Subsidy appropriations for a provider rate increase for FY 2013 that was previously approved by the General Assembly.	\$ -201,308
An increase due to an adoption subsidy shortfall between the FY 2013 appropriation and the DHS estimate of need for FY 2013 to fund 264 cases a month.	\$998,628
A caseload increase for 13 additional adoption subsidy cases.	\$790,660
An increase to reflect changes in the FMAP rate.	\$780,576
An increase for adoption subsidy maintenance rates to provide for 65.0% of the USDA estimated cost to raise a child in the Midwest.	\$4,717,235
A decrease to notwithstanding the adoption subsidy maintenance rates to provide for 65.0% of the USDA estimated cost to raise a child in the Midwest and maintain payment rates at the FY 2013 level.	\$ -4,717,235

Family Support Subsidy – A decrease of \$102,000.	
A decrease to account for the children that have aged out of the program.	\$ -101,829

MI/MR/DD State Cases – A decrease of \$11.2 million.	
A decrease to move this appropriation to the Mental Health Redesign Medicaid appropriation.	\$ -11,150,820

MH/DD Community Services – A decrease of \$14.2 million.	
A decrease to move this appropriation to the Mental Health Redesign Medicaid appropriation.	\$ -14,211,100

MH/DD Growth Factor – A decrease of \$74.7 million.	
A decrease to move this appropriation to the Mental Health Redesign Medicaid appropriation.	\$ -74,697,893

Medical Contracts – An increase of \$4.7 million.	
An increase to replace one-time funding from the Pharmaceutical Settlement Account.	\$3,455,804
An increase to replace one-time funding from the Health Care Transformation Account (HCTA).	\$2,400,000
An increase to fund appropriations previously funded from the HCTA.	\$3,247,412
An increase due to contract, technology, and operations increases.	\$715,538
An increase due to increased ITE mainframe usage related to the Affordable Care Act (ACA).	\$38,744
An increase due to screening and enrollment requirements under the ACA.	\$111,758
A decrease due to increased availability of funding from the Pharmaceutical Settlement Account.	\$ -5,300,000

MH Property Tax Relief – A decrease of \$81.2 million.	
A decrease to move this appropriation to the Mental Health Redesign Medicaid appropriation.	\$ -81,199,911

Mental Health Redesign – Medicaid – An increase of \$215.5 million.	
An increase due to the shift of the MH Property Tax Relief appropriation to Medicaid.	\$81,199,911
An increase due to the shift of the MH/DD Allowed Growth appropriation to Medicaid.	\$74,697,893
An increase due to the shift of the MH/DD Community Services appropriation to Medicaid.	\$14,211,100
An increase due to the shift of the MI/MR/DD State Cases appropriation to Medicaid.	\$11,150,820
An increase to replace a shortfall in FY 2013.	\$8,000,000
An increase due to the replacement of one-time revenue.	\$,7200,000
An increase due to a change in the use of services.	\$9,650,639
An increase due a reduction in the FMAP rate.	\$9,349,361

Toledo Juvenile Home – An increase of \$562,000.	
An increase to sustain the funding level approved by the General Assembly in FY 2013.	\$444,812
An increase due to increased pharmaceutical, food, transportation, utility, workers' compensation, printing, and postage costs.	\$44,118
A transfer from General Administration to sustain critical core staffing to maintain beds.	\$72,660

Eldora State Training School – An increase of \$577,000.	
An increase to sustain the funding level approved by the General Assembly in FY 2013.	\$443,811
An increase due to increased pharmaceutical, food, transportation, and utility costs.	\$60,355
A transfer from General Administration to sustain critical core staffing to maintain beds.	\$72,660

Cherokee Mental Health Institute – An increase of \$419,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase to sustain the FY 2013 level of services.	\$346,066

Clarinda Mental Health Institute – An increase of \$309,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase to sustain the FY 2013 level of services.	\$236,520

Independence Mental Health Institute – An increase of \$580,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase to sustain the FY 2013 level of services.	\$466,512
An increase to reflect changes in the FMAP rate.	\$41,086

Mt. Pleasant Mental Health Institute – An increase of \$481,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase to sustain the FY 2013 level of services.	\$326,082
An increase to sustain pharmacist staffing.	\$82,485

Glenwood Resource Center – An increase of \$1.4 million.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase in food, transportation, and utilities costs.	\$326,082
An increase to reflect changes in the FMAP rate.	\$1,050,040

Woodward Resource Center – An increase of \$776,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase in food, transportation, and utilities costs.	\$25,726
An increase to reflect changes in the State’s FMAP rate.	\$678,065
Civil Commitment Unit for Sexual Offenders – An increase of \$517,000.	
An increase due to the transfer of funding from the General Administration appropriation.	\$72,660
An increase to fund 10 additional court-ordered offenders.	\$444,623
Child Support Recovery Unit – An increase of \$1.2 million.	
An increase to replace lost federal incentives and other one-time funding.	\$712,415
An increase due to increased DAS services, corporate technology, and IT expenses.	\$475,711
Field Operations – An increase of \$1.8 million.	
An increase to replace one time Children’s Health Insurance Program (CHIP) contingency funds with the state share.	\$677,864
An increase to maintain cases per worker ratios at FY 2013 levels.	\$1,095,361
General Administration – A decrease of \$428,000.	
A decrease due to a transfer to the institutions to sustain critical core staffing to maintain beds.	\$ -653,940
An increase to sustain FY 2013 funding levels via carry forward authorization.	\$689,000
A decrease due to the removal of a Sex Offender Treatment Program earmark in SF 2336 (FY 2013 Health and Human Services Appropriations Act).	\$ -463,000

Other Fund Recommendations

	<u>Estimated FY 2013</u>	<u>Dept Request FY 2014</u>	<u>Gov Rec FY 2014</u>	<u>Gov Rec vs Est FY 2013</u>
Human Services, Dept. of				
Assistance				
Medical Assistance - HCTF	\$ 106,046,400	\$ 106,046,400	\$ 106,046,400	\$ 0
Medical Contracts-Pharm Settlement - PhSA	4,805,804	1,350,000	6,650,000	1,844,196
Broadlawns Hospital - ICA	71,000,000	71,000,000	67,500,000	-3,500,000
Regional Provider Network - ICA	4,986,366	4,986,366	5,986,366	1,000,000
Nonparticipating Providers - NPPR	2,000,000	2,000,000	2,000,000	0
Medical Information Hotline - HCTA	100,000	0	0	-100,000
Health Partnership Activities - HCTA	600,000	0	0	-600,000
Audits, Performance Eval., Studies - HCTA	125,000	0	0	-125,000
IowaCare Admin. Costs - HCTA	1,132,412	0	0	-1,132,412
Dental Home for Children - HCTA	1,000,000	0	0	-1,000,000
MH/DD Workforce Development - HCTA	50,000	0	0	-50,000
Medical Contracts - HCTA	2,400,000	0	0	-2,400,000
Broadlawns Admin - HCTA	540,000	0	0	-540,000
Medical Assistance - QATF	26,500,000	28,788,917	28,788,917	2,288,917
Medical Assistance - HHCAT	33,898,400	33,876,000	33,876,000	-22,400
Nonparticip Provider Reimb Fund - HHCAT	801,600	824,000	824,000	22,400
Electronic Medical Records - HCTA	100,000	0	0	-100,000
Medical Assistance - HCTA	6,872,920	0	0	-6,872,920
Care Coordination - ICA	500,000	500,000	0	-500,000
Lab Test & Radiology Pool - ICA	1,500,000	1,500,000	3,000,000	1,500,000
Uniform Cost Report - HCTA	150,000	0	0	-150,000
Health Care Access Council - HCTA	134,214	0	0	-134,214
Accountable Care Pilot - HCTA	100,000	0	0	-100,000
DPH Transfer e-Health - HCTA	363,987	0	0	-363,987
DPH Transfer Medical Home - HCTA	233,357	0	0	-233,357
Total Human Services, Dept. of	<u>\$ 265,940,460</u>	<u>\$ 250,871,683</u>	<u>\$ 254,671,683</u>	<u>\$ -11,268,777</u>

Governor’s Other Fund Recommended Changes – Department of Human Services

Pharmaceutical Settlement Account – An increase of \$1.8 million.	
An increase to Medical Contracts due to increased revenue from settlements with drug companies.	\$1,844,196

IowaCare Account – A decrease of \$1.5 million.	
A decrease due to lower patient volume at Broadlawns Hospital.	\$ -3,500,000
An increase for the Federally Qualified Health Centers participating in the IowaCare Program.	\$1,000,000
A decrease to eliminate the care coordination pool under the IowaCare Program.	\$ -500,000
An increase to fund the higher demand on the lab testing and care coordination funding pool.	\$1,500,000

Health Care Transformation Account – A decrease of \$13.9 million.	
At the end of FY 2013 there will be no funds remaining in the Health Care Transformation Account. The Governor is recommending funding for all Appropriations currently funded from the Account from the General Fund Medical Assistance (Medicaid) appropriation.	
A decrease to the Medical Information Hotline due to shifting funding sources.	\$ -100,000
A decrease to Health Partnership Activities due to shifting funding sources.	\$ -600,000

A decrease to Medical Audits, Performance Evaluations, and Studies due to shifting funding sources.	\$ -125,000
A decrease to IowaCare Administrative costs due to shifting funding sources.	\$ -1,132,412
A decrease to Dental Home for Children due to shifting funding sources.	\$ -1,000,000
A decrease to MH/DD Workforce Development due to shifting funding sources.	\$ -50,000
A decrease to Medical Contracts due to shifting funding sources.	\$ -2,400,000
A decrease to Broadlawns Administration due to shifting funding sources.	\$ -540,000
A decrease Electronic Medical Records due to shifting funding sources.	\$ -100,000
A decrease to Medical Assistance due to shifting funding sources.	\$ -6,872,920
A decrease to Uniform Cost Reports due to shifting funding sources.	\$ -150,000
A decrease to Health Care Access Council due to shifting funding sources	\$ -134,214
A decrease to Accountable Care Pilot Project due to shifting funding sources.	\$ -100,000
A decrease to DPH E-Health due to shifting funding sources.	\$ -363,987
A decrease to DPH Medical Home Advisory Council due to shifting funding sources.	\$ -233,357

Quality Assurance Trust Fund – An increase of \$2.3 million.	
An increase to Medicaid due to increased revenue available in the Trust Fund.	\$2,288,917

Hospital Health Care Access Trust Fund – No net change.	
A decrease due to a shift in funding from Medicaid to the Nonparticipating Provider Reimbursement Fund.	\$-22,000
An increase for the Nonparticipating provider reimbursement fund due to a lower federal match rate.	\$22,000

Issues

Sex Offender Treatment Program medical transitional release – Senate File 2336 ([FY 2013 Health and Human Services Appropriations Act](#)) allocated up to \$463,000 to the DHS General Administration appropriation to be used by DHS in collaboration with the Department of Corrections (DOC) and judicial districts to fund the placement of individuals in a transitional release program or discharged from commitment as a sexually violent predator due to the need for medical treatment. However, the appropriation was not paired with the proper authorization for the departments to carry out the intent of the funding.

Child Care Assistance (CCA) – It is possible that the DHS may be required to pay back \$2.5 million in federal funds as a result of an FY 2004 reobligation issue noted in an Office of Inspector General audit. The DHS intends to appeal the audit finding.

FMAP – The FMAP match rate is a formula that is used to determine the State and federal share of expenditures for the Medicaid Program. The rate is based on a three-year per capita average of Iowa compared to the rest of the states. Iowa continues to do better economically compared to other states, and because of this FMAP continues to decline. For FY 2014, the decline in FMAP is estimated to be \$57.1 million across all General Fund appropriations. *For more information regarding FMAP and Medicaid funding see the Medicaid Section of this document.*

Medicaid – *The Governor is recommending an additional \$109.4 million General Fund appropriation for Medicaid in FY 2014. With the General Fund appropriation and various cost-containment strategies, savings, and additional appropriations, the Governor is recommending funding of Medicaid at \$15.6 million below the midpoint of the range agreed upon by staff from LSA, DHS, and the Department of Management*

(DOM). The Governor is within the bottom end of the range by \$14.4 million for FY 2014. For more information, see the Medicaid Section in this document.

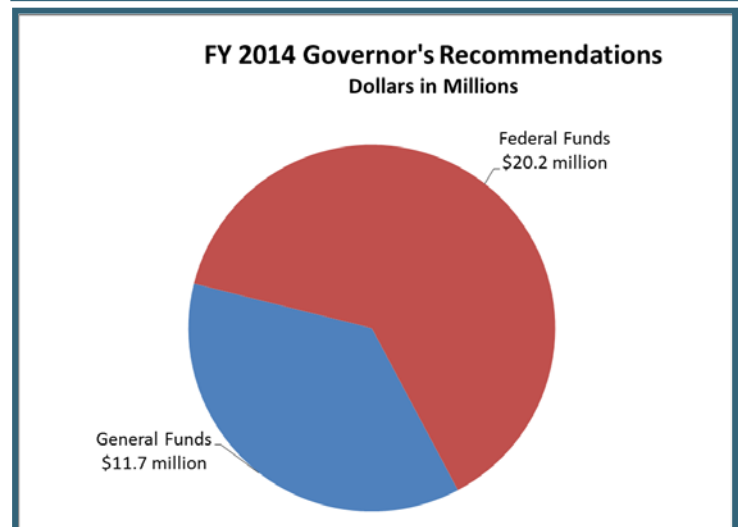
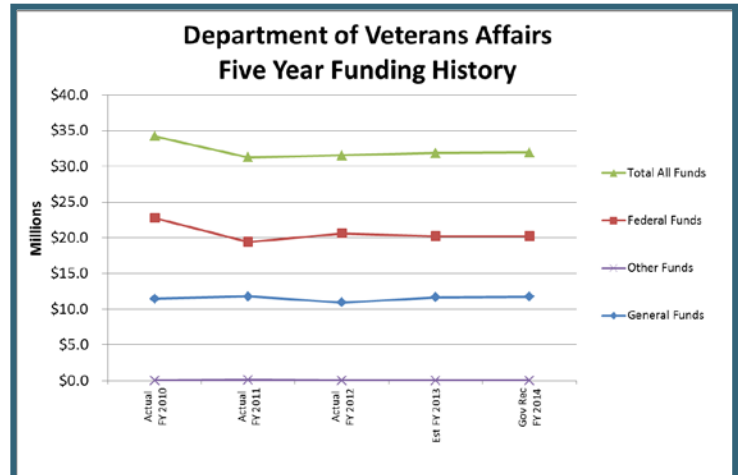
Mental Health – With the passage of SF 2315 (FY 2013 Mental Health Redesign Act) the DHS and various workgroups have been working throughout the summer and fall to implement the changes to the Mental Health System. In addition this fall the General Assembly had a [Mental Health and Disability Services Redesign Fiscal Viability Study Committee](#) that met twice and made various recommendations including providing \$20.0 million for the Mental Health Transition Fund for FY 2013. The purpose of the Transition fund is to provide a bridge to counties until the per capita levy equalization payment of \$29.8 million that begins in FY 2014. The Governor recommended \$3.8 million for the Transition Fund in FY 2013 and made no recommendation for the \$29.8 million equalization payment. The Health and Human Services Appropriations Subcommittee may wish to review the recommendations made by the Mental Health Interim Committee and the various workgroups run by the Departments.

DEPARTMENT OF VETERANS AFFAIRS

Agency Overview: The Department of Veteran Affairs includes the Department and the Iowa Veterans Home. The Department provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The Iowa Veterans Home provides services to veterans at the Home in Marshalltown, including domiciliary, residential, and pharmaceutical.

Governor’s Recommendations

FY 2014: The Governor is recommending FY 2014 General Fund appropriations totaling \$11.7 million. The recommendation is a General Fund increase of \$68,000 (0.6%) compared to estimated FY 2013. The recommendation reflects an increase of \$14,000 to rent a building at Camp Dodge and \$54,000 to account for increased accounting, budgetary, and IT expenses provided by the Department of Public Defense.



General Fund Recommendations

	Estimated FY 2013	Dept Request FY 2014	Gov Rec FY 2014	Gov Rec vs Est FY 2013
<u>Veterans Affairs, Dept. of</u>				
Veterans Affairs, Department of				
General Administration	\$ 1,025,819	\$ 1,093,508	\$ 1,093,508	\$ 67,689
War Orphans Educational Assistance	12,416	12,416	12,416	0
Vets Home Ownership Program	1,600,000	1,600,000	1,600,000	0
Veterans County Grants	990,000	990,000	990,000	0
Total Veterans Affairs, Department of	\$ 3,628,235	\$ 3,695,924	\$ 3,695,924	\$ 67,689
Veterans Affairs, Dept. of				
Iowa Veterans Home	\$ 8,025,714	\$ 8,025,714	\$ 8,025,714	\$ 0
Total Veterans Affairs, Dept. of	\$ 11,653,949	\$ 11,721,638	\$ 11,721,638	\$ 67,689

Issues

Veterans Home Ownership Assistance Program – The Veterans Home Ownership Assistance Program is administered by the Iowa Finance Authority. The Program was created in FY 2005 and provides eligible service members and veterans with a \$5,000 grant that may be used as a down payment and towards closing costs for the purchase of a home in Iowa. In November 2011, the Iowa Finance Authority ceased accepting Military Homeownership Assistance program grant requests, due to the funding level. The Program received an appropriation from the Rebuild Iowa Infrastructure Fund of \$1.0 million in FY 2012. In FY 2013, the Program received an appropriation of \$1.6 million from the General Fund. *The Governor is recommending the same funding level for FY 2014 and FY 2015.*

BOARD OF REGENTS

The Board of Regents oversees the University of Iowa Hospitals and Clinics (UIHC) and receives funding for IowaCare through the Health and Human Services Appropriations Subcommittee.

The Governor is recommending other fund appropriations totaling \$99.7 million for FY 2014. This is an increase of \$10.4 million compared to estimated FY 2013. The increase is a result of growth in the IowaCare Program.

	Estimated FY 2013	Dept Request FY 2014	Gov Rec FY 2014	Gov Rec vs Est FY 2013
<u>Regents, Board of</u>				
Regents, Board of				
UI - UIHC IowaCares Program - ICA	\$ 27,284,584	\$ 27,284,584	\$ 27,284,584	\$ 0
UI - UIHC IowaCares Expansion Pop - ICA	45,654,133	45,654,133	52,569,199	6,915,066
UI - UIHC IowaCares Physicians - ICA	16,277,753	16,277,753	19,806,365	3,528,612
Total Regents, Board of	\$ 89,216,470	\$ 89,216,470	\$ 99,660,148	\$ 10,443,678

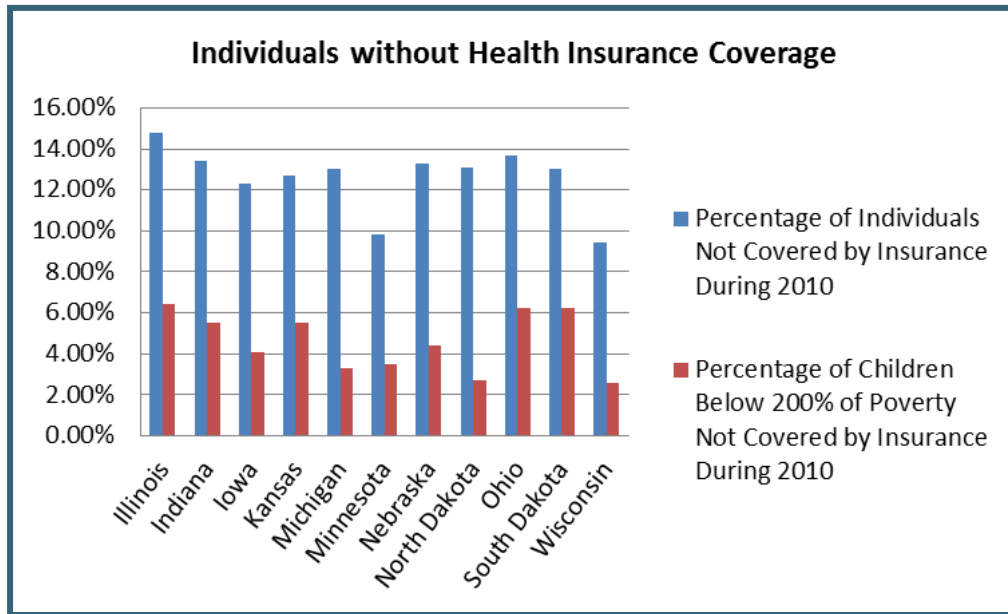
Governor’s Other Fund Recommended Changes – Board of Regents

IowaCare Account – An increase of \$10.4 million.	
An increase due to program growth and utilization at the UIHC.	\$6,915,066
An increase for additional physician reimbursement due to an increased number of patients at the UIHC.	\$3,528,612

Comparison to Other States – Children’s Health Insurance Coverage Outcomes

Data gathered from the [Council of State Governments States Perform](#) website, showed that Iowa is about in the middle compared with other states in the Midwest region when it came to insuring children with family incomes below 200.0% of the Federal Poverty Level (FPL) in CY 2010. Iowa had a 4.1% uninsured rate for that population compared to Wisconsin with a 2.6% uninsured rate for that population. Illinois had the highest rate of uninsured children below 200.0% of the FPL with 6.4%.

Among the adult population, Iowa is near the top with the lowest rate of uninsured with only 12.3% of individuals not having insurance coverage in CY 2010. That is compared to Illinois with the highest uninsured rate in the Midwest region at 14.8% and Wisconsin with the lowest rate at 9.4%. The majority of states in the Midwest region had about 13.0% uninsured.



LSA Publications

The following publications have been published by the LSA that relate to the Health and Human Services Appropriations Subcommittee:

- *Fiscal Topics:*
 - [Federal Medical Assistance Percentage \(FMAP\) Rates](#)
 - [Iowa Veterans Home](#)
 - [Shelter Care](#)
- *Budget Unit Fiscal Topics:*
 - [Addictive Disorders](#)
 - [Child Care Assistance](#)
 - [Iowa Veterans Home](#)
 - [Medicaid](#)
 - [State Children's Health Insurance Program](#)

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Appendix A

General Fund Tracking

Health and Human Services General Fund

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Gov Rec FY 2014 <u>(3)</u>	Gov Rec vs Est FY 2013 <u>(4)</u>	Gov Rec FY 2015 <u>(5)</u>	Gov Rec FY15 vs Gov Rec FY14 <u>(6)</u>
<u>Aging, Dept. on</u>						
Aging, Dept. on						
Aging Programs	\$ 10,302,577	\$ 10,342,086	\$ 10,342,086	\$ 0	\$ 10,342,086	\$ 0
Total Aging, Dept. on	\$ 10,302,577	\$ 10,342,086	\$ 10,342,086	\$ 0	\$ 10,342,086	\$ 0
<u>Public Health, Dept. of</u>						
Public Health, Dept. of						
Addictive Disorders	\$ 23,503,190	\$ 23,863,690	\$ 23,863,690	\$ 0	\$ 23,863,690	\$ 0
Healthy Children and Families	2,594,270	2,603,559	2,653,559	50,000	2,653,559	0
Chronic Conditions	3,361,656	3,905,429	4,120,692	215,263	4,120,692	0
Community Capacity	4,235,166	4,869,980	4,894,980	25,000	4,894,980	0
Healthy Aging	7,297,142	7,297,142	7,297,142	0	7,297,142	0
Environmental Hazards	813,777	803,870	803,870	0	803,870	0
Infectious Diseases	1,345,847	1,335,155	1,335,155	0	1,335,155	0
Public Protection	2,776,232	2,779,127	3,175,127	396,000	3,147,127	-28,000
Resource Management	819,554	804,054	804,054	0	804,054	0
Vision Screening	100,000	0	0	0	0	0
Iowa Youth Suicide Prevention	0	50,000	0	-50,000	0	0
Total Public Health, Dept. of	\$ 46,846,834	\$ 48,312,006	\$ 48,948,269	\$ 636,263	\$ 48,920,269	\$ -28,000

Health and Human Services General Fund

	Actual FY 2012 (1)	Estimated FY 2013 (2)	Gov Rec FY 2014 (3)	Gov Rec vs Est FY 2013 (4)	Gov Rec FY 2015 (5)	Gov Rec FY15 vs Gov Rec FY14 (6)
Human Services, Dept. of						
Assistance						
Family Investment Program/JOBS	\$ 50,171,027	\$ 48,397,214	\$ 47,897,214	\$ -500,000	\$ 47,897,214	\$ 0
Medical Assistance	903,493,421	914,993,421	1,024,388,866	109,395,445	1,058,804,452	34,415,586
State Supplementary Assistance	16,850,747	15,450,747	16,512,174	1,061,427	16,512,174	0
State Children's Health Insurance	32,806,102	36,806,102	36,806,102	0	36,806,102	0
Child Care Assistance	53,237,662	62,264,342	61,222,955	-1,041,387	65,478,223	4,255,268
Child and Family Services	82,830,163	81,231,561	81,274,946	43,385	81,274,946	0
Adoption Subsidy	33,266,591	36,788,576	39,156,832	2,368,256	39,156,832	0
Family Support Subsidy	1,167,998	1,096,784	994,955	-101,829	994,955	0
Conners Training	33,622	33,622	33,622	0	33,622	0
MI/MR/DD State Cases	12,169,482	11,150,820	0	-11,150,820	0	0
MH/DD Community Services	14,211,100	14,211,100	0	-14,211,100	0	0
Volunteer Services	84,660	84,660	84,660	0	84,660	0
MH/DD Growth Factor	54,697,893	74,697,893	0	-74,697,893	0	0
Medical Contracts	0	5,791,994	9,562,544	3,770,550	14,862,544	5,300,000
MH Property Tax Relief	81,199,911	81,199,911	0	-81,199,911	0	0
Mental Health Redesign	0	40,000,000	255,459,813	215,459,813	266,459,813	11,000,000
Total Assistance	\$ 1,336,220,379	\$ 1,424,198,747	\$ 1,573,394,683	\$ 149,195,936	\$ 1,628,365,537	\$ 54,970,854
Toledo Juvenile Home						
Toledo Juvenile Home	\$ 8,258,251	\$ 8,297,765	\$ 8,859,355	\$ 561,590	\$ 8,859,355	\$ 0
Eldora Training School						
Eldora Training School	\$ 10,638,677	\$ 10,680,143	\$ 11,256,969	\$ 576,826	\$ 11,256,969	\$ 0
Cherokee						
Cherokee MHI	\$ 5,877,308	\$ 5,535,738	\$ 5,954,464	\$ 418,726	\$ 5,954,464	\$ 0
Clarinda						
Clarinda MHI	\$ 6,411,734	\$ 6,442,688	\$ 6,751,868	\$ 309,180	\$ 6,751,868	\$ 0
Independence						
Independence MHI	\$ 10,275,685	\$ 9,738,520	\$ 10,318,778	\$ 580,258	\$ 10,318,778	\$ 0
Mt Pleasant						
Mt Pleasant MHI	\$ 944,323	\$ 885,459	\$ 1,366,686	\$ 481,227	\$ 1,366,686	\$ 0
Glenwood						
Glenwood Resource Center	\$ 18,507,801	\$ 18,866,116	\$ 20,046,519	\$ 1,180,403	\$ 20,046,519	\$ 0

Health and Human Services

General Fund

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Gov Rec FY 2014 <u>(3)</u>	Gov Rec vs Est FY 2013 <u>(4)</u>	Gov Rec FY 2015 <u>(5)</u>	Gov Rec FY15 vs Gov Rec FY14 <u>(6)</u>
Woodward						
Woodward Resource Center	\$ 12,785,658	\$ 13,033,115	\$ 13,809,566	\$ 776,451	\$ 13,809,566	\$ 0
Cherokee CCUSO						
Civil Commitment Unit for Sexual Offenders	\$ 7,550,727	\$ 8,899,686	\$ 9,416,969	\$ 517,283	\$ 9,416,969	\$ 0
Field Operations						
Child Support Recoveries	\$ 13,119,255	\$ 13,149,541	\$ 14,173,770	\$ 1,024,229	\$ 14,173,770	\$ 0
Field Operations	54,789,921	61,636,313	63,409,538	1,773,225	63,409,538	0
Total Field Operations	<u>\$ 67,909,176</u>	<u>\$ 74,785,854</u>	<u>\$ 77,583,308</u>	<u>\$ 2,797,454</u>	<u>\$ 77,583,308</u>	<u>\$ 0</u>
General Administration						
General Administration	\$ 14,596,745	\$ 16,100,685	\$ 15,672,744	\$ -427,941	\$ 15,672,744	\$ 0
Total Human Services, Dept. of	<u>\$ 1,499,976,464</u>	<u>\$ 1,597,464,516</u>	<u>\$ 1,754,431,909</u>	<u>\$ 156,967,393</u>	<u>\$ 1,809,402,763</u>	<u>\$ 54,970,854</u>
<u>Veterans Affairs, Dept. of</u>						
Veterans Affairs, Department of						
General Administration	\$ 998,832	\$ 1,025,819	\$ 1,093,508	\$ 67,689	\$ 1,093,508	\$ 0
War Orphans Educational Assistance	12,416	12,416	12,416	0	12,416	0
Vets Home Ownership Program	0	1,600,000	1,600,000	0	1,600,000	0
Veterans County Grants	990,000	990,000	990,000	0	990,000	0
Total Veterans Affairs, Department of	<u>\$ 2,001,248</u>	<u>\$ 3,628,235</u>	<u>\$ 3,695,924</u>	<u>\$ 67,689</u>	<u>\$ 3,695,924</u>	<u>\$ 0</u>
Veterans Affairs, Dept. of						
Iowa Veterans Home	\$ 8,952,151	\$ 8,025,714	\$ 8,025,714	\$ 0	\$ 8,025,714	\$ 0
Total Veterans Affairs, Dept. of	<u>\$ 10,953,399</u>	<u>\$ 11,653,949</u>	<u>\$ 11,721,638</u>	<u>\$ 67,689</u>	<u>\$ 11,721,638</u>	<u>\$ 0</u>
Total Health and Human Services	<u><u>\$ 1,568,079,274</u></u>	<u><u>\$ 1,667,772,557</u></u>	<u><u>\$ 1,825,443,902</u></u>	<u><u>\$ 157,671,345</u></u>	<u><u>\$ 1,880,386,756</u></u>	<u><u>\$ 54,942,854</u></u>

Appendix B

Other Fund Tracking

Health and Human Services

Other Funds

	Actual FY 2012 (1)	Estimated FY 2013 (2)	Gov Rec FY 2014 (3)	Gov Rec vs Est FY 2013 (4)	Gov Rec FY 2015 (5)	Gov Rec FY15 vs Gov Rec FY14 (6)
Human Services, Dept. of						
Assistance						
Medical Assistance - HCTF	\$ 106,363,275	\$ 106,046,400	\$ 106,046,400	\$ 0	\$ 106,046,400	\$ 0
Medical Contracts-Pharm Settlement - PhSA	10,907,457	4,805,804	6,650,000	1,844,196	0	-6,650,000
Broadlawns Hospital - ICA	65,000,000	71,000,000	67,500,000	-3,500,000	67,500,000	0
Regional Provider Network - ICA	3,472,176	4,986,366	5,986,366	1,000,000	5,986,366	0
Nonparticipating Providers - NPPR	2,000,000	2,000,000	2,000,000	0	2,000,000	0
Medical Information Hotline - HCTA	100,000	100,000	0	-100,000	0	0
Health Partnership Activities - HCTA	600,000	600,000	0	-600,000	0	0
Audits, Performance Eval., Studies - HCTA	125,000	125,000	0	-125,000	0	0
IowaCare Admin. Costs - HCTA	1,132,412	1,132,412	0	-1,132,412	0	0
Dental Home for Children - HCTA	1,000,000	1,000,000	0	-1,000,000	0	0
MH/DD Workforce Development - HCTA	50,000	50,000	0	-50,000	0	0
Medical Contracts - HCTA	2,000,000	2,400,000	0	-2,400,000	0	0
Broadlawns Admin - HCTA	290,000	540,000	0	-540,000	0	0
Medical Assistance - QATF	29,000,000	26,500,000	28,788,917	2,288,917	28,788,917	0
Medical Assistance - HHCAT	39,223,800	33,898,400	33,876,000	-22,400	33,856,000	-20,000
Nonparticipating Provider Reimb Fund - HHCAT	776,200	801,600	824,000	22,400	844,000	20,000
Electronic Medical Records - HCTA	100,000	100,000	0	-100,000	0	0
Medical Assistance - HCTA	1,956,245	6,872,920	0	-6,872,920	0	0
Care Coordination - ICA	500,000	500,000	0	-500,000	0	0
Lab Test & Radiology Pool - ICA	1,500,000	1,500,000	3,000,000	1,500,000	3,000,000	0
Uniform Cost Report - HCTA	150,000	150,000	0	-150,000	0	0
Health Care Access Council - HCTA	134,214	134,214	0	-134,214	0	0
Accountable Care Pilot - HCTA	100,000	100,000	0	-100,000	0	0
DPH Transfer e-Health - HCTA	363,987	363,987	0	-363,987	0	0
DPH Transfer Medical Home - HCTA	233,357	233,357	0	-233,357	0	0
Total Human Services, Dept. of	\$ 267,078,123	\$ 265,940,460	\$ 254,671,683	\$ -11,268,777	\$ 248,021,683	\$ -6,650,000
Regents, Board of						
Regents, Board of						
UI - UIHC IowaCares Program - ICA	\$ 27,284,584	\$ 27,284,584	\$ 27,284,584	\$ 0	\$ 27,284,584	\$ 0
UI - UIHC IowaCares Expansion Pop - ICA	56,226,279	45,654,133	52,569,199	6,915,066	52,569,199	0
UI - UIHC IowaCares Physicians - ICA	16,277,753	16,277,753	19,806,365	3,528,612	19,806,365	0
Total Regents, Board of	\$ 99,788,616	\$ 89,216,470	\$ 99,660,148	\$ 10,443,678	\$ 99,660,148	\$ 0
Total Health and Human Services	\$ 366,866,739	\$ 355,156,930	\$ 354,331,831	\$ -825,099	\$ 347,681,831	\$ -6,650,000

Appendix C

FTE Positions Tracking

Health and Human Services

FTE Positions

	Final Action FY 2012 (1)	Actual FY 2012 (2)	Actual vs Final Act FY 2012 (3)	Final Action FY 2013 (4)	Estimated FY 2013 (5)	Est vs Final Act FY 2013 (6)	Gov Rec FY 2014 (7)	Gov Rec FY 2014 vs Est FY 2013 (8)	Gov Rec YR2 FY 2015 (9)	Gov FY 2014 vs Gov FY 2015 (10)
<u>Aging, Dept. on</u>										
Aging, Dept. on										
Aging Programs	35.00	31.30	-3.70	36.00	36.62	0.62	35.00	-1.62	35.00	0.00
Total Aging, Dept. on	35.00	31.30	-3.70	36.00	36.62	0.62	35.00	-1.62	35.00	0.00
<u>Public Health, Dept. of</u>										
Public Health, Dept. of										
Addictive Disorders	13.00	6.99	-6.01	13.00	13.00	0.00	13.00	0.00	13.00	0.00
Healthy Children and Families	10.00	8.97	-1.03	10.00	10.00	0.00	10.00	0.00	10.00	0.00
Chronic Conditions	4.00	2.19	-1.81	4.00	4.00	0.00	4.00	0.00	4.00	0.00
Community Capacity	14.00	9.79	-4.21	14.00	14.00	0.00	11.00	-3.00	11.00	0.00
Environmental Hazards	4.00	3.64	-0.36	4.00	4.00	0.00	4.00	0.00	4.00	0.00
Infectious Diseases	4.00	2.00	-2.00	4.00	4.00	0.00	4.00	0.00	4.00	0.00
Public Protection	125.00	123.72	-1.28	125.00	126.00	1.00	130.00	4.00	130.00	0.00
Resource Management	7.00	3.66	-3.34	7.00	7.00	0.00	5.00	-2.00	5.00	0.00
Total Public Health, Dept. of	181.00	160.97	-20.03	181.00	182.00	1.00	181.00	-1.00	181.00	0.00
<u>Human Services, Dept. of</u>										
Human Services, Dept. of										
Toledo Juvenile Home										
Toledo Juvenile Home	114.00	108.16	-5.84	114.00	114.00	0.00	113.50	-0.50	113.50	0.00
Eldora Training School										
Eldora Training School	164.30	160.68	-3.62	164.30	164.30	0.00	164.30	0.00	164.30	0.00
Cherokee										
Cherokee MHI	168.50	164.57	-3.93	168.50	168.50	0.00	169.20	0.70	169.40	0.20

Health and Human Services

FTE Positions

	Final Action FY 2012	Actual FY 2012	Actual vs Final Act FY 2012	Final Action FY 2013	Estimated FY 2013	Est vs Final Act FY 2013	Gov Rec FY 2014	Gov Rec FY 2014 vs Est FY 2013	Gov Rec YR2 FY 2015	Gov FY 2014 vs Gov FY 2015
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Clarinda										
Clarinda MHI	86.10	85.02	-1.08	86.10	86.10	0.00	86.10	0.00	86.10	0.00
Independence										
Independence MHI	233.00	226.30	-6.70	233.00	233.00	0.00	233.00	0.00	233.00	0.00
Mt Pleasant										
Mt Pleasant MHI	91.72	91.64	-0.08	97.72	97.32	-0.40	97.32	0.00	97.32	0.00
Glenwood										
Glenwood Resource Center	905.85	869.91	-35.94	905.85	860.12	-45.73	859.12	-1.00	859.12	0.00
Woodward										
Woodward Resource Center	745.92	706.46	-39.46	745.92	652.47	-93.45	652.47	0.00	652.47	0.00
Total Woodward	<u>745.92</u>	<u>706.46</u>	<u>-39.46</u>	<u>745.92</u>	<u>652.47</u>	<u>-93.45</u>	<u>652.47</u>	<u>0.00</u>	<u>652.47</u>	<u>0.00</u>
Cherokee CCUSO										
Civil Commitment Unit for Sexual Offenders	89.50	86.54	-2.96	115.50	115.50	0.00	115.50	0.00	115.50	0.00
Field Operations										
Child Support Recoveries	475.00	445.07	-29.93	475.00	464.00	-11.00	459.00	-5.00	459.00	0.00
Field Operations	1,781.00	1,634.37	-146.63	1,781.00	1,781.00	0.00	1,749.00	-32.00	1,749.00	0.00
Total Field Operations	<u>2,256.00</u>	<u>2,079.44</u>	<u>-176.56</u>	<u>2,256.00</u>	<u>2,245.00</u>	<u>-11.00</u>	<u>2,208.00</u>	<u>-37.00</u>	<u>2,208.00</u>	<u>0.00</u>
General Administration										
General Administration	290.00	268.58	-21.42	295.00	307.00	12.00	307.00	0.00	307.00	0.00
Total General Administration	<u>290.00</u>	<u>268.58</u>	<u>-21.42</u>	<u>295.00</u>	<u>307.00</u>	<u>12.00</u>	<u>307.00</u>	<u>0.00</u>	<u>307.00</u>	<u>0.00</u>
Total Human Services, Dept. of	<u>5,144.89</u>	<u>4,847.32</u>	<u>-297.57</u>	<u>5,181.89</u>	<u>5,043.31</u>	<u>-138.58</u>	<u>5,005.51</u>	<u>-37.80</u>	<u>5,005.71</u>	<u>0.20</u>
<u>Veterans Affairs, Dept. of</u>										
Veterans Affairs, Department of										
Veterans License Plate Fund	0.00	0.00	0.00	0.34	0.00	-0.34	0.00	0.00	0.00	0.00
General Administration	16.34	12.82	-3.52	16.34	13.00	-3.34	13.00	0.00	13.00	0.00
Total Veterans Affairs, Department of	<u>16.34</u>	<u>12.82</u>	<u>-3.52</u>	<u>16.68</u>	<u>13.00</u>	<u>-3.68</u>	<u>13.00</u>	<u>0.00</u>	<u>13.00</u>	<u>0.00</u>
Veterans Affairs, Dept. of										
Iowa Veterans Home	863.86	827.17	-36.69	863.86	852.71	-11.15	850.77	-1.94	850.77	0.00
Total Veterans Affairs, Dept. of	<u>863.86</u>	<u>827.17</u>	<u>-36.69</u>	<u>863.86</u>	<u>852.71</u>	<u>-11.15</u>	<u>850.77</u>	<u>-1.94</u>	<u>850.77</u>	<u>0.00</u>
Total Veterans Affairs, Dept. of	<u>880.20</u>	<u>839.99</u>	<u>-40.21</u>	<u>880.54</u>	<u>865.71</u>	<u>-14.83</u>	<u>863.77</u>	<u>-1.94</u>	<u>863.77</u>	<u>0.00</u>
Total Health and Human Services	<u>6,241.09</u>	<u>5,879.58</u>	<u>-361.51</u>	<u>6,279.43</u>	<u>6,127.64</u>	<u>-151.79</u>	<u>6,085.28</u>	<u>-42.36</u>	<u>6,085.48</u>	<u>0.20</u>

Appendix D

FY 2012 Year-End Appropriations

FY 2012 Appropriation Activity

The following information provides a summary of the FY 2012 General Fund and other fund appropriations for the departments under the purview of the Health and Human Services Appropriations Subcommittee. Appropriations are adjusted for several factors throughout the fiscal year, including supplemental appropriations, deappropriations, and adjustments to standing appropriations to account for actual expenditures. Other activity associated with appropriated funds include: balances brought forward, transfers, and reversions. The tables show each of the departments' appropriations and the changes that occurred throughout the fiscal year. The changes include:

- Original Appropriation: The amounts appropriated from the General Fund in individual appropriation bills during the 2011 Legislative Session.
- Adjustments to Standings: These adjustments represent changes that are made to budgeted standing unlimited appropriations for the purpose of balancing out the year-end amount. There are numerous standing unlimited appropriations established in the Code. The exact amount for each of these appropriations is not known until the close of the fiscal year. As the General Assembly develops the annual budget, an estimated amount is included for budgeting purposes. This estimated appropriation is then adjusted to reflect actual expenditures.
- Salary Adjustment (Other Funds Only) – A few other fund appropriations were authorized to receive appropriation adjustments to fund their salary increases for FY 2012.
- Supplemental/Deappropriations: These changes represent the supplemental appropriations and deappropriations enacted in several bills during the 2012 Legislative Session.
- Total Net Appropriation: This is the sum of all of the above numbers and represents the final appropriation amount after the above legislative changes were applied.
- Balance Brought Forward: Appropriated funds allowed to carry forward from FY 2011 to FY 2012. These funds provided additional spendable dollars for FY 2012.
- Appropriation Transfers In and Out: These adjustments represent transferred appropriation spending authority between enacted appropriations. These transfers are usually implemented by the Governor through the authority of Iowa Code section 8.39.
- Balance Carry Forward: Appropriated funds that are allowed to carry forward from FY 2012 to FY 2013. Provides additional spendable dollars for FY 2013.
- Reversions: These are the unspent appropriated funds that revert back to the fund from which they were appropriated.
- Total Appropriation Expended: This number represents the appropriation after all of the above adjustments have been made. The result is the total appropriated funds that were expended in FY 2012.

GENERAL FUND APPROPRIATIONS

FY 2012 General Fund Appropriation Activity										
Department on Aging										
Appropriation Name	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended
Aging Programs	\$ 10,302,577	\$ 0	\$ 0	\$ 10,302,577	\$ 9,593	\$ 0	\$ 0	\$ 0	\$ -28	\$ 10,312,141
Total	\$ 10,302,577	\$ 0	\$ 0	\$ 10,302,577	\$ 9,593	\$ 0	\$ 0	\$ 0	\$ -28	\$ 10,312,141

FY 2012 General Fund Appropriation Activity										
Department of Public Health										
Appropriation Name	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended
Addictive Disorders	\$ 23,503,190	\$ 0	\$ 0	\$ 23,503,190	\$ 0	\$ 0	\$ 0	\$ 0	\$ -136,409	\$ 23,366,781
Healthy Children and Families	2,594,270	0	0	2,594,270	0	0	0	0	-33,552	2,560,718
Chronic Conditions	3,361,656	0	0	3,361,656	0	0	0	0	-40,207	3,321,449
Community Capacity	4,235,166	0	0	4,235,166	0	0	0	0	-55,131	4,180,035
Elderly Wellness	7,297,142	0	0	7,297,142	0	0	0	0	-13,614	7,283,528
Environmental Hazards	813,777	0	0	813,777	0	0	0	0	-7,489	806,288
Infectious Diseases	1,345,847	0	0	1,345,847	0	0	0	0	0	1,345,847
Public Protection	2,776,232	0	0	2,776,232	0	0	0	0	-14,568	2,761,664
Resource Management	819,554	0	0	819,554	0	0	0	0	0	819,554
Vision Screening	100,000	0	0	100,000	0	0	0	0	0	100,000
Total	\$ 46,846,834	\$ 0	\$ 0	\$ 46,846,834	\$ 0	\$ 0	\$ 0	\$ 0	\$ -300,971	\$ 46,545,863
Standing Appropriations										
Registry for Congenital & Inherited Disorders	\$ 171,121	\$ 0	\$ 0	\$ 171,121	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 171,121
Total Standing Appropriations	\$ 171,121	\$ 0	\$ 0	\$ 171,121	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 171,121
Total Appropriations	\$ 47,017,955	\$ 0	\$ 0	\$ 47,017,955	\$ 0	\$ 0	\$ 0	\$ 0	\$ -300,971	\$ 46,716,984

GENERAL FUND APPROPRIATIONS

FY 2012 General Fund Appropriation Activity											
Department of Human Services											
Appropriation Name	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended	
General Administration	\$ 14,596,745	\$ 0	\$ 0	\$ 14,596,745	\$ 805,309	\$ 0	\$ 0	\$ -948,706	\$ 0	\$ 14,453,348	
Mental Health Redesign	0	0	0	0	250,000	0	0	0	0	250,000	
Field Operations	54,789,921	0	0	54,789,921	1,157,598	0	0	-3,812,534	0	52,134,984	
Child Support Recoveries	13,119,255	0	0	13,119,255	0	0	0	0	-4,974	13,114,281	
Toledo Juvenile Home	8,258,251	0	0	8,258,251	41,763	0	0	-576,752	-1,031	7,722,231	
Eldora Training School	10,638,677	0	0	10,638,677	1,813	0	0	-316,114	0	10,324,376	
Civil Commitment Unit for Sexual Offenders	7,550,727	0	0	7,550,727	2,045	368,821	0	-23,020	0	7,898,572	
Cherokee MHI	5,877,308	0	0	5,877,308	61,400	0	-368,821	-408,628	0	5,161,260	
Clarinda MHI	6,411,734	0	0	6,411,734	11,499	0	0	-239,408	0	6,183,825	
Independence MHI	10,275,685	0	0	10,275,685	0	0	0	-1,828,397	0	8,447,288	
Mt Pleasant MHI	944,323	0	0	944,323	52,915	0	0	-479,842	0	517,396	
Glenwood Resource Center	18,507,801	0	0	18,507,801	500,000	0	0	-184,597	0	18,823,204	
Woodward Resource Center	12,785,658	0	0	12,785,658	413,331	0	0	-2,805	0	13,196,184	
MH Property Tax Relief	81,199,911	0	0	81,199,911	0	0	0	0	0	81,199,911	
Child Abuse Prevention	217,772	-20,706	0	197,067	217,772	0	0	-214,944	-2,829	197,067	
Family Investment Program/JOBS	50,171,027	0	0	50,171,027	0	0	0	0	-9,912	50,161,115	
State Supplementary Assistance	16,850,747	0	0	16,850,747	3,007,910	0	0	-4,105,986	0	15,752,671	
Medical Assistance	909,993,421	0	-6,500,000	903,493,421	27,700,401	0	0	-15,337,099	0	915,856,723	
Children's Health Insurance	32,806,102	0	0	32,806,102	0	0	0	0	0	32,806,102	
MH/DD Growth Factor	54,697,893	0	0	54,697,893	0	0	0	0	0	54,697,893	
MH/DD Community Services	14,211,100	0	0	14,211,100	0	0	0	0	0	14,211,100	
Family Support Subsidy	1,167,998	0	0	1,167,998	120,929	0	0	-179,542	0	1,109,385	
Conners Training	33,622	0	0	33,622	0	0	0	0	-16	33,606	
Volunteers	84,660	0	0	84,660	0	0	0	0	-42,674	41,986	
Child Care Assistance	53,237,662	0	0	53,237,662	0	0	0	0	0	53,237,662	
MI/MR/DD State Cases	12,169,482	0	0	12,169,482	1,659,766	0	0	-907,222	0	12,922,026	
Adoption Subsidy	33,266,591	0	0	33,266,591	3,233,468	0	0	0	0	36,500,059	
Child and Family Services	82,830,163	0	0	82,830,163	0	0	0	0	-2,274,544	80,555,619	
Total	\$ 1,506,694,236	\$ -20,706	\$ -6,500,000	\$ 1,500,173,531	\$ 39,237,917	\$ 368,821	\$ -368,821	\$ -29,565,596	\$ -2,335,979	\$ 1,507,509,873	

GENERAL FUND APPROPRIATIONS

FY 2012 General Fund Appropriation Activity Department of Human Services (Continued)										
Standing Appropriations	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended
Commission Of Inquiry	\$ 1,394	\$ 0	\$ 0	\$ 1,394	\$ 0	\$ 0	\$ 0	\$ 0	\$ -1,394	\$ 0
Non Residents Transfers	67	0	0	67	0	0	0	0	-67	0
Non Resident Commitment M.III	142,802	0	0	142,802	0	0	0	0	-140,000	2,802
Total Standing Appropriations	\$ 144,263	\$ 0	\$ 0	\$ 144,263	\$ 0	\$ 0	\$ 0	\$ 0	\$ -141,461	\$ 2,802
Total Appropriations	\$ 1,506,838,499	\$ -20,706	\$ -6,500,000	\$ 1,500,317,794	\$ 39,237,917	\$ 368,821	\$ -368,821	\$ -29,565,596	\$ -2,477,441	\$ 1,507,512,675

FY 2012 General Fund Appropriation Activity Department of Veterans										
Appropriation Name	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended
General Administration	\$ 998,832	\$ 0	\$ 0	\$ 998,832	\$ 3,103	\$ 0	\$ 0	\$ -7,543	\$ -7,543	\$ 986,848
War Orphans Educational Assistance	12,416	0	0	12,416	\$ 104,332	0	0	-116,748	0	0
Injured Veterans Grant Program	0	0	0	0	\$ 1,006,350	0	0	-586,350	0	420,000
Veterans County Grants	990,000	0	0	990,000	\$ 118,008	0	0	-189,197	0	918,811
Total	\$ 2,001,248	\$ 0	\$ 0	\$ 2,001,248	\$ 1,231,793	\$ 0	\$ 0	\$ -899,838	\$ -7,543	\$ 2,325,659

FY 2012 General Fund Appropriation Activity Iowa Veterans Home										
Appropriation Name	Original Approp	Adjust to Standings	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Transfers In	Transfers Out	Bal Forward to FY 2013	Reversions	Approp Expended
General Administration	\$ 8,952,151	\$ 0	\$ 0	\$ 8,952,151	\$ 2,947,911	\$ 0	\$ 0	\$ -4,033,318	\$ 0	\$ 7,866,744
Total	\$ 8,952,151	\$ 0	\$ 0	\$ 8,952,151	\$ 2,947,911	\$ 0	\$ 0	\$ -4,033,318	\$ 0	\$ 7,866,744

OTHER FUND APPROPRIATIONS

FY 2012 Other Funds Appropriation Activity											
Department of Human Services											
Appropriation Name	Funding Source	Original Approp	Adjust to Standings	Salary Adjust	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Bal Forward to FY 2013	Reversions	Approp Expended	
FY11 Mental Health Waiting List	MH Property Tax Relief Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,000,000	\$ 0	\$ 0	\$ 0	\$ 10,000,000
Mental Health Growth Factor	MH Property Tax Relief Fund	10,000,000	0	0	0	10,000,000	0	0	0	0	10,000,000
Medical Assistance - Cash Reserve	Cash Reserve Fund	0	0	0	0	0	3,227,605	0	-3,112,994	0	114,611
Mental Health from Economic Emerg Fund	Iowa Economic Emergency Fund	0	0	0	7,200,089	7,200,089	0	0	0	0	7,200,089
Nonparticipating Providers	Nonparticipating Provider Reim. Fund	2,000,000	0	0	0	2,000,000	0	0	0	0	2,000,000
Medical Contracts Supplement	Pharmaceutical Settlement	10,907,457	0	0	0	10,907,457	0	0	0	0	10,907,457
Medical Information Hotline	Health Care Transformation Fund	100,000	0	0	0	100,000	0	0	-35,602	0	64,398
Electronic Medical Records	Health Care Transformation Fund	100,000	0	0	0	100,000	0	-100,000	0	0	0
Health Partnership Activities	Health Care Transformation Fund	600,000	0	0	0	600,000	0	0	-433,343	0	166,657
Audits, Performance Evaluations, Studies	Health Care Transformation Fund	125,000	0	0	0	125,000	0	0	-41,275	0	83,725
IowaCare Administrative Costs	Health Care Transformation Fund	1,132,412	0	0	0	1,132,412	0	0	-745,308	0	387,104
Dental Home for Children	Health Care Transformation Fund	1,000,000	0	0	0	1,000,000	0	0	-129,178	0	870,822
Tuition Assist for Individuals	Health Care Transformation Fund	50,000	0	0	0	50,000	0	0	-43,221	0	6,779
Broadlawns Admin-HCTA	Health Care Transformation Fund	290,000	0	0	0	290,000	0	0	0	0	290,000
Medical Assistance-HCTA	Health Care Transformation Fund	1,956,245	0	0	0	1,956,245	0	0	0	0	1,956,245
Medical Contracts-HCTA	Health Care Transformation Fund	2,000,000	0	0	0	2,000,000	0	0	-535,221	0	1,464,779
Uniform Cost Report	Health Care Transformation Fund	150,000	0	0	0	150,000	0	0	-75,000	0	75,000
Health Care Access Council	Health Care Transformation Fund	134,214	0	0	0	134,214	0	0	0	0	134,214
Accountable Care Pilot	Health Care Transformation Fund	100,000	0	0	0	100,000	0	0	-100,000	0	0
DPH Transfer e-Health	Health Care Transformation Fund	363,987	0	0	0	363,987	0	0	0	0	363,987
DPH Transfer Medical Home	Health Care Transformation Fund	233,357	0	0	0	233,357	0	0	-132,464	0	100,893
Medical Assist Supp	Hospital Health Care Access Trust	39,223,800	0	0	0	39,223,800	0	0	-2,509,482	0	36,714,318
Nonparticipating Provider Reimb Fund	Hospital Health Care Access Trust	776,200	0	0	0	776,200	0	0	0	0	776,200
IowaCare-Lab Test & Radiology Pool	IowaCare Fund	500,000	0	0	0	500,000	0	0	-88,271	0	411,729
Broadlawns Hospital	IowaCare Fund	65,000,000	0	0	0	65,000,000	0	0	-10,623,542	0	54,376,458
Regional Provider Network	IowaCare Fund	3,472,176	0	0	0	3,472,176	0	0	-1,379,928	0	2,092,248
IowaCare-Care Coordination Pool	IowaCare Fund	1,500,000	0	0	0	1,500,000	0	0	-793,055	0	706,945
Medical Assistance - HCTF	Health Care Trust	106,363,275	0	0	0	106,363,275	0	0	-540,506	0	105,822,769
Medical Assist Supplemental	Quality Assurance Trust Fund	29,000,000	0	0	0	29,000,000	0	0	-55,269	0	28,944,731
Total		\$ 277,078,123	\$ 0	\$ 0	\$ 7,200,089	\$ 284,278,212	\$ 13,227,605	\$ -100,000	\$ -21,373,660	\$ 0	\$ 276,032,157

OTHER FUND APPROPRIATIONS

FY 2012 Other Funds Appropriation Activity										
Board of Regents										
Appropriation Name	Funding Source	Original Approp	Adjust to Standings	Salary Adjust	Supp/ Deapprop	Net Approp	Bal Forward from FY 2011	Bal Forward to FY 2013	Reversions	Approp Expended
SUI - UIHC IowaCares Program	IowaCare Fund	\$ 27,284,584	\$ 0	\$ 0	\$ 0	\$ 27,284,584	\$ 0	\$ 0	\$ 0	\$ 27,284,584
SUI - UIHC IowaCares Expansion Population	IowaCare Fund	44,226,279	0	0	12,000,000	56,226,279	0	0	-8,277,030	47,949,249
SUI - UIHC IowaCares Physicians	IowaCare Fund	16,277,753	0	0	0	16,277,753	0	0	0	16,277,753
Total		\$ 87,788,616	\$ 0	\$ 0	\$ 12,000,000	\$ 99,788,616	\$ 0	\$ 0	\$ -8,277,030	\$ 91,511,586

Appendix E

Health and Human Services Spreadsheet

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
<u>Aging, Dept. on</u>					
Aging programs	\$ 10,302,577	\$ 10,342,086	\$ 10,342,086	\$ 10,342,086	\$ 0
Total Aging, Dept. on	\$ 10,302,577	\$ 10,342,086	\$ 10,342,086	\$ 10,342,086	\$ 0
<u>Public Health, Dept. of</u>					
Addictive Disorders	\$ 23,503,190	\$ 23,863,690	\$ 23,863,690	\$ 23,863,690	\$ 0
Social media campaign tobacco reduction	0	0	50,000	0	0
Total Addictive Disorders	\$ 23,503,190	\$ 23,863,690	\$ 23,913,690	\$ 23,863,690	\$ 0
Healthy Children and Families	\$ 2,594,270	\$ 2,603,559	\$ 2,603,559	\$ 2,603,559	\$ 0
Youth suicide prevention	0	0	50,000	50,000	50,000
Total Healthy Children and Families	\$ 2,594,270	\$ 2,603,559	\$ 2,653,559	\$ 2,653,559	\$ 50,000
Chronic Conditions	\$ 3,361,656	\$ 3,905,429	\$ 3,905,429	\$ 3,905,429	\$ 0
Continuation of Prevention and Chronic Care Management HCTA	0	0	215,263	215,263	215,263
Total Chronic Conditions	\$ 3,361,656	\$ 3,905,429	\$ 4,120,692	\$ 4,120,692	\$ 215,263
Community Capacity	\$ 4,235,166	\$ 4,869,980	\$ 4,869,980	\$ 4,869,980	\$ 0
Establishment of the Director's Wellness Council	0	0	25,000	25,000	25,000
Total Community Capacity	\$ 4,235,166	\$ 4,869,980	\$ 4,894,980	\$ 4,894,980	\$ 25,000
Total Healthy Aging	\$ 7,297,142	\$ 7,297,142	\$ 7,297,142	\$ 7,297,142	\$ 0
Total Environmental Hazards	\$ 813,777	\$ 803,870	\$ 803,870	\$ 803,870	\$ 0
Total Infectious Diseases	\$ 1,345,847	\$ 1,335,155	\$ 1,335,155	\$ 1,335,155	\$ 0
Public Protection	\$ 2,776,232	\$ 2,779,127	\$ 2,779,127	\$ 2,779,127	\$ 0
Retain environmental health fees due to no Polk Co. inspections	0	0	30,000	0	0
Maintain Environmental Health Program	0	0	430,000	368,000	368,000
Transition orthoists, prosthetics, and pedorthists to fee model	0	0	28,000	28,000	28,000
Total Public Protection	\$ 2,776,232	\$ 2,779,127	\$ 3,267,127	\$ 3,175,127	\$ 396,000
Resource Management	\$ 819,554	\$ 804,054	\$ 804,054	\$ 804,054	\$ 0
Transition IT function from agency to enterprise model	0	0	1,400,000	0	0
Total Resource Management	\$ 819,554	\$ 804,054	\$ 2,204,054	\$ 804,054	\$ 0

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 (1)	Estimated FY 2013 (2)	Dept Req FY 2014 (3)	Gov Rec FY 2014 (4)	Gov Rec FY 14 vs Est FY 13 (5)
Youth Suicide Prevention	\$ 100,000	\$ 50,000	\$ 0	\$ 0	\$ -50,000
Total Vision Screening	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 0
Total Public Health, Dept. of	\$ 46,846,834	\$ 48,312,006	\$ 50,490,269	\$ 48,948,269	\$ 636,263
Human Services, Dept. of					
Medical Assistance	\$ 903,493,421	\$ 914,993,421	\$ 914,993,421	\$ 914,993,421	\$ 0
Reduction due to Governor's veto	0	0	-37,000	-37,000	-37,000
Replace carryforward available in FY 2013	0	0	5,840,216	15,337,099	15,337,099
Fund FY 2013 shortfall in FY 2014	0	0	40,130,046	26,985,071	26,985,071
Nursing facility bed day increase and rebase	0	0	17,457,220	14,268,148	14,268,148
Affordable Care Act (ACA) changes	0	0	-80,861	-80,861	-80,861
FMAP reduction	0	0	43,206,760	43,206,760	43,206,760
IowaCare transfer	0	0	0	15,158,120	15,158,120
Risk Pool replacement	0	0	0	4,736,918	4,736,918
Behavioral Health Account carryforward replacement	0	0	0	2,833,572	2,833,572
Vets Home transfer one-time revenue replacement	0	0	0	3,533,208	3,533,208
Nursing Facility Quality Assurance Fund increase	0	0	0	-2,288,917	-2,288,917
FY 2014 Hospital Trust Fund decrease	0	0	0	22,400	22,400
FY 2014 CHIPRA performance bonus decrease	0	0	0	3,192,194	3,192,194
DOM adjustment to fund Medicaid at bottom of the range	0	0	0	5,573,530	5,573,530
FY 2014 cost containment initiatives	0	0	0	-30,110,000	-30,110,000
Health Care Transformation Account replacement	0	0	0	7,065,203	7,065,203
Miscellaneous revenue changes	0	0	14,773,625	0	0
Fee-for-Services enrollment growth	0	0	739,234	0	0
Prescription drug enrollment growth	0	0	2,617,163	0	0
Behavioral Health Services enrollment growth	0	0	2,939,560	0	0
Notwithstanding nursing facility rebase	0	0	-14,268,148	0	0
HCBS waiver growth and annualization	0	0	5,337,783	0	0
PACE and HMO program increase	0	0	1,157,610	0	0
Medicare Parts A, B, and D payments	0	0	6,050,036	0	0
Reduction to directly appropriate funds to IowaCare	0	0	-8,934,329	0	0
Miscellaneous program growth	0	0	548,444	0	0
Total Medical Assistance	\$ 903,493,421	\$ 914,993,421	\$ 1,021,509,802	\$ 1,024,388,866	\$ 109,395,445

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
Medical Contracts	\$ 0	\$ 5,791,994	\$ 5,791,994	\$ 5,791,994	\$ 0
Replace one-time funds from Pharmaceutical Settlement Account	0	0	3,455,804	3,455,804	3,455,804
Replace one-time funds from HCTA	0	0	2,400,000	2,400,000	2,400,000
Fund items formerly funded by HCTA	0	0	3,247,412	2,348,706	2,348,706
Increase in contract, operation, and IT costs	0	0	715,538	715,538	715,538
Increase in ITE mainframe usage	0	0	38,744	38,744	38,744
ACA Provider enrollment	0	0	111,758	111,758	111,758
Increase in funding from the Pharmaceutical Settlement Account	0	0	0	-5,300,000	-5,300,000
Total Medical Contracts	<u>\$ 0</u>	<u>\$ 5,791,994</u>	<u>\$ 15,761,250</u>	<u>\$ 9,562,544</u>	<u>\$ 3,770,550</u>
State Children's Health Insurance	\$ 32,806,102	\$ 36,806,102	\$ 36,806,102	\$ 36,806,102	\$ 0
Maintain current hawk-i enrollment	0	0	3,916,667	0	0
Growth in enrollment	0	0	1,426,660	0	0
Reduction in FMAP rate	0	0	1,728,290	0	0
Total State Children's Health Insurance	<u>\$ 32,806,102</u>	<u>\$ 36,806,102</u>	<u>\$ 43,877,719</u>	<u>\$ 36,806,102</u>	<u>\$ 0</u>
IowaCare	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfer from Medicaid to separate appropriation	0	0	8,934,329	0	0
Total IowaCare	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,934,329</u>	<u>\$ 0</u>	<u>\$ 0</u>
State Supplementary Assistance	\$ 16,850,747	\$ 15,450,747	\$ 15,450,747	\$ 15,450,747	\$ 0
FY 2014 caseload growth	0	0	1,061,427	1,061,427	1,061,427
Total State Supplementary Assistance	<u>\$ 16,850,747</u>	<u>\$ 15,450,747</u>	<u>\$ 16,512,174</u>	<u>\$ 16,512,174</u>	<u>\$ 1,061,427</u>
Cherokee MHI	\$ 5,877,308	\$ 5,535,738	\$ 5,535,738	\$ 5,535,738	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	346,066	346,066	346,066
Total Cherokee MHI	<u>\$ 5,877,308</u>	<u>\$ 5,535,738</u>	<u>\$ 5,954,464</u>	<u>\$ 5,954,464</u>	<u>\$ 418,726</u>
Clarinda MHI	\$ 6,411,734	\$ 6,442,688	\$ 6,442,688	\$ 6,442,688	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	236,520	236,520	236,520
Total Clarinda MHI	<u>\$ 6,411,734</u>	<u>\$ 6,442,688</u>	<u>\$ 6,751,868</u>	<u>\$ 6,751,868</u>	<u>\$ 309,180</u>

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
Independence MHI	\$ 10,275,685	\$ 9,738,520	\$ 9,738,520	\$ 9,738,520	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	466,512	466,512	466,512
PMIC FMAP rate reduction	0	0	41,086	41,086	41,086
Total Independence MHI	<u>\$ 10,275,685</u>	<u>\$ 9,738,520</u>	<u>\$ 10,318,778</u>	<u>\$ 10,318,778</u>	<u>\$ 580,258</u>
Mt Pleasant MHI	\$ 944,323	\$ 885,459	\$ 885,459	\$ 885,459	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	326,082	326,082	326,082
Sustain Pharmacist staffing (DOC centralization)	0	0	82,485	82,485	82,485
Total Mt Pleasant MHI	<u>\$ 944,323</u>	<u>\$ 885,459</u>	<u>\$ 1,366,686</u>	<u>\$ 1,366,686</u>	<u>\$ 481,227</u>
Glenwood Resource Center	\$ 18,507,801	\$ 18,866,116	\$ 18,866,116	\$ 18,866,116	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Increase in food transportation and utility costs	0	0	57,703	57,703	57,703
FMAP reduction	0	0	1,050,040	1,050,040	1,050,040
Maintain funding for fixed costs with lower census	0	0	911,812	0	911,812
Total Glenwood Resource Center	<u>\$ 18,507,801</u>	<u>\$ 18,866,116</u>	<u>\$ 20,958,331</u>	<u>\$ 20,046,519</u>	<u>\$ 1,180,403</u>
Woodward Resource Center	\$ 12,785,658	\$ 13,033,115	\$ 13,033,115	\$ 13,033,115	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Increase in food transportation and utility costs	0	0	25,726	25,726	25,726
FMAP reduction	0	0	678,065	678,065	678,065
Maintain funding for fixed costs with lower census	0	0	1,643,585	0	1,643,585
Total Woodward Resource Center	<u>\$ 12,785,658</u>	<u>\$ 13,033,115</u>	<u>\$ 15,453,151</u>	<u>\$ 13,809,566</u>	<u>\$ 776,451</u>
Total Conners Training	<u>\$ 33,622</u>	<u>\$ 33,622</u>	<u>\$ 33,622</u>	<u>\$ 33,622</u>	<u>\$ 0</u>
Civil Commitment Unit for Sexual Offenders	\$ 7,550,727	\$ 8,899,686	\$ 8,899,686	\$ 8,899,686	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Fund an additional 10 court-ordered offenders	0	0	444,623	444,623	444,623
Annualize the cost of FY 2013 enrollment increases	0	0	1,726,010	0	0
Total Civil Commitment Unit for Sexual Offenders	<u>\$ 7,550,727</u>	<u>\$ 8,899,686</u>	<u>\$ 11,142,979</u>	<u>\$ 9,416,969</u>	<u>\$ 517,283</u>

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
MHDS Regional Services Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Non-Medicaid cost increase FY 2014	0	0	1,960,000	0	0
Cost of new core services to the regions	0	0	0	0	0
Total MHDS Regional Services Fund	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,960,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
MI/MR/DD State Cases	\$ 12,169,482	\$ 11,150,820	\$ 11,150,820	\$ 11,150,820	\$ 0
Move appropriation to Medicaid	0	0	-11,150,820	-11,150,820	-11,150,820
Total MI/MR/DD State Cases	<u>\$ 12,169,482</u>	<u>\$ 11,150,820</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ -11,150,820</u>
MH/DD Community Services	\$ 14,211,100	\$ 14,211,100	\$ 14,211,100	\$ 14,211,100	\$ 0
Move appropriation to Medicaid	0	0	-14,211,100	-14,211,100	-14,211,100
Total MH/DD Community Services	<u>\$ 14,211,100</u>	<u>\$ 14,211,100</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ -14,211,100</u>
Mental Health Redesign - Medicaid	\$ 0	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ 0
Shift MH Property Tax Relief to Medicaid	0	0	81,199,911	81,199,911	81,199,911
Shift MH/DD Allowed Growth to Medicaid	0	0	74,697,893	74,697,893	74,697,893
Shift MH/DD Community Services to Medicaid	0	0	14,211,100	14,211,100	14,211,100
Shift State Payment Program to Medicaid	0	0	11,150,820	11,150,820	11,150,820
Replacement of prior year shortfall	0	0	11,427,692	8,000,000	8,000,000
One-time revenue replacement	0	0	7,200,089	7,200,089	7,200,089
Change in the use of services	0	0	9,964,568	9,650,639	9,650,639
Reduction in FMAP rate	0	0	9,349,361	9,349,361	9,349,361
MHDS Redesign Core Services	0	0	0	0	0
Total Mental Health Redesign	<u>\$ 0</u>	<u>\$ 40,000,000</u>	<u>\$ 259,201,434</u>	<u>\$ 255,459,813</u>	<u>\$ 215,459,813</u>
MH/DD Growth Factor	\$ 54,697,893	\$ 74,697,893	\$ 74,697,893	\$ 74,697,893	\$ 0
Move appropriation to Medicaid	0	0	-74,697,893	-74,697,893	-74,697,893
Total MH/DD Growth Factor	<u>\$ 54,697,893</u>	<u>\$ 74,697,893</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ -74,697,893</u>
MH Property Tax Relief	\$ 81,199,911	\$ 81,199,911	\$ 81,199,911	\$ 81,199,911	\$ 0
Move appropriation to Medicaid	0	0	-81,199,911	-81,199,911	-81,199,911
Total MH Property Tax Relief	<u>\$ 81,199,911</u>	<u>\$ 81,199,911</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ -81,199,911</u>

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
Adoption Subsidy	\$ 33,266,591	\$ 36,788,576	\$ 36,788,576	\$ 36,788,576	\$ 0
Transfer funds to Child and Family Services	0	0	-201,608	-201,608	-201,608
Fund FY 2013 shortfall	0	0	1,096,694	998,628	998,628
Fund caseload growth	0	0	693,747	790,660	790,660
Reduction in FMAP rate	0	0	780,576	780,576	780,576
Provide 65% of USDA cost to raise a child	0	0	4,717,235	4,717,235	4,717,235
Notwithstanding 65% of USDA cost to raise a child	0	0	-4,717,235	-4,717,235	-4,717,235
Total Adoption Subsidy	<u>\$ 33,266,591</u>	<u>\$ 36,788,576</u>	<u>\$ 39,157,985</u>	<u>\$ 39,156,832</u>	<u>\$ 2,368,256</u>
Child and Family Services	\$ 82,830,163	\$ 81,231,561	\$ 81,231,561	\$ 81,231,561	\$ 0
Reduction in FMAP rate	0	0	280,025	280,025	280,025
Transfer funds from Adoption Subsidy	0	0	201,608	201,608	201,608
(City) Autism Pilot	0	0	25,000	0	0
Provide 65% of USDA cost to raise a child	0	0	1,738,175	1,738,175	1,738,175
Reduction of shelter beds	0	0	0	-438,248	-438,248
Notwithstanding 65% of USDA cost to raise a child	0	0	-1,738,175	-1,738,175	-1,738,175
Total Child and Family Services	<u>\$ 82,830,163</u>	<u>\$ 81,231,561</u>	<u>\$ 81,738,194</u>	<u>\$ 81,274,946</u>	<u>\$ 43,385</u>
Eldora Training School	\$ 10,638,677	\$ 10,680,143	\$ 10,680,143	\$ 10,680,143	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	443,811	443,811	443,811
Increase in food transportation and utilities costs	0	0	60,355	60,355	60,355
Total Eldora Training School	<u>\$ 10,638,677</u>	<u>\$ 10,680,143</u>	<u>\$ 11,256,969</u>	<u>\$ 11,256,969</u>	<u>\$ 576,826</u>
Toledo Juvenile Home	\$ 8,258,251	\$ 8,297,765	\$ 8,297,765	\$ 8,297,765	\$ 0
Transfer from General Admin	0	0	72,660	72,660	72,660
Sustain funding level approved in FY 2013	0	0	444,812	444,812	444,812
Increase in pharmacy, food, transportation, and utilities costs	0	0	21,235	21,235	21,235
Increase in Workers Comp, printing, postage, IT	0	0	22,883	22,883	22,883
Total Toledo Juvenile Home	<u>\$ 8,258,251</u>	<u>\$ 8,297,765</u>	<u>\$ 8,859,355</u>	<u>\$ 8,859,355</u>	<u>\$ 561,590</u>

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
Family Support Subsidy	\$ 1,167,998	\$ 1,096,784	\$ 1,096,784	\$ 1,096,784	\$ 0
Reduction due to children aging out	0	0	-101,829	-101,829	-101,829
Expand Services for Children at Home Program (2 new areas)	0	0	98,000	0	0
Total Family Support Subsidy	<u>\$ 1,167,998</u>	<u>\$ 1,096,784</u>	<u>\$ 1,092,955</u>	<u>\$ 994,955</u>	<u>\$ -101,829</u>
Child Care Assistance	\$ 53,237,662	\$ 62,264,342	\$ 62,264,342	\$ 62,264,342	\$ 0
Restore Child Care to FY 2013 services level	0	0	1,183,051	1,183,051	1,183,051
Provide funding for projected caseload growth	0	0	3,148,128	1,895,652	1,895,652
Annualize child care provider rate increase	0	0	892,009	0	0
Replace CCDF funds transferred to service delivery	0	0	320,182	0	0
Reduce State GF need by increasing TANF funding	0	0	-700,000	-3,000,000	-3,000,000
Decrease State GF due to increase CCDF federal revenue	0	0	-347,789	0	0
Fund federal fingerprint record check requirement	0	0	435,178	135,178	135,178
TANF carryforward from FY 2013	0	0	0	-1,255,268	-1,255,268
Total Child Care Assistance	<u>\$ 53,237,662</u>	<u>\$ 62,264,342</u>	<u>\$ 67,195,101</u>	<u>\$ 61,222,955</u>	<u>\$ -1,041,387</u>
Family Investment Program/JOBS	\$ 50,171,027	\$ 48,397,214	\$ 48,397,214	\$ 48,397,214	\$ 0
Reduction due to Governor's veto	0	0	-500,000	-500,000	-500,000
Reduction in FIP caseload	0	0	-2,355,185	-2,355,185	-2,355,185
Operation and maintenance costs due to new eligibility system	0	0	681,768	681,768	681,768
Reduce TANF Funding for FIP to maintain MOE	0	0	1,673,417	1,673,417	1,673,417
Reduction in Promise Jobs referrals	0	0	-545,089	-545,089	-545,089
Reduce TANF funding for Promise Jobs to maintain MOE	0	0	545,089	545,089	545,089
Total Family Investment Program/JOBS	<u>\$ 50,171,027</u>	<u>\$ 48,397,214</u>	<u>\$ 47,897,214</u>	<u>\$ 47,897,214</u>	<u>\$ -500,000</u>
Child Support Recoveries	\$ 13,119,255	\$ 13,149,541	\$ 13,149,541	\$ 13,149,541	\$ 0
Replace loss of federal incentives and one-time funding	0	0	712,415	712,415	712,415
Increase costs of services (corporate tech, DAS, federal interest)	0	0	311,814	311,814	311,814
Total Child Support Recoveries	<u>\$ 13,119,255</u>	<u>\$ 13,149,541</u>	<u>\$ 14,173,770</u>	<u>\$ 14,173,770</u>	<u>\$ 1,024,229</u>

FY 2014 Health and Human Services General Fund Governor's Recommendations

	Actual FY 2012 <u>(1)</u>	Estimated FY 2013 <u>(2)</u>	Dept Req FY 2014 <u>(3)</u>	Gov Rec FY 2014 <u>(4)</u>	Gov Rec FY 14 vs Est FY 13 <u>(5)</u>
Field Operations	\$ 54,789,921	\$ 61,636,313	\$ 61,636,313	\$ 61,636,313	\$ 0
One-time CHIP Contingency funds				677,864	
Restore Field Operations to FY 2013 services level	0	0	1,357,864	0	0
Maintain FY 2013 FTE positions	0	0	241,050	0	0
Maintain FY 2013 case per worker level	0	0	1,581,656	1,095,361	1,095,361
Total Field Operations	<u>\$ 54,789,921</u>	<u>\$ 61,636,313</u>	<u>\$ 64,816,883</u>	<u>\$ 63,409,538</u>	<u>\$ 1,773,225</u>
General Administration	\$ 14,596,745	\$ 16,100,685	\$ 16,100,684	\$ 16,105,059	\$ 4,374
Reduction of Sex Offender transition earmark	0	0	0	-463,000	-463,000
Adjustment to transfer funds to institutions	0	0	-653,940	-653,940	-653,940
Sustain FY 2013 funding level via carryforward authorization	0	0	689,000	689,000	689,000
Increase costs of services (corporate tech, DAS, IT)	0	0	475,711	-4,375	-4,375
Total General Administration	<u>\$ 14,596,745</u>	<u>\$ 16,100,685</u>	<u>\$ 16,611,455</u>	<u>\$ 15,672,744</u>	<u>\$ -427,941</u>
Total Volunteers	<u>\$ 84,660</u>	<u>\$ 84,660</u>	<u>\$ 84,660</u>	<u>\$ 84,660</u>	<u>\$ 0</u>
Total Human Services, Dept. of	<u>\$ 1,499,976,464</u>	<u>\$ 1,597,464,516</u>	<u>\$ 1,792,621,128</u>	<u>\$ 1,754,431,909</u>	<u>\$ 156,967,393</u>
<u>Veterans Affairs, Dept. of</u>					
General Administration	\$ 998,832	\$ 1,025,819	\$ 1,025,819	\$ 1,025,819	\$ 0
Increase for accounting, budget, and IT services	0	0	54,000	54,000	54,000
Increase rent costs Camp Dodge	0	0	13,689	13,689	13,689
Total General Administration	<u>\$ 998,832</u>	<u>\$ 1,025,819</u>	<u>\$ 1,093,508</u>	<u>\$ 1,093,508</u>	<u>\$ 67,689</u>
Total War Orphans Educational Assistance	<u>\$ 12,416</u>	<u>\$ 12,416</u>	<u>\$ 12,416</u>	<u>\$ 12,416</u>	<u>\$ 0</u>
Total Vets Home Ownership Program	<u>\$ 0</u>	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 0</u>
Total Veterans County Grants	<u>\$ 990,000</u>	<u>\$ 990,000</u>	<u>\$ 990,000</u>	<u>\$ 990,000</u>	<u>\$ 0</u>
Total Veterans Affairs, Department of	<u>\$ 2,001,248</u>	<u>\$ 3,628,235</u>	<u>\$ 3,695,924</u>	<u>\$ 3,695,924</u>	<u>\$ 67,689</u>
<u>Iowa Veterans Home</u>	<u>\$ 8,952,151</u>	<u>\$ 8,025,714</u>	<u>\$ 8,025,714</u>	<u>\$ 8,025,714</u>	<u>\$ 0</u>
Total Health and Human Services	<u><u>\$ 1,568,079,274</u></u>	<u><u>\$ 1,667,772,557</u></u>	<u><u>\$ 1,865,175,121</u></u>	<u><u>\$ 1,825,443,902</u></u>	<u><u>\$ 157,671,345</u></u>

Appendix F

Medicaid

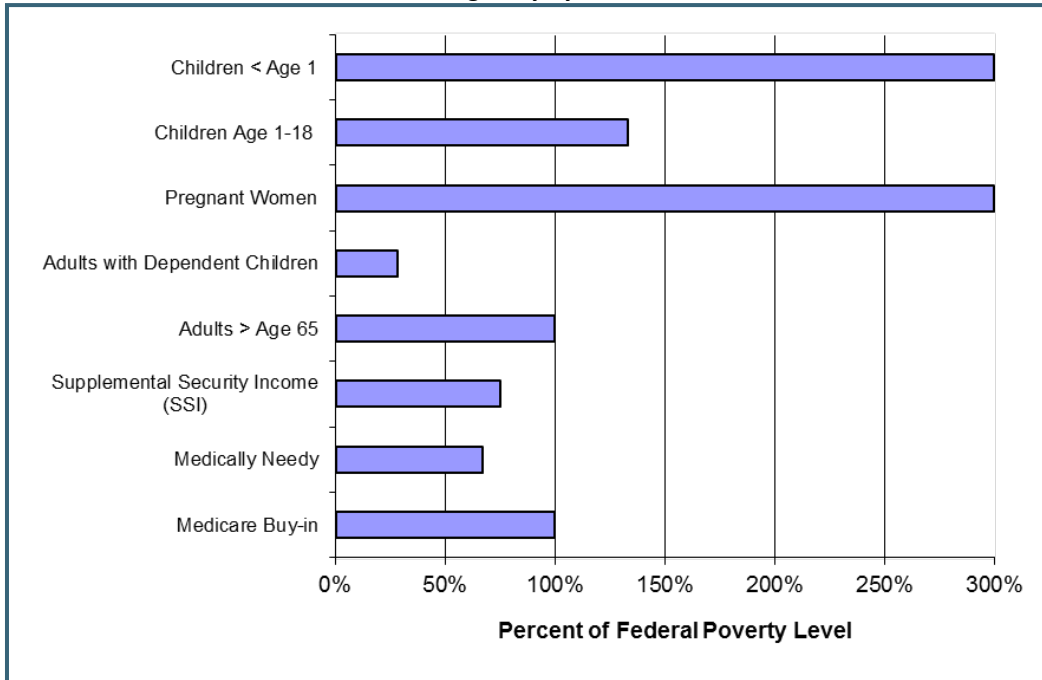
Medical Assistance Program (Medicaid)

Fiscal Staff: Jess Benson

Analysis of Governor's Budget

Medicaid is funded jointly by State and federal funds to provide health care services to low-income persons that are elderly, blind, disabled, pregnant, under age 21, or members of families with dependent children. For State FY 2013, the federal share of the Medicaid Program is 59.87%.

Table 1
Medicaid Eligibility by Income Level



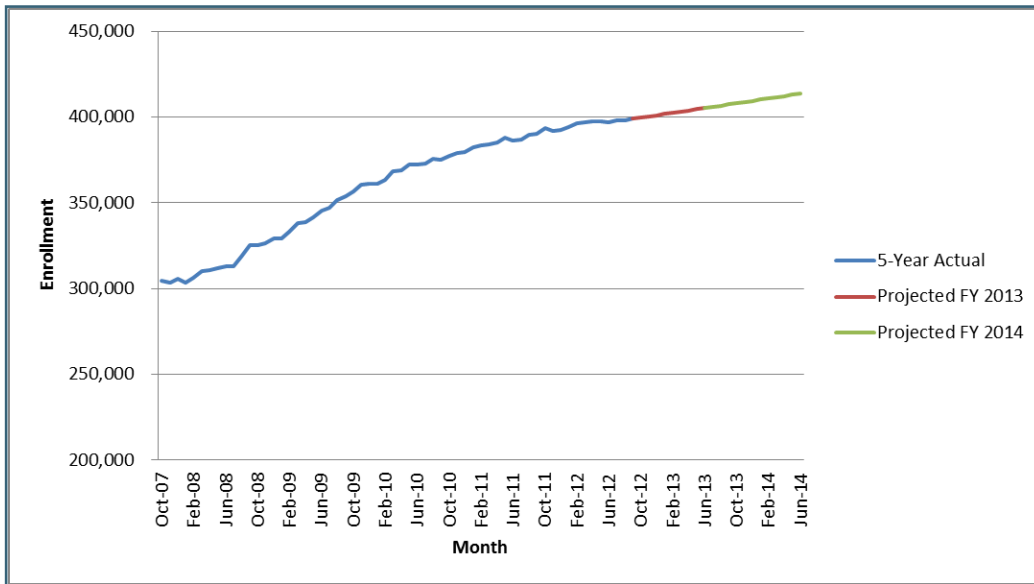
The Iowa Medicaid Program covers individuals at various levels of income as allowed under federal law. To be eligible for Medicaid, an individual must be categorically eligible. This means the individual must meet income requirements and qualify in a category to be eligible. **Table 1** shows the maximum income level for children, pregnant women, adults with dependent children, recipients of Supplemental Security Income (SSI), the Medicare Buy-in Program, and the Medically Needy Program. The income levels are based on the percentage of the Federal Poverty Level (FPL) calculated annually by the federal government and vary by the size of the household. The FPL for a family of four is \$23,050 for 2012.

In December 2012, 402,449 Iowans were enrolled in Medicaid. Of this total, 57.7% were children, 15.5% were adults with dependent children, 19.2% were disabled, and 7.6% were over age 65. The FY 2012 State expenditures totaled \$1,104.1 million. Of the total expenditures, 19.0% was for children, 12.0% was for adults with dependent children, 50.0% was for the disabled, and 19.0% was for adults over age 65. While children account for close to 60.0% of the enrollment, they consume only 19.0% of Medicaid expenditures. Adults over age 65 and disabled individuals account for 26.9% of enrollment but utilize 69.0% of expenditures.

Enrollment

Table 2 shows the enrollment growth in Iowa over the past five years. In FY 2008, the Program increased by 2.9%. In FY 2009 and FY 2010, due to the poor economy, the Program grew by 8.2% and 9.4%, respectively. In FY 2011, growth slowed to 5.4% and growth slowed to 3.4% in FY 2012.

**Table 2
Medicaid Enrollment**



Given the continuing economic recovery, enrollment is projected to continue to increase, but at a slower pace in FY 2013 and FY 2014 than the previous years. The Fiscal Services Division of the Legislative Services Agency (LSA) estimates Medicaid enrollment will increase by 2.0% in FY 2013 and 2.1% in FY 2014.

Revenues and Expenditures

Table 3 shows actual expenditures for FY 2011 through FY 2012 and projected expenditures for FY 2013, FY 2014 and FY 2015. The four largest categories that drive costs in the Medicaid Program are hospitals (inpatient and outpatient), nursing homes, pharmaceuticals, and physician costs.

**Table 3
State Medicaid Expenditures – All State Funds**
(Dollars in Millions)

	<u>State Actual</u>	<u>FMAP Savings</u>	<u>Adjusted State Total</u>
FY 2011 Actual	1,012.9	-187.1	825.8
FY 2012 Actual	1,104.1	0.0	1,104.1
FY 2013 Projected Need	1,397.0	0.0	1,397.0
FY 2014 Projected Need	1,488.7	0.0	1,488.7
FY 2015 Projected Need	1,568.7	0.0	1568.7

*Note: Projected expenditures reflects the midpoints of the Medicaid forecasting group.

As **Table 3** illustrates, Medicaid expenditures are projected to increase substantially from FY 2011 to FY 2015. There are several reasons for this, including:

- The State continues to do better economically when compared to the rest of the country. As a result, Iowa's Federal Medical Assistance Percentage (FMAP) rate continues to decline and Iowa is responsible for a larger share of the Medicaid program compared to the federal government. From FY 2011 to FY 2014, Iowa's FMAP rate has declined nearly 5.0%. This means that for the \$3.7 billion in total Medicaid expenditures projected in FY 2014, Iowa will pay approximately \$180.0 million more under the new rate as compared to the FY 2010 FMAP rate.
- Medicaid expenditures have increased substantially due to the shift of \$239.0 million in Medicaid expenditures previously funded by the counties that are now shifted to the State beginning in FY 2013. Revenue of \$229.6 million was also shifted from the counties to the State, but the State is responsible for the growth in those Medicaid expenditures in the future.

Table 4 shows actual revenues and expenditures for FY 2012 and the Governor's recommended funding levels for FY 2013 and FY 2014 compared to the Medicaid Forecasting Group's midpoints.

**Table 4
Medicaid Balance Sheet**

	Actual FY2012	Gov's Rec FY2013	Gov's Rec FY2014
Medicaid Funding			
Carryforward from Previous Year	\$ 27,700,401	\$ 15,337,099	\$ 0
Veterans Home Transfer	2,447,911	3,533,208	0
Behavioral Health Account Carryforward	1,790,859	2,833,572	0
MH Risk Pool Carryforward	0	4,736,918	0
Health Care Transformation Account	1,956,245	7,065,203	0
Health Care Trust Fund	105,822,769	106,046,400	106,046,400
Nursing Facility Quality Assurance Fund	28,944,731	26,500,000	28,788,917
Hospital Trust Fund	36,714,318	33,898,400	33,876,000
hawk-i Performance Bonus	10,517,268	11,586,323	8,394,129
MHDS Redesign Funds	0	229,627,278	255,459,813
Total Nongeneral Fund for Medicaid	\$ 215,894,502	\$ 441,164,401	\$ 432,565,259
General Fund Appropriation	\$ 903,493,421	\$ 914,956,421	\$ 1,024,388,866
Medicaid Supplemental	0	42,305,164	0
Total All General Fund Sources	\$ 903,493,421	\$ 957,261,585	\$ 1,024,388,866
Total Medicaid Funding	\$ 1,119,387,923	\$ 1,398,425,986	\$ 1,456,954,125
Total Estimated State Medicaid Need	\$ 1,058,990,790	\$ 1,139,526,865	\$ 1,411,292,979
Cover IowaCare Shortfall		7,320,093	15,158,120
Governor's Cost Containment	0	0	-30,110,000
FMAP Changes	45,060,034	33,734,962	51,980,295
County Non-Medicaid Expenditures	0	18,831,144	-1,167,464
County Medicaid Expenditures	0	218,796,134	10,226,466
County Billing Writeoffs	0	955,235	-955,235
Nursing Facility Rebase	0	0	14,268,148
Primary Care Physician ACA	0	0	748,199
Home Health 2% Increase	0	761,348	0
HCBS Waiver 2% Increase Jan. 1	0	2,177,890	2,177,890
Elderly Waiver Cap Increase to \$1,300	0	2,137,244	0
Balancing Incentive Program	0	-17,800,000	-1,049,597
Total Estimated Medicaid Need	\$ 1,104,050,824	\$ 1,406,440,915	\$ 1,472,569,801
Midpoint of Balance/(Under Funded)	\$ 15,337,099	\$ -8,014,929	\$ -15,615,676
MHDS - Mental Health and Disability Services		HCBS - Home and Community-Based Services	
FMAP - Federal Medical Assistance Percentage		ACA - Affordable Care Act	

FY 2013 – 2015 Governor’s Recommendation. A forecasting group consisting of staff from the Department of Management, the Department of Human Services (DHS), and the Fiscal Services Division of the LSA meet monthly to discuss current enrollment and expenditure data in the Medicaid Program and set a range for projected FY 2013 and FY 2014 expenditures. The forecasting group typically meets monthly. For FY 2013, the group agreed Medicaid will have a need of \$28.0 million to \$58.0 million, with a midpoint need of \$43.0 million. For FY 2014, the group agreed Medicaid will have a need of \$137.0 million to \$197.0 million, with a midpoint need of \$167.0 million. Forecast reports are available online on the General Assembly website, at: <https://www.legis.iowa.gov/LSAReports/medicaid.aspx>.

The Governor is recommending a total of \$42.3 million in supplemental appropriations for FY 2013 related to the Medicaid Program. These include:

- **Medicaid Program:** \$27.0 million to cover a projected shortfall in Medicaid for FY 2013. Funding for the Medicaid Program for FY 2013 was appropriated during the 2011 Legislative Session; however, the amount appropriated (\$915.0 million) was approximately \$40.0 million short of covering the projected costs at that time. The Medicaid Forecasting Group met in December and estimated an FY 2013 funding shortfall of between \$28.0 million to \$58.0 million, with a midpoint of \$43.0 million. In order to compare the Governor’s recommended supplemental appropriation to the estimated midpoint of \$43.0 million, the \$8.0 million supplemental for the Mental Health Redesign component (see below) must be added to the \$27.0 million supplemental listed above to arrive at \$35.0 million. With a recommendation of \$35.0 million the Governor is recommending funding \$8.0 million below the projected midpoint of the forecasting group.
- **Mental Health Redesign:** \$8.0 million to cover a projected shortfall in funding for the Mental Health Redesign Medicaid appropriation for FY 2013.
- **IowaCare Program:** \$7.3 million to cover a projected shortfall for care provided at the University of Iowa Hospital and Clinics. The recommended supplemental for the IowaCare Program is not included in the forecasting group midpoint estimate.

For FY 2014, through a combination of cost-containment strategies, savings and additional appropriations, the Governor is recommending funding Medicaid at \$15.6 million below the midpoint of the forecasting group. The Governor is funding Medicaid within the bottom end of the range for FY 2014 by \$14.4 million.

For FY 2015 the Governor is recommending an additional \$34.4 million from the General Fund for Medicaid. The level of funding falls at the bottom end of the need projected by the forecasting group with an additional \$204.0 million compared to current funding levels. This is \$40.0 million below the midpoint need for FY 2015.

Affordable Care Act. The FY 2014 forecasting groups range does not include any estimates related to Medicaid expansion. The FY 2014 forecast does include the \$8.9 million in revenues that were appropriated to Medicaid for IowaCare in FY 2013. Those funds are anticipated to be needed to fund the Program for the first six months of FY 2014, and to cover that population when the Program expires December 31, 2014, but the forecasting group will wait for direction from the General Assembly and the Governor. *The Governor’s budget assumes that the IowaCare Program will be renewed by the federal government and will continue past the current expiration date.*

FMAP. The Bureau of Economic Analysis released their revised personal per capita income data for 2011 on September 25, 2012. This allowed states to calculate their final FY 2014 FMAP rates. The FY 2014 FMAP rates are based on per capita personal incomes for calendar years 2009-2011. Iowa’s FY 2014 FMAP rate continued to decline, dropping by 1.53% to 58.35%. The decline means that Iowa’s economy is doing better compared to other States, resulting in a smaller share of the total FMAP pie for the State. The State’s FMAP rate has declined 4.9% since FY 2010 and this shift means several hundred million dollars of Medicaid expenditures are shifted from the federal government to the State.

Table 5
FMAP Rates FY 2009 – FY 2014

State Fiscal Year	Federal Share	State Share	Federal % Change
FY 2009	62.40%	37.60%	0.60%
FY 2010	63.29%	36.71%	0.89%
FY 2011	62.85%	37.15%	-0.44%
FY 2012	61.19%	38.81%	-1.66%
FY 2013	59.87%	40.13%	-1.32%
FY 2014	58.35%	41.65%	-1.52%

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Appendix G

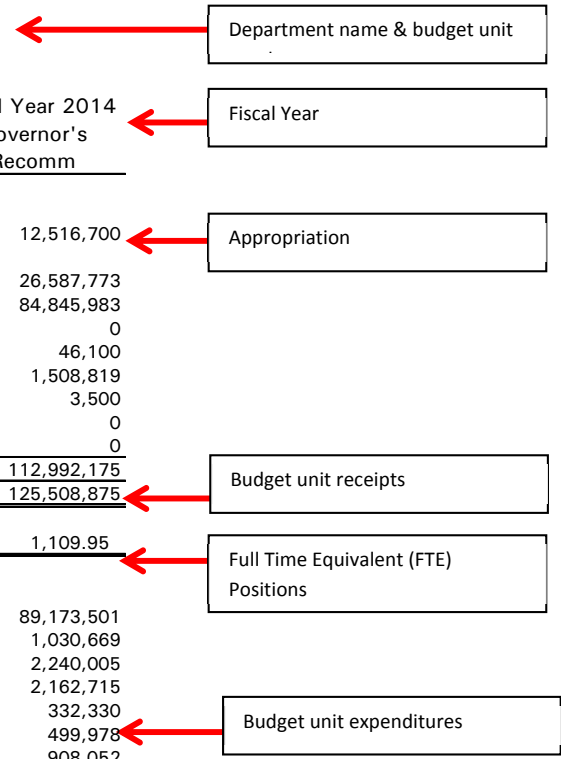
Sample of Budget Schedules 1 and 6

Schedule 6 Example

The Schedule 6 shows all of the resources for a particular budget unit, including appropriations, federal funds, etc.

STATE OF IOWA
 Fiscal Year 2014 Annual Budget
 SPECIAL DEPARTMENT: (660) Natural Resources, Department of
 Budget Unit: (542G720001) GF-Natural Resources Operations
 Schedule 6

	Fiscal Year 2012 Actual	Fiscal Year 2013 Estimated	Fiscal Year 2014 Department Request	Fiscal Year 2014 Governor's Recomm
Resources				
Appropriations				
Appropriation	\$ 12,266,688	\$ 12,516,700	\$ 12,516,700	\$ 12,516,700
Receipts				
Federal Support	25,074,138	26,587,773	26,587,773	26,587,773
Intra State Receipts	80,633,837	84,845,983	84,845,983	84,845,983
Reimbursement from Other Agencies	5,291	0	0	0
Gov Fund Type Transfers - Other	825,144	46,100	46,100	46,100
Refunds & Reimbursements	3,125,485	1,508,819	1,508,819	1,508,819
Other Sales & Services	1,746	3,500	3,500	3,500
Unearned Receipts	441,359	0	0	0
Other	6,519	0	0	0
Total Resources	\$ 122,380,207	\$ 125,508,875	\$ 125,508,875	\$ 125,508,875
FTE	1,014.82	1,109.95	1,109.95	1,109.95
Disposition of Resources				
Personal Services-Salaries	\$ 84,077,774	\$ 89,173,501	\$ 89,173,501	\$ 89,173,501
Personal Travel In State	658,791	1,030,669	1,030,669	1,030,669
State Vehicle Operation	2,628,483	2,240,005	2,240,005	2,240,005
Depreciation	2,037,067	2,162,715	2,162,715	2,162,715
Personal Travel Out of State	193,574	332,330	332,330	332,330
Office Supplies	321,055	499,978	499,978	499,978
Facility Maintenance Supplies	938,767	908,052	908,052	908,052
Equipment Maintenance Supplies	1,594,098	1,232,237	1,232,237	1,232,237
Professional & Scientific Supplies	26,378	71,750	71,750	71,750



A Schedule 6 provides a detailed budget for all appropriated accounts or Funds under the control of the Department. Receipts includes the appropriation, the salary adjustment (if applicable), across-the-board reductions, supplemental appropriations, intra-state receipts from other agencies, receipts from local governments, and other receipts such as fees. Expenditures include all expenses related to the operating budget, such as salary, travel, contracts, etc. Expenditures also include the reversion or balance brought forward.

Budget schedules are available at: <https://www.legis.iowa.gov/LSAReports/relateddocSchedules.aspx>

Schedule 1 Example

The Schedule 1 shows the “decision packages” used by the Executive Branch to arrive at the Department’s annual budget request (dollars and FTE positions) and the Governor’s recommendations for a particular budget unit.

STATE OF IOWA
 Fiscal Year 2014 Annual Budget
 SPECIAL DEPARTMENT: (040) Agriculture and Land Stewardship
 Budget Unit: (009G410001) GF-Administrative Division
 Schedule 1

← Department name & budget unit

			Fiscal Year 2014 Department Request	Fiscal Year 2014 Governor's Recommendations	
<u>Rank</u>	<u>Description</u>	<u>Funding Source</u>			<u>Fiscal Year</u>
Base	Provides level funding for the Iowa Department of Agriculture to provide services to the citizens of Iowa.	Appropriation	17,081,328	17,081,328	
		FTE	304.21	304.21	← Base budget and Full Time Equivalent Positions (FTEs)
0001	Salary and Benefit Increases	Appropriation	623,050	0	← Adjustments to base budget
			Fiscal Year 2014 Department Request	Fiscal Year 2014 Governor's Recommendations	
<u>Total Budget Unit Funding</u>		<u>Fiscal Year 2013 Estimated</u>			<u>Total appropriation and FTEs</u>
Appropriation		\$ 17,081,328	\$ 17,704,378	\$ 17,081,328	
Total FTE		304.21	304.21	304.21	

A Schedule 1 provides a summary of funding available for a Department. The Schedule shows both General Fund and total funds plus FTE positions. The Schedule shows, by priority, any changes to current law (or budget).