

Program Proposed Budget

The following table summarizes the total executive budget proposal for this program by year, type of expenditure, and source of funding.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	176.01	0.00	4.00	180.01	0.00	5.00	181.01	181.01
Personal Services	7,959,560	1,408,699	241,036	9,609,295	1,441,404	303,872	9,704,836	19,314,131
Operating Expenses	13,328,288	168,296	799,944	14,296,528	198,745	537,420	14,064,453	28,360,981
Equipment	248,562	0	145,000	393,562	0	145,000	393,562	787,124
Grants	18,938,279	1,653,925	1,713,100	22,305,304	1,653,925	2,048,100	22,640,304	44,945,608
Benefits & Claims	12,090,717	(242,559)	638,000	12,486,158	(242,559)	520,000	12,368,158	24,854,316
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$52,565,406	\$2,988,361	\$3,537,080	\$59,090,847	\$3,051,515	\$3,554,392	\$59,171,313	\$118,262,160
General Fund	2,046,941	91,225	778,000	2,916,166	95,709	295,000	2,437,650	5,353,816
State/Other Special	11,123,452	252,612	2,250,000	13,626,064	269,944	2,750,000	14,143,396	27,769,460
Federal Special	39,395,013	2,644,524	509,080	42,548,617	2,685,862	509,392	42,590,267	85,138,884
Total Funds	\$52,565,406	\$2,988,361	\$3,537,080	\$59,090,847	\$3,051,515	\$3,554,392	\$59,171,313	\$118,262,160

Program Description

The purpose of the Public Health and Safety Division (PHSD) is to improve and protect the health and safety of Montanans. The division provides a wide range of preventive, emergency preparedness, and other public health services to individuals and communities. Services are provided through nearly 500 contracts with a broad range of private and public providers, including local and tribal public health departments, clinics, hospitals and other community-based organizations. Programs administered by the division include, but are not limited to:

1. Clinical and environmental laboratory services;
2. Women's, Infants and Children's Special Nutrition Program (WIC);
3. Maternal and child public health services;
4. Children's special health services;
5. Immunization Programs;
6. STD/HIV prevention;
7. Food and consumer safety;
8. Emergency medical services;
9. Family planning;
10. Chronic and communicable disease prevention; and
11. Public health emergency preparedness.

Statutory authority for public health functions is in Title 50, MCA, including local public health activities. Rules concerning public health programs are in Title 37 of the Administrative Rules of Montana. Specific citations include: Maternal and Child Health Title 50, Chapter 1 and Chapter 19, MCA, and Title V of the Social Security Act; Family Planning Title X of the federal Public Health Service Act and 42 CFR, Subpart A, Part 59; WIC Public Law 95-627, Child Nutrition Act of 1966, and 7CFR part 246.

LFD COMMENT	The executive is proposing changes and amendments to Title 50, MCA, to update and modernize public health statutes.
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Program Highlights

Department of Major Budget Highlights
<ul style="list-style-type: none"> ◆ Total funds increase \$13.1 million over the biennium compared to the doubled FY 2006 base budget: <ul style="list-style-type: none"> • \$1.1 million general fund increases for new proposals for HIV treatment, state laboratory infrastructure, WIC IT updates, and antiviral drugs for pandemic flu • \$5.0 million in state special revenue increases mainly for new proposals for tobacco prevention activities, new born screening follow-up, and home visits for at-risk pregnant women and infants • \$14.1 million in federal categorical grants, the largest for bioterrorism federal grants adding \$3.6 million in federal funds
Major LFD Issues
<ul style="list-style-type: none"> ◆ The executive proposes to use tobacco prevention and cessation state special revenue funds for uses not included in statute. ◆ Additional costs for newborn screening tests are not included in the department budget ◆ Additional laboratory fee revenues could be used to offset general fund for equipment purchases

Program Narrative

The Public Health and Safety Division (PHSD) FY 2008 budget request is approximately \$6.5 million higher than the FY 2006 base budget, and the FY 2009 budget request is about \$6.6 million higher. Of these totals, \$6.3 million is federal funds and \$5.5 million is state special revenue funds and \$1.3 million is general fund. Not quite half (\$6 million) of the increases are present law base adjustments with the remaining half (\$7.1 million) due to new proposals by the executive. Approximately \$6.3 million of the increases add appropriation authority for anticipated increases in federal categorical grants. The most significant of these relates to pandemic flu preparation and response, \$3.6 million over the biennium.

General fund increases \$1.3 million over the biennium. About \$185,000 are to support present law base adjustments and the remainder are for new proposals. The most significant general fund new proposals are:

- \$150,000 annually for additional HIV treatment for diagnosed individuals requiring medication
- \$145,000 annually to support state laboratory infrastructure
- \$118,000 annually to purchase antiviral drugs in preparation for a pandemic flu
- \$290,000 in FY 2008 for Women’s Infant and Children database maintenance and updates

State special revenue supports about \$525,000 in present law base adjustments and \$5.0 million in new proposals. State special revenue support for the genetics program declines by about \$485,000 over the biennium due to the insurance policy fee declining from \$1.00 to \$.70 per policy. Increases for new proposals include:

- \$1,370,000 annually in tobacco prevention activities
- \$290,000 annually for new born screening follow-up programs
- \$200,000 annually for increased home visits for at-risk pregnant women and infants

Summary of Division Base Budget Compared to Executive Request by Function

Figure 43 shows the FY 2006 base budget expenditures compared to the 2009 biennium request by function of PHSD.

Figure 43
 FY 2006 Base Budget Expenditures
 Compared to the 2009 Biennium

Major Function	FY 2006 Base Budget				% of Total	FY 2008 Executive Request				% of Total	FY 2009 Executive Request				% of Total
	Genl Fund	SSR	Federal	Total		Genl Fund	SSR	Federal	Total		Genl Fund	SSR	Federal	Total	
<u>Major Function</u>															
Division Administration	\$185,546	\$239,435	\$1,112,112	\$1,537,093	2.92%	277,946	261,889	1,180,533	1,720,368	2.91%	203,849	263,055	1,184,804	1,651,708	2.79%
Chronic Disease Prev/Hlth Prom	564,626	6,706,241	6,483,818	13,754,685	26.17%	597,989	8,476,567	6,961,404	16,035,960	27.14%	599,084	8,977,419	6,970,759	16,547,262	27.97%
Family & Community Health	589,760	959,517	18,061,337	19,610,614	37.31%	852,354	1,190,932	18,898,909	20,942,195	35.44%	562,651	1,191,357	18,907,762	20,661,770	34.92%
Communicable Disease Prev.	514,164	744,518	4,023,841	5,282,523	10.05%	721,755	896,128	4,110,997	5,728,880	9.70%	723,176	897,981	4,117,758	5,738,915	9.70%
Laboratories	\$172,695	\$2,465,337	\$422,349	\$3,060,381	5.82%	\$326,733	\$2,726,627	\$494,846	\$3,548,206	6.00%	\$327,464	\$2,739,648	\$497,083	\$3,564,195	6.02%
Pub Health Sys Improvement/ Emergency Preparedness	20,150	8,404	9,291,556	9,320,110	17.73%	139,389	73,921	10,901,928	11,115,238	18.81%	21,426	73,936	10,912,101	11,007,463	18.60%
Total Division Budget	\$2,046,941	\$11,123,452	\$39,395,013	\$52,565,406	100.00%	\$2,916,166	\$13,626,064	\$42,548,617	\$59,090,847	100.00%	\$2,437,650	\$14,143,396	\$42,590,267	\$59,171,313	100.00%
Percent of Total	3.89%	21.16%	74.94%	100.00%		4.94%	23.06%	72.01%	100.00%		4.12%	23.90%	71.98%	100.00%	
<u>Grants</u>															
Women, Infants and Children	0	0	3,675,344	3,675,344		0	0	3,675,344	3,675,344		0	0	3,675,344	3,675,344	
Emergency Systems Preparedness	0	0	5,156,574	5,156,574		0	0	6,756,574	6,756,574		0	0	6,756,574	6,756,574	
Women and Men's Health	0	0	2,022,858	2,022,858		0	0	2,022,858	2,022,858		0	0	2,022,858	2,022,858	
Maternal/Child Health Grnt	0	0	572,852	572,852		0	0	972,852	972,852		0	0	972,852	972,852	
Tobacco Control and Prevention	0	3,486,163	0	3,486,163		0	4,254,263	0	4,254,263		0	4,254,263	0	4,254,263	
AIDS Prevention/Treatment	0	0	1,147,107	1,147,107		0	0	1,147,107	1,147,107		0	0	1,147,107	1,147,107	
Cancer Control	0	0	793,210	793,210		0	0	905,210	905,210		0	0	905,210	905,210	
Subtotal Grants	\$0	\$3,486,163	\$13,367,945	\$16,854,108		\$0	\$4,254,263	\$15,479,945	\$19,734,208		\$0	\$4,254,263	\$15,479,945	\$19,734,208	
Percent of Total Grants	0.00%	18.41%	70.59%	88.99%		0.00%	19.99%	72.75%	92.75%		0.00%	20.07%	73.01%	93.08%	
% of Total Division Budget	0.00%	6.63%	25.43%	32.06%		0.00%	7.20%	26.20%	33.40%		0.00%	7.19%	26.16%	33.35%	
<u>Benefits</u>															
Women, Infants and Children	\$0	\$0	\$8,417,852	\$8,417,852		\$0	\$0	\$8,417,852	\$8,417,852		\$0	\$0	\$8,417,852	\$8,417,852	
% of Total Division Budget	0.00%	0.00%	16.01%	16.01%		0.00%	0.00%	14.25%	14.25%		0.00%	0.00%	14.23%	14.23%	

Division administration is responsible for the overall management of PHSD. Its budget accounts for 3 percent of the total FY 2009 biennial budget request for the division. The majority of the division administrative budget functions are cost allocated among all division subprogram functions. The Libby asbestos screening project is managed in the division administration program and is funded using federal grant funds. The program's budget request increases \$185,000 in FY 2008 and \$115,000 in FY 2009. \$75,000 of the increase in FY 2008 is general fund for a rural public health development project to address public health emergency preparedness in rural areas of the state. The remainder of the division administration increase is for statewide present law adjustments.

The Chronic Disease Prevention and Health Promotion Bureau budget is about 27 percent of the total 2009 biennium division budget request, increasing \$2.3 million annually. The bureau administers tobacco prevention and control, diabetes control, obesity prevention, breast and cervical cancer control and screening, and tumor registry programs. The majority of the increases are for new proposals associated with tobacco prevention activities funded through increased tobacco settlement funds. The majority of the remaining increases are present law adjustments, with 80 percent of the increase funded through federal categorical grant increases.

The Family and Community Health Bureau accounts for 35 percent of the division budget request. The major programs in this bureau include women, infants, and children nutrition (WIC), women and men health, MIAMI, children's special health, newborn health screening, and genetics. This bureau also administers contracts with local governments and contractors that provide maternal and child health services funded by the maternal and child health grant. The budget increases 6.8 percent (\$1.3 million) over the FY 2006 base budget amount in FY 2008 and 5 percent (\$1.0 million) in FY 2009. The most significant increases result from new proposals by the executive which include:

- \$400,000 federal revenue annually for a youth suicide prevention grant
- \$290,000 state special revenue annually for newborn screening follow-up
- \$200,000 state special revenue annually for increased MIAMI funding to assist high-risk pregnant women and infants
- \$290,000 general fund in FY 2008 to program the WIC computer system until the new federal system becomes operational

Communicable Disease Control and Prevention Bureau is about 10 percent of the total division budget request. Major responsibilities in the bureau include food and consumer safety, tuberculosis control, immunization, sexually transmitted disease, and AIDS prevention. Major changes in this portion of the budget include:

- \$150,000 general fund annually to reduce the waiting list for HIV drug assistance
- \$60,000 state special revenue annually for increased pool inspection fees and plan reviews

Laboratory functions are 6 percent of the division budget and include both the environmental and public health laboratories and the biomonitoring function. Significant changes to the budget include:

- \$145,000 general fund annually for laboratory infrastructure
- \$130,000 state special revenue annually for increased laboratory testing
- \$50,000 federal revenue annually for the Food Emergency Response Network

The public health system improvement and emergency preparedness function is 19 percent of the total 2009 biennium budget request. Changes over the base budget are due to statewide present law adjustments and other present law adjustments for increased federal revenue relating to pandemic flu preparedness and a reduction for loss of the environmental public health tracking grant.

Over 59 percent (\$31 million) of the FY 2006 base budget expenditures supported grants and services (benefits) to individuals, which are decreasing slightly to over 58 percent in the 2009 biennium budget request. The largest component of these expenditures is for the WIC program, with a combined total of \$12 million in grants and benefits in FY 2006. The WIC program provides vouchers for food for low-income children under age 5 and for nursing mothers.

Emergency preparedness grants to local governments and hospitals account for the next largest grant source with \$5 million in the FY 2006 base budget. Pandemic flu preparedness increases these grants by \$1.6 million annually over the next biennium.

Tobacco control and prevention are the third highest grant expenditures with \$3.5 million in the FY 2006 base budget. The program grants funds to county, tribal, and urban Indian community-based programs, Addictions and Mental Disorders Division, Office of Public Instruction, and the Montana University System to address issues associated with tobacco use prevention and cessation.

Funding

The following table shows program funding, by source, for the base year and for the 2009 biennium as recommended by the executive.

Program Funding Table							
Public Health and Safety Division							
Program Funding		Base	% of Base	Budget	% of Budget	Budget	% of Budget
		FY 2006	FY 2006	FY 2008	FY 2008	FY 2009	FY 2009
01000	Total General Fund	\$2,046,941	3.9%	\$2,916,166	4.9%	\$2,437,650	4.1%
	01100 General Fund	2,046,941	3.9%	2,916,166	4.9%	2,437,650	4.1%
02000	Total State Special Funds	11,123,452	21.2%	13,626,064	23.1%	14,143,396	23.9%
	02199 Dhes Food & Consumer	119	0.0%	134	0.0%	134	0.0%
	02366 Public Health Laboratory	2,465,337	4.7%	2,726,627	4.6%	2,739,648	4.6%
	02379 02 Indirect Activity Prog 07	239,435	0.5%	261,889	0.4%	263,055	0.4%
	02462 Food/Lodging License	744,399	1.4%	895,994	1.5%	897,847	1.5%
	02512 Brfs Survey Fees	8,404	0.0%	73,921	0.1%	73,936	0.1%
	02544 6901-Welch'S Cost Relief Gran	4,020	0.0%	4,063	0.0%	4,064	0.0%
	02765 Fees On Insurance Policies - Sb 275	828,093	1.6%	565,974	1.0%	565,984	1.0%
	02772 Tobacco Hlth & Medicd Initiative	25,000	0.0%	25,685	0.0%	25,766	0.0%
	02773 Childrens Special Health Services	102,404	0.2%	105,210	0.2%	105,543	0.2%
	02790 6901-Statewide Tobacco Sttlmnt	6,706,241	12.8%	8,476,567	14.3%	8,477,419	14.3%
	02987 Tobacco Interest	-	-	490,000	0.8%	990,000	1.7%
03000	Total Federal Special Funds	39,395,013	74.9%	42,548,617	72.0%	42,590,267	72.0%
	03004 Ems Data Injury	95,092	0.2%	99,418	0.2%	99,604	0.2%
	03020 Ph Workforce Development	37,462	0.1%	61,196	0.1%	61,391	0.1%
	03026 Family Planning Title X	2,255,442	4.3%	2,274,477	3.8%	2,276,014	3.8%
	03027 Wic (Women,Infants & Children)	13,085,180	24.9%	13,203,752	22.3%	13,206,550	22.3%
	03030 Health Prevention & Services	761,522	1.4%	830,331	1.4%	831,737	1.4%
	03031 Maternal & Child Health	2,051,383	3.9%	2,283,548	3.9%	2,287,406	3.9%
	03057 Newborn Hearing Screening	81,321	0.2%	97,725	0.2%	97,848	0.2%
	03074 Obesity Prevention	447,623	0.9%	472,606	0.8%	473,286	0.8%
	03085 Yth/Yng Adult Suicide Prv 93.243	-	-	400,000	0.7%	400,000	0.7%
	03146 10.577 Wic Bf Peer Counseling	20,783	0.0%	21,004	0.0%	21,008	0.0%
	03150 Wic Cdc Surveillance	10,593	0.0%	10,706	0.0%	10,708	0.0%
	03154 Office Of Women'S Health	2,010	0.0%	2,027	0.0%	2,028	0.0%
	03159 Tuberculosis Grant	144,750	0.3%	137,641	0.2%	137,745	0.2%
	03208 Abstinence Education Blk Grant	60,488	0.1%	69,884	0.1%	69,963	0.1%
	03258 Diabetes Control	611,660	1.2%	645,798	1.1%	646,727	1.1%
	03273 Primary Care Services	108,045	0.2%	114,687	0.2%	114,888	0.2%
	03274 Ryan White Act, Title Ii	787,685	1.5%	794,645	1.3%	795,254	1.3%
	03336 Food Inspection Program	58,581	0.1%	54,387	0.1%	54,507	0.1%
	03357 Healthy Child	16,616	0.0%	19,197	0.0%	19,219	0.0%
	03362 Data Integration	45,868	0.1%	52,993	0.1%	53,053	0.1%
	03368 Trauma System Development	28,557	0.1%	30,249	0.1%	30,305	0.1%
	03370 Epi & Lab Surveillance E. Coli	377,056	0.7%	464,331	0.8%	466,372	0.8%
	03383 Search Grant	180,494	0.3%	191,590	0.3%	191,926	0.3%
	03429 Birth Defects Surveillance	6,886	0.0%	8,275	0.0%	8,285	0.0%
	03448 6901-Early Childhood Comp Sys	41,673	0.1%	48,146	0.1%	48,201	0.1%
	03451 69010-Cdp For Brfs	290,764	0.6%	382,804	0.6%	384,380	0.6%
	03461 6901- Childrens Oral Hlth Care	67,120	0.1%	77,546	0.1%	77,634	0.1%
	03596 03 Indirect Activity Prog 07	737,863	1.4%	797,913	1.4%	801,507	1.4%
	03681 6901-Mt Fd Safe Adv Cncl93.103	38,103	0.1%	90,097	0.2%	90,258	0.2%
	03683 6901-Biomonitoring	104,669	0.2%	110,520	0.2%	111,389	0.2%
	03686 6901-Adult Lead	9,631	0.0%	10,815	0.0%	10,840	0.0%
	03689 6901-Bioter Hosp Preparedness	2,480,078	4.7%	2,577,246	4.4%	2,579,597	4.4%
	03690 6901-Rape Prev & Educ 93.126	116,031	0.2%	110,333	0.2%	110,416	0.2%
	03697 6901-Cardiovascular Hlth Prgm	1,013,638	1.9%	1,070,212	1.8%	1,071,752	1.8%
	03698 6901-Ems Prev Fire Related Inj	119,828	0.2%	126,928	0.2%	127,163	0.2%
	03708 6901-Libby Asbestos Screening	374,249	0.7%	382,620	0.6%	383,297	0.6%
	03709 6901-Rural Access Emerg Device	188,063	0.4%	199,207	0.3%	199,575	0.3%
	03711 6901-Breast & Cervical Cancer	2,099,930	4.0%	2,280,481	3.9%	2,284,613	3.9%
	03712 6901-Cancer Registries 93.283	208,987	0.4%	221,076	0.4%	221,456	0.4%
	03713 6901-Wic Farmer Market 10.572	37,926	0.1%	38,328	0.1%	38,336	0.1%
	03788 Montana Disability And Health Progr	255,454	0.5%	255,454	0.4%	255,454	0.4%
	03822 Tobacco Control	1,038,659	2.0%	1,049,551	1.8%	1,049,683	1.8%
	03929 Seroprevalence/Surveillance	49,249	0.1%	49,684	0.1%	49,722	0.1%
	03936 Vaccination Program	953,960	1.8%	943,965	1.6%	946,393	1.6%
	03937 Std Program	230,679	0.4%	255,322	0.4%	256,415	0.4%
	03938 Aids Fed. Cat. #13.118	1,435,596	2.7%	1,446,537	2.4%	1,447,647	2.4%
	03959 Bioterrorism	5,529,240	10.5%	7,420,304	12.6%	7,425,394	12.5%
	03979 Comprehensive Cancer Control	142,801	0.3%	263,061	0.4%	263,321	0.4%
	Grant Total	\$52,565,406	100.0%	\$59,090,847	100.0%	\$59,171,313	100.0%

PHSD is funded by a combination of general fund, state special revenue, and federal funds. General fund supports about four percent of the budget. State special revenue is 24 percent of 2009 budget request and federal revenue makes up 72 percent of the division's budget request.

General fund supports the MIAMI program (\$700,000 annually), public health laboratory, AIDS prevention and control, food and consumer safety, tumor registry, communicable disease, and division administration functions.

State special revenue increases from 20 percent of the FY 2006 base budget to 24 percent in the 2009 biennium. Major state special revenue sources include:

- o Tobacco settlement funds at \$8.5 million in both years of the biennium, a total increase of \$3.4 million
- o Public and environmental laboratory service fees
- o Fees paid to license restaurants and lodging facilities

LFD COMMENT In the 2009 biennium tobacco settlement funds allocated to prevention and cessation programs are estimated to increase \$6.7 million over funding levels in the 2007 biennium. According to the statute, 32 percent of the total tobacco settlement money may only be used for tobacco prevention and cessation programs designed to prevent children from starting tobacco use and to help adults who want to quit tobacco use. These funds are to be deposited into a state special revenue account for this purpose. Any funds not appropriated from the state special revenue accounts are then deposited into the tobacco settlement trust fund. The executive budget appropriates \$3.4 million of the additional funds to tobacco prevention activities.

There are almost 50 funding sources listed in the division funding table, including 2 federal block grants and more than 40 categorical grants that each have explicit programmatic and expenditure requirements. In most cases the purpose of the grant can be determined from its name.

The largest federal grant funds the WIC program, which accounts for \$13.1 million of the FY 2006 base budget and \$13.3 million and \$13.3 million of the FY 2008 and FY 2009 budget requests, respectively. Federal funds supporting emergency preparedness activities are the next significant federal grant funds source, accounting for 17 percent of the budgeted federal funds and increasing \$1.8 million each year for pandemic flu preparedness.

Two federal block grants account for about 5.3 percent of the PHSD 2009 biennium request for federal appropriation authority. They are the Maternal Child Health (MCH) block grant (\$2.2 million annually) and the Preventative Health block grant (\$0.8 million annually). These block grants support a variety of PHSD functions and are both allocated in consultation with division advisory councils. As a result, the allocation is usually some what different than anticipated in the budget request and without specific legislative restrictions, can also be different than the legislative appropriation.

Biennial Comparison

Figure 44 shows the 2007 biennium compared to the 2009 biennium budget request for PHSD. The 2009 biennium request is 6 percent higher than the 2007 biennium, with increases in personal services, operating costs, equipment and grants and decreases in benefits/claims.

Grants show the largest growth due to pandemic flu preparedness grants to local governments and increases in tobacco prevention grants to schools and local governments. Personal services also increase significantly with statewide present law adjustments, in part from a reorganization which added the Children Special Health Service Program to the Family Services Bureau.

Figure 44
2007 Biennium Compared to 2009 Biennium
Public Health and Safety Division

Budget Item/Fund	2007 Biennium	2009 Biennium	Percent of Total	Change	Percent of Total
FTE	176.01	180.01		4	2%
Personal Services	\$16,986,204	\$19,253,011	16%	\$2,266,807	13%
Operating	28,191,488	28,752,101	24%	560,613	2%
Equipment	380,911	787,124	1%	406,213	107%
Grants	39,726,879	44,115,608	37%	4,388,729	11%
Benefits/Claims	25,740,774	24,972,316	21%	(768,458)	-3%
Debt Service	37,587	0	0%	(37,587)	-100%
Total Costs	\$111,063,843	\$117,880,160	100%	\$6,816,317	6%
General Fund	4,173,774	5,471,816	5%	1,298,042	31%
State Special	22,709,932	27,269,460	23%	4,559,528	20%
Federal Funds	84,180,137	85,138,884	72%	958,747	1%
Total Funds	\$111,063,843	\$117,880,160	100%	\$6,816,317	6%

Federal funds support 72 percent of the 2009 biennial request, increasing \$1.0 million compared to the 2007 biennium. State special revenue supports 23 percent of the 2009 biennial request and increase 20 percent due to increases in tobacco settlement funds. General fund comprises 5 percent of the budget request. However, it increases 31 percent due to new proposals by the executive.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	Fiscal 2008					Fiscal 2009				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,799,036					1,833,112
Vacancy Savings					(390,337)					(391,708)
Inflation/Deflation					14,762					16,732
Fixed Costs					91,022					118,698
Total Statewide Present Law Adjustments					\$1,514,483					\$1,576,834
DP 70011 - Increase Spending Authority for Laboratory	0.00	0	130,000	0	130,000	0.00	0	130,000	0	130,000
DP 70015 - Public Health Emergency Preparedness	0.00	0	0	1,800,000	1,800,000	0.00	0	0	1,800,000	1,800,000
DP 70018 - BRFSS Spending Authority Increase	0.00	0	0	40,000	40,000	0.00	0	0	40,000	40,000
DP 70021 - Montana Comprehensive Cancer Control Program MCCCCP	0.00	0	0	112,000	112,000	0.00	0	0	112,000	112,000
DP 70023 - BRFSS-02 Fee Account Continued Spending Authority	0.00	0	65,000	0	65,000	0.00	0	65,000	0	65,000
DP 70101 - Reduce Budget for Environmental Pub Hlth Tracking	0.00	0	0	(430,563)	(430,563)	0.00	0	0	(429,760)	(429,760)
DP 70104 - Reduce Base Level Funding For Genetics Program	0.00	0	(242,559)	0	(242,559)	0.00	0	(242,559)	0	(242,559)
Total Other Present Law Adjustments	0.00	\$0	(\$47,559)	\$1,521,437	\$1,473,878	0.00	\$0	(\$47,559)	\$1,522,240	\$1,474,681
Grand Total All Present Law Adjustments					\$2,988,361					\$3,051,515

New Proposals

New Proposals	Fiscal 2008					Fiscal 2009					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70002 - Ongoing Lab Equipment Replace & Maintenance OTO	07	0.00	145,000	0	0	145,000	0.00	145,000	0	0	145,000
DP 70003 - WIC IT System Maintenance (BIEN - OTO)	07	0.00	290,000	0	0	290,000	0.00	0	0	0	0
DP 70005 - Newborn Screening Follow-Up Program (Requires Legislation)	07	0.00	0	290,000	0	290,000	0.00	0	290,000	0	290,000
DP 70007 - HIV Treatment Funding Request	07	0.00	150,000	0	0	150,000	0.00	150,000	0	0	150,000
DP 70013 - Food Emergency Response Network Grant	07	0.00	0	0	50,000	50,000	0.00	0	0	50,000	50,000
DP 70014 - Youth Suicide Prevention Program	07	0.00	0	0	400,000	400,000	0.00	0	0	400,000	400,000
DP 70016 - FCSS Spending Authority for Pool Inspections (Requires Legislation)	07	0.00	0	60,000	0	60,000	0.00	0	60,000	0	60,000
DP 70017 - FTE Request for MT Breast & Cervical Health Prg	07	1.00	0	0	59,080	59,080	1.00	0	0	59,392	59,392
DP 70103 - Tobacco Trust Fund Sup for Pblc Hlth Home Visits	07	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 70105 - Rural Public Health Development Project	07	0.00	75,000	0	0	75,000	0.00	0	0	0	0
DP 70106 - Tobacco Prevention Activities	07	2.00	0	1,370,000	0	1,370,000	2.00	0	1,370,000	0	1,370,000
DP 70107 - Purchase of Tamiflu - Biennial OTO	07	0.00	118,000	0	0	118,000	0.00	0	0	0	0
DP 70108 - Diabetes & Heart Disease Prevention	07	1.00	0	330,000	0	330,000	2.00	0	830,000	0	830,000
Total		4.00	\$778,000	\$2,250,000	\$509,080	\$3,537,080	5.00	\$295,000	\$2,750,000	\$509,392	\$3,554,392

Sub-Program Details

PUBLIC HEALTH & SAFETY DIVISION 01

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	18.00	0.00	0.00	18.00	0.00	0.00	18.00	18.00
Personal Services	1,150,754	106,361	0	1,257,115	110,448	0	1,261,202	2,518,317
Operating Expenses	182,697	1,914	0	184,611	4,167	0	186,864	371,475
Grants	0	0	75,000	75,000	0	0	0	75,000
Benefits & Claims	203,642	0	0	203,642	0	0	203,642	407,284
Total Costs	\$1,537,093	\$108,275	\$75,000	\$1,720,368	\$114,615	\$0	\$1,651,708	\$3,372,076
General Fund	185,546	17,400	75,000	277,946	18,303	0	203,849	481,795
State/Other Special	239,435	22,454	0	261,889	23,620	0	263,055	524,944
Federal Special	1,112,112	68,421	0	1,180,533	72,692	0	1,184,804	2,365,337
Total Funds	\$1,537,093	\$108,275	\$75,000	\$1,720,368	\$114,615	\$0	\$1,651,708	\$3,372,076

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the Governor. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2008-----				-----Fiscal 2009-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					158,739					162,999
Vacancy Savings					(52,378)					(52,551)
Inflation/Deflation					292					330
Fixed Costs					1,622					3,837
Total Statewide Present Law Adjustments					\$108,275					\$114,615
Grand Total All Present Law Adjustments					\$108,275					\$114,615

LFD COMMENT Present law adjustments are cost allocated among the other division functions managed by PHSD. Statewide present law adjustments for personal services show a 10 percent increase over the personal services base budget amount. About \$86,000 is attributable to annualization of the pay plan approved in HB 447 by the 2005 Legislature. The remaining \$72,000 is due to restoration of funding for base year vacancies and salary or pay grade adjustments not funded in the pay plan.

New Proposals

New Proposals										
Sub Program	FTE	-----Fiscal 2008-----				-----Fiscal 2009-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70105 - Rural Public Health Development Project										
01	0.00	75,000	0	0	75,000	0.00	0	0	0	0
Total	0.00	\$75,000	\$0	\$0	\$75,000	0.00	\$0	\$0	\$0	\$0

DP 70105 - Rural Public Health Development Project - This request is for a \$75,000 biennial general fund appropriation to develop local solutions for creating public health infrastructure in rural and frontier counties in Montana. The proposal is to work with local jurisdictions to address public health surge capacity in a large-scale event or emergency, including cooperation among various jurisdictions, and to develop basic orientation for boards of health and health officers.

Sub-Program Details

CHRONIC DISEASE PREV & HEALTH PROMOTION 03

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	35.02	0.00	4.00	39.02	0.00	5.00	40.02	40.02
Personal Services	1,333,939	387,702	241,036	1,962,677	394,147	303,872	2,031,958	3,994,635
Operating Expenses	6,198,354	22,493	459,944	6,680,791	27,038	487,420	6,712,812	13,393,603
Grants	4,998,295	112,000	978,100	6,088,395	112,000	1,388,100	6,498,395	12,586,790
Benefits & Claims	1,224,097	0	80,000	1,304,097	0	80,000	1,304,097	2,608,194
Total Costs	\$13,754,685	\$522,195	\$1,759,080	\$16,035,960	\$533,185	\$2,259,392	\$16,547,262	\$32,583,222
General Fund	564,626	33,363	0	597,989	34,458	0	599,084	1,197,073
State/Other Special	6,706,241	70,326	1,700,000	8,476,567	71,178	2,200,000	8,977,419	17,453,986
Federal Special	6,483,818	418,506	59,080	6,961,404	427,549	59,392	6,970,759	13,932,163
Total Funds	\$13,754,685	\$522,195	\$1,759,080	\$16,035,960	\$533,185	\$2,259,392	\$16,547,262	\$32,583,222

The Chronic Disease Prevention and Health Promotion 2009 biennium request is about \$5.0 million higher over the biennium than the FY 2006 base budget. State special revenue increases about \$3.9 million over the period due to increases in the tobacco settlement special revenue fund used for tobacco prevention and cessation activities. Federal revenue increases almost \$1 million over the biennium, for the most part due to increases in federal categorical grants. General fund increases are not significant in this program.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the Governor. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2008-----				-----Fiscal 2009-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					459,436					466,151
Vacancy Savings					(71,734)					(72,004)
Inflation/Deflation					5,802					6,647
Fixed Costs					16,691					20,391
Total Statewide Present Law Adjustments					\$410,195					\$421,185
DP 70021 - Montana Comprehensive Cancer Control Program MCCCCP	0.00	0	0	112,000	112,000	0.00	0	0	112,000	112,000
Total Other Present Law Adjustments	0.00	\$0	\$0	\$112,000	\$112,000	0.00	\$0	\$0	\$112,000	\$112,000
Grand Total All Present Law Adjustments					\$522,195					\$533,185

LFD COMMENT Present law adjustments add about \$500,000 a year to the chronic disease prevention and health function. Statewide present law adjustments for personal services show an annual 34 percent increase over the personal services base budget amount. About \$100,000 is attributable to annualization of the pay plan approved in HB 447 of the 2005 Legislature. The remaining \$400,000 is due to restoration of funding for base year vacancies and salary or pay grade adjustments not funded in the pay plan.

Chronic disease prevention and health promotion had an overall vacancy rate in authorized FTE hours of 18.4 percent. The total amount of vacancy funding needed to restore base funding was about \$360,000. The remaining statewide present law adjustments of \$40,000 are for salary or pay grade adjustments not funded in the pay plan.

DP 70021 - Montana Comprehensive Cancer Control Program (MCCCP) - An increase in federal authority of \$112,000 for each year of biennium is requested for MCCCP. This authority is being requested to bring the base in line with the grant award. This program is responsible for maintaining a comprehensive cancer control program.

The MCCCP currently has spending authority of \$149,000 annually included in the FY 2006 base budget. The five-year Montana Comprehensive Cancer Control Plan was published in April 2006. The planning tasks were completed by July 2006. The MCCCP has been awarded implementation funds that were awarded beginning October 2006. The MCCCP received \$260,000 annually through a cooperative agreement with Centers for Disease Control (CDC) for the purposes of implementing the Cancer Control Plan.

New Proposals

Sub Program	-----Fiscal 2008-----					-----Fiscal 2009-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70017 - FTE Request for MT Breast & Cervical Health Prg										
03	1.00	0	0	59,080	59,080	1.00	0	0	59,392	59,392
DP 70106 - Tobacco Prevention Activities										
03	2.00	0	1,370,000	0	1,370,000	2.00	0	1,370,000	0	1,370,000
DP 70108 - Diabetes & Heart Disease Prevention										
03	1.00	0	330,000	0	330,000	2.00	0	830,000	0	830,000
Total	4.00	\$0	\$1,700,000	\$59,080	\$1,759,080	5.00	\$0	\$2,200,000	\$59,392	\$2,259,392

DP 70017 - FTE Request for MT Breast & Cervical Health Prg - This is a request for 1.00 FTE and federal spending authority to convert the current modified position of Montana Breast and Cervical Health Program (MBCHP) health educator to a permanent position. This position provides direction, technical assistance, and training for local MBCHP contractors, programs serving Montana's American Indians, and the network of MBCHP medical service providers.

DP 70106 - Tobacco Prevention Activities - This request is for 3.00 FTE and \$1.1 million in state special revenue for each year of the biennium for Montana Tobacco Prevention Activities. These funds would support community-based programs, preventing spit tobacco use, reducing smoking during pregnancy, implementing comprehensive cancer control activities and improving acute care for persons with ischemic stroke in rural Montanans.

This proposal would provide:

- o \$300,000 for twelve of the remaining Montana counties that currently do not have tobacco prevention funding for community-based efforts
- o \$98,100 to fund Glacier, Big Horn and Jefferson counties with larger populations
- o \$60,000 for salary and benefits for 1.00 FTE to manage, train and offer technical assistance to the additional county programs
- o \$200,000 to develop and implement a statewide public education campaigns focusing on spit tobacco use prevention
- o \$280,000 to develop and implement a public education and awareness campaign focusing on the benefits of smoking cessation during pregnancy and where to go for help (e.g., provider and the Quit Line)
- o \$250,000 and 1.00 FTE to implement comprehensive cancer control activities in Montana

- \$181,900 to improving acute care for persons with ischemic stroke in rural Montanans

In addition, the executive proposes adding \$330,000 and 1.00 FTE to develop three pilot projects focusing on the primary prevention of diabetes included in DP 70108 and funded using tobacco settlement funds.

**LFD
ISSUE**
Unlawful Use of Tobacco Settlement Funds

Comprehensive cancer control activities, ischemic stroke care, and diabetes prevention totaling \$761,900 are not allowed uses of the state special revenue fund used for this appropriation. According to the code commissioner, these activities are provided for under Article 12, Section IV of the Montana constitution as uses of tobacco settlement funds, including the interest from the trust. However, statutorily the state special revenue funds for tobacco prevention and cessation activities are restricted to funding a statewide tobacco prevention program designed to prevent children from starting tobacco use and to help adults who want to quit tobacco use. In order for the legislature to make this appropriation from this state special revenue fund the statutes would have to be amended. The legislature may wish to:

- amend statute to include these activities as uses for the state special revenue funds designated for tobacco prevention and cessation activities
- appropriate these activities from the tobacco settlement fund interest as allowed by current statute

**LFD
ISSUE**
Tobacco Use Prevention Program Goals and Objectives

By statute, tobacco prevention and cessation activities receive 32 percent of the tobacco settlement proceeds annually. In the 2007 biennium this amount was \$13.7 million. In the 2009 biennium this appropriation increases to \$16.3 million. The intent of the funding is to reduce tobacco use in Montana. The program completed a number of activities including:

- Contracting with 41 counties and 4 urban Indian centers to provide tobacco use prevention services in communities
- Funding the Addictive and Mental Disorders Division evidence-based community and youth-based services and interventions
- Funding a contract for a program to work with Montana youth
- Funding an agreement with OPI to implement Tobacco Prevention and Education program in schools
- Contracting to provide tobacco prevention at Montana colleges and universities
- Developing cooperative administration and enforcement of tobacco related laws and taxes

As part of their deliberations, the 2005 Legislature provided direction to staff related to the tobacco cessation activities including requesting the program to:

- Incorporate brief tobacco cessation counseling using U.S. public health 5 a's approach in other department programs
- Incorporate quit line information in mailings to recipients of state-supported programs
- Encourage Medicaid providers to incorporate brief tobacco cessation counseling into office visits and tracking programs
- Provide training to providers and ancillary staff of 5 a's approach
- Chart stamps to document tobacco use and 5 a's approach
- Chart audits to health care providers beginning with large providers
- Eliminate Medicaid copayments for nicotine replacement therapy
- Extend the limit for Medicaid-funded nicotine replacement therapy coverage
- Allow persons to obtain nicotine replacement therapy directly from the quit line
- Explore whether quit line services provided to Medicaid-eligible people are allowable Medicaid costs for federal financial participation
- Encourage all state departments to incorporate smoking cessation policies

**LFD
ISSUE
CONT.**

While the program completed a number of the legislatively directed activities it has not yet incorporated quit line information in mailings to recipients of state-supported programs, developed chart audits for health care providers beginning with large providers, eliminated Medicaid copayments for nicotine replacement therapy, extended the limit for Medicaid-funded nicotine replacement therapy coverage, or explored whether quit line services provided to Medicaid-eligible people are allowable Medicaid costs for federal financial participation.

State law requires agency and program goals and objectives to be specific and quantifiable to enable the legislature to establish appropriations policy. Goals define what the agency is trying to accomplish. Objectives, sometimes referred to as performance measures, are the segments of the goals which show how the agency will accomplish the goals. They should be specific, time-bound, and measurable to articulate the who, when, and how of the agency's plans for accomplishing the goals. This allows the legislature to ensure an agency is accountable for the resources it has been appropriated.

The legislature may wish to request the Montana Tobacco Use Prevention Program provide goals and specific measurable, time-bound objectives to implement those goals over the 2009 biennium.

DP 70108 - Diabetes & Heart Disease Prevention - This budget request is for 2.00 FTE and \$330,000 for FY 2008 and \$830,000 for FY 2009 in state special revenue for diabetes and heart disease prevention activities. These initial activities would include establishing pilot programs within local health departments, community health centers, diabetes education programs, or other appropriate health care facilities to promote increased physical activity, improved nutrition, and tobacco use cessation amount persons at high risk for developing diabetes, and the development of supportive health education materials for these pilot programs.

**LFD
ISSUE****Unlawful Uses of Tobacco Settlement Funds**

The executive proposes using \$660,000 of tobacco settlement funds to support a portion of this proposal. The use of these funds for this program is unlawful. See issue above for DP 70106.

Sub-Program Details

FAMILY & COMMUNITY HEALTH 04

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	33.25	0.00	0.00	33.25	0.00	0.00	33.25	33.25
Personal Services	1,395,371	399,031	0	1,794,402	404,684	0	1,800,055	3,594,457
Operating Expenses	1,909,144	(4,891)	290,000	2,194,253	(969)	0	1,908,175	4,102,428
Grants	6,273,515	0	600,000	6,873,515	0	600,000	6,873,515	13,747,030
Benefits & Claims	10,032,584	(242,559)	290,000	10,080,025	(242,559)	290,000	10,080,025	20,160,050
Total Costs	\$19,610,614	\$151,581	\$1,180,000	\$20,942,195	\$161,156	\$890,000	\$20,661,770	\$41,603,965
General Fund	589,760	(27,406)	290,000	852,354	(27,109)	0	562,651	1,415,005
State/Other Special	959,517	(258,585)	490,000	1,190,932	(258,160)	490,000	1,191,357	2,382,289
Federal Special	18,061,337	437,572	400,000	18,898,909	446,425	400,000	18,907,762	37,806,671
Total Funds	\$19,610,614	\$151,581	\$1,180,000	\$20,942,195	\$161,156	\$890,000	\$20,661,770	\$41,603,965

The executive budget request for family and community health services increases about \$2.4 million over the FY 2009 biennium when compare to the FY 2006 base budget. Federal revenues support \$1.7 million of the increase and state special revenues add about \$0.5 million. General fund increases in FY 2008 for a new proposal related to WIC computer programming.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
FTE	-----Fiscal 2008-----				-----Fiscal 2009-----				
	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				473,796					479,686
Vacancy Savings				(74,765)					(75,002)
Inflation/Deflation				1,681					1,846
Fixed Costs				(6,572)					(2,815)
Total Statewide Present Law Adjustments				\$394,140					\$403,715
DP 70104 - Reduce Base Level Funding For Genetics Program									
	0.00	0	(242,559)	0	(242,559)	0.00	0	(242,559)	0
Total Other Present Law Adjustments	0.00	\$0	(\$242,559)	\$0	(\$242,559)	0.00	\$0	(\$242,559)	\$0
Grand Total All Present Law Adjustments				\$151,581					\$161,156

LFD COMMENT Statewide present law adjustments for personal services show an annual 40 percent increase over the personal services base budget amount. About \$100,000 is attributable to annualization of the pay plan approved in HB 447 of the 2005 Legislature. The majority of the remaining \$370,000 is due to restoration of funding for base year vacancies. During the FY 2006 family and community health had an overall vacancy rate in authorized FTE hours of 16.5 percent.

DP 70104 - Reduce Base Level Funding For Genetics Program - This request is to reduce the base level expenditure spending authority because the fee on insurance premiums to support the Montana Genetics Program will revert back to \$0.70 effective July 1, 2007. The fee was \$1.00 during the 2007 biennium and will be \$0.70 under current law.

LFD ISSUE Genetic Program Contract

The Genetics Program contracts to provide comprehensive new-born follow-up services. Statute requires the program to include follow-up programs for children if newborn testing indicates a need, clinical self-supporting laboratory genetics services to all segments of the population, and counseling and testing for genetic conditions and metabolic disorders. The statute governing this program was amended by SB 275 during the 2005 legislative session. The amendment increased the fee paid on individual or group disability or health insurance policies from \$0.70 to \$1.00, generating about \$295,000 in additional revenues for the program.

The program contracts with a provider for these services. This contract was amended in FY 2006 to increase the overall amount by \$293,236 above the \$500,000 original contract amount. It appears the basis of the increased contract was the increased fee on insurance premiums. Neither the FY 2006 amendment nor the original contract includes the number of children to be served under the contract. The amended contract also did not provide for any additional services as a basis for the additional payment. According to department staff, the increased funding for the program did not generate significant additional program usage. As a result, it is difficult to determine what additional benefit the state received for the additional funding.

Legislation to remove the sunset provision is proposed for consideration by the 2007 Legislature. The legislature may wish to articulate more specific performance measures, including the number of children served, as a basis for contract services relating to the Genetics Program.

New Proposals

Sub Program	-----Fiscal 2008-----					-----Fiscal 2009-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70003 - WIC IT System Maintenance (BIEN - OTO)										
04	0.00	290,000	0	0	290,000	0.00	0	0	0	0
DP 70005 - Newborn Screening Follow-Up Program (Requires Legislation)										
04	0.00	0	290,000	0	290,000	0.00	0	290,000	0	290,000
DP 70014 - Youth Suicide Prevention Program										
04	0.00	0	0	400,000	400,000	0.00	0	0	400,000	400,000
DP 70103 - Tobacco Trust Fund Sup for Pblc Hlth Home Visits										
04	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
Total	0.00	\$290,000	\$490,000	\$400,000	\$1,180,000	0.00	\$0	\$490,000	\$400,000	\$890,000

DP 70003 - WIC IT System Maintenance (BIEN - OTO) - This request is for \$290,000 of general fund to sustain the current WIC IT system until a USDA state agency model (SAM) is available to DPHHS. Estimated availability of the federal system is FY 2009 at the earliest, with roll out to states by FY 2010. This computerized system is used to maintain documentation on eligibility and reporting requirements, and to issue food instruments, which serve as currency for participants to obtain supplemental foods. The WIC program provides nutrition education and supplementary food to approximately 22,000 low-income pregnant and nursing women, infants, and children up to age 5 statewide.

Justification: To sustain current system until a USDA state agency model acceptable to DPHHS is available and to make the current system more compatible with modern hardware and software. The extraction of information outside of preset definitions is cumbersome and requires the time and expertise of the programmers.

Goal: The goal of this request is for the WIC program to continue to use their existing statewide computer networked program until a new federal system can be acquired in FY 2009 or FY 2010.

Performance Criteria:

- Computer Programmer – a contract position to work on the WIC computer program to make adjustments and upgrades
- Planning contractor – to assist the WIC Program in planning and applying for a new WIC computer system.

Milestones:

- To keep the state office and the ninety-nine local clinics computer program running until a new system can be acquired.
- Complete and receive approval of the WIC Information System Planning Advance Planning Document by May 2008.

FTE: No additional FTE are requested. Existing DPHHS staff will monitor the program.

Funding: 100 percent general fund. Federal funds for database changes are not available as these resources are currently being used to develop the new federal SAM.

Obstacles:

- Current system is twelve years old and written in computer languages that are no longer used.
- Staffing – it is difficult to hire programmers who can work on the current system because of the outdated programming language.
- Currently there is not enough staff time to maintain system and revise programming.
- Current system does not collect/report required data for the program, including racial/ethnic data.
- Current system is not able to produce reports needed for the WIC Program and for other special requests that are made.

Risk:

- Loss of benefits to participants should the system fail.
- Loss of accountability for participant data and reporting to USDA.
- Loss of accountability for food benefits issued and redeemed which is approximately \$1,000,000 per month. This includes the data retained in the system, submitted to the financial institution and USDA. Jeopardizing our USDA grant with the possibility of the State having to assume the responsibility for outstanding liabilities.]

LFD ISSUE	<p>Performance Measures</p> <p>The performance criteria outlined by the division does not include the types of adjustments the contractor would make to the system or which satellite clinics need changes or assistance. Nor does it include a timeline for when the contractor would be hired, the timeframe for developing new programming, the implementation date of the programming, the timeline for testing the changes, what a planning contractor would do, what work the planning contractor would complete, and when it would be completed. The costs for each component of the performance criteria are also not included nor are any benchmarks for determining if the statewide WIC computer networked program is adequately maintained until a new federal system can be acquired. The legislature may wish to specify more specific performance measures.</p>
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DP 70005 - Newborn Screening Follow-Up Program (Requires Legislation) - This request is for \$290,000 annually in state special revenue, derived from tobacco trust fund interest to support a comprehensive newborn screening follow-up program. The division is considering expanding the current panel of tests conducted at birth from 4 to 29. This program would provide clinical diagnostic and support services for families and primary care providers of babies identified with an abnormal condition from the expanded panel of newborn screening tests. Technological advances have made available screening for multiple metabolic conditions that had previously been difficult to identify at birth. This proposal provides funding to assure that:

1. Every Montana-born baby will receive the panel of 29 newborn screening tests currently recommended by the American Academy of Pediatrics; and
2. Every baby in Montana with positive newborn screening test results will receive a continuum of follow-up care.

Justification: The Maternal and Child Health Bureau of the federal Department of Health and Human Services recommends national adoption of a mandatory panel of 29 tests in order to ensure that all babies born in the United States have equal access to the same screenings. Implementation of these national standards in Montana would require the addition of 24 tests currently available on an optional basis and mandatory hearing screening for all babies born in Montana. This expansion will require expanding newborn services available to the families and physicians of the babies who are screened and diagnosed as positive for the conditions tested.

Goal: Assure the availability of clinical diagnostic and support services for babies identified with an abnormal condition from the expanded panel of newborn screening tests.

Performance Criteria:

- o Beginning in FY 2008, expand the newborn screening mandatory panel to 28 tests and hearing screening through department rule
- o Beginning in FY 2008, contract for clinic consultation and family consultation for conditions identified from expanded panel of tests

Milestones:

- o By June 30, 2008, ensure that all babies born in Montana receive the full panel of mandatory tests for inborn Errors of metabolism and other conditions detected by blood sample testing
- o By June 30, 2008 ensure that all babies born in Montana with conditions identified through the mandatory expanded panel of tests have access to appropriate clinical and family consultation services

FTE: No additional FTE are included in this request. Follow up program services would be contracted via RFP.

Funding: 100 percent tobacco trust fund interest funds. Allocated as follows using contracted services:

Item	Tests	Costs
Metabolic specialist (MD)	Clinic consultation	\$100,000
Nutritionist 0.5 FTE @ \$75,000/FTE)	Clinic and family consultation	\$37,500
Nurse Coordinator (0.5 FTE at \$70,000/FTE)	Clinic and family consultation	\$35,000
Family Support	Clinic and family consultation	\$30,000
Genetic Counseling (0.5 FTE)	Clinic and family consultation	\$37,500
Resources and training		\$50,000
TOTAL		\$290,000

Obstacles: Limited resources are available in-state for children with metabolic conditions. Implementation may require a request for proposal at a regional level.

Risk: Failure to implement the national standard for newborn screening for inborn errors of metabolism and other recommended conditions detected by blood sample testing will result in babies born with conditions remaining undetected unless the specific optional test is ordered by the baby’s physician.

LFD COMMENT	PHSD currently funds genetic counseling services. According to program staff the genetic conditions identified through the additional blood tests are so rare the current genetic contractor may not have the expertise required to assist families.
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**LFD
ISSUE**

Costs for Additional Tests

The addition of 24 metabolic tests has other costs which are not included in the executive budget. The added tests result in an additional charge of \$40.00 per test panel. Currently, approximately 40 percent of the births in Montana are covered through the Medicaid program. In FY 2005, there were about 11,600 births in Montana. The additional cost of providing the tests would be \$185,600 per year to the Medicaid program, an increase in general fund match of \$58,000 in each year of the biennium. These additional costs for the program are not included in the Human Resource Division budget request. The legislature may wish to consider the total cost of the program when deciding on an additional appropriation for the follow-up program.

DP 70014 - Youth Suicide Prevention Program - This request is for \$400,000 in federal spending authority for each year of biennium to support youth suicide prevention efforts in Montana. This funding would be used specifically to lower the rate of suicide among youth and young adults in Montana, ages 10-24. This program provides resources to communities to support and promote youth suicide prevention efforts. Federal guidelines for the grant require 85 percent of funding be expended at the local level. In Montana, \$342,460 of the \$400,000 would be contracted to communities and institutions of higher learning, including funding for the project evaluator through MSU, a public awareness campaign, and training of medical providers.

Justification: Suicide is a major statewide public health problem in Montana. Montana has ranked in the top five states with the highest rates of suicide for the past 20 years. Suicide profoundly affects individuals, families, workplaces, neighborhoods, and societies. For each completed suicide, the lives of at least six other people are deeply impacted. The economic costs alone associated with suicide and self inflicted injuries in Montana are estimated at over \$103 million dollars (Children's Safety Network 2005).

Goal: Montana seeks to prevent both fatal and non-fatal suicidal behaviors among youth and young adults 10-24 years of age. The proposed approach builds on the foundation of prior statewide youth suicide prevention efforts to develop and implement youth suicide prevention and early intervention strategies, grounded in public and private collaboration.

Performance Criteria:

Objective #1 – Improve access to and availability of appropriate prevention services for vulnerable youth in at least six and no more than 15 communities, tribes, and institutions of higher learning projects

Objective #2 – Increase access to and community linkages with mental health and substance abuse service systems serving youth and young adults

Objective #3 – Implement activities for an ongoing public information and awareness campaign to promote awareness that suicide is a public health problem and it is preventable

Objective #4 – Establish a process that promotes effective clinical and professional practices, and oversees and supports suicide prevention activities at local and state levels

Milestones:

- Increase access to and community linkages with mental health and substance abuse service systems serving youth and young adults – Ongoing
- Formation of a statewide Task Force – Initial meeting January 2007 with quarterly meetings
- Public Information and Awareness – Ongoing
- Promotion of effective clinical and professional practices, and oversight and support of suicide prevention activities at local and state levels - Ongoing

FTE: No additional FTE is requested as existing DPHHS staff will monitor the program.

Funding: 100 percent federal funding.

Obstacles:

- Lack of statewide coordination - Currently there is a lack of a statewide, strategic effort to link assets and build a stronger network of resources to address youth and young adult suicide as a major statewide public health priority. This grant funding will assist DPHHS in moving forward with the strategic effort
- Montana demographics and geography - Montana is a large frontier state with many isolated communities.
- Suicide risk factors - Montana has a high availability of lethal means, including firearms, that increase the potential lethality of impulsive suicidal behaviors
- Lack of mental health providers and treatment facilities

Risk: The suicide rate among youth in Montana will continue to be one of the highest in the nation without coordinated prevention efforts in Montana communities. The individuals and agencies that are currently addressing suicide often do so from their own unique perspective and to meet their own special needs. There needs to be a statewide, strategic effort to link these many assets together and to build a stronger network of resources to address suicide as a major statewide public health priority. This will not happen without this funding.

**LFD
ISSUE**

Performance Measures/Milestones

The performance measurements discussed above do not address the current rate per 100,000 of suicide deaths among youths ages 15 through 19 or what level the family and community health services is working to attain. From 1999 – 2002 the rate among 15 to 24 year olds was 17.68 per 100,000. The target rate for Montana for the federal Maternal Child Health performance measure is 10 for 2009. The performance measurements also do not include specific time periods in which to accomplish the goals. The legislature may wish to specify more specific performance measurements.

The milestones above do not include target dates for accomplishment. The legislature may wish to specify specific dates for completion of the milestones.

DP 70103 - Tobacco Trust Fund Sup for Pblc Hlth Home Visits - This request is for \$200,000 in Tobacco Trust Fund interest funds for each year of the biennium to support public health home visits (PHHV). Family and community health will use new PHHV funding for additional public health home visiting sites and to increase funding to existing PHHV sites in order to expand home visiting services by providing intensive case management to pregnant women who are at risk for using substances while pregnant. These services are currently provided under the MIAMI program.

The 2005 Legislature designated \$550,000 annually to target home visiting services for high-risk pregnant women and infants. Family and community health contracts with 14 counties and two tribal nations to provide home visiting/community based services for high-risk pregnant women and infants. The objectives of the program are to:

- Improve pregnancy outcomes in service areas
- Improve family functioning in target populations served
- Monitor and improve the home environment of pregnant women and infants in the target population, considering environmental, economic, psychosocial, and medical risks
- Decrease the incidence and impact of drug and alcohol use and abuse in the target populations

Sub-Program Details

COMMUNICABLE DISEASE CONTROL & PREV 05

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	30.68	0.00	0.00	30.68	0.00	0.00	30.68	30.68
Personal Services	1,314,696	216,343	0	1,531,039	222,246	0	1,536,942	3,067,981
Operating Expenses	1,046,634	20,014	0	1,066,648	24,146	0	1,070,780	2,137,428
Equipment	16,900	0	0	16,900	0	0	16,900	33,800
Grants	2,278,933	0	60,000	2,338,933	0	60,000	2,338,933	4,677,866
Benefits & Claims	625,360	0	150,000	775,360	0	150,000	775,360	1,550,720
Total Costs	\$5,282,523	\$236,357	\$210,000	\$5,728,880	\$246,392	\$210,000	\$5,738,915	\$11,467,795
General Fund	514,164	57,591	150,000	721,755	59,012	150,000	723,176	1,444,931
State/Other Special	744,518	91,610	60,000	896,128	93,463	60,000	897,981	1,794,109
Federal Special	4,023,841	87,156	0	4,110,997	93,917	0	4,117,758	8,228,755
Total Funds	\$5,282,523	\$236,357	\$210,000	\$5,728,880	\$246,392	\$210,000	\$5,738,915	\$11,467,795

The Communicable Disease and Prevention 2009 biennium request is about \$1 million higher over the biennium than the FY 2006 base budget. Federal revenue and state special revenue both increase about \$0.3 million over the period. General fund increases about \$0.4 million, \$0.3 million is due to an executive proposal to increase funding for HIV medications. The remainder which are due to present law adjustments.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2008-----				-----Fiscal 2009-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					280,136					286,283
Vacancy Savings					(63,793)					(64,037)
Inflation/Deflation					3,205					3,473
Fixed Costs					16,809					20,673
Total Statewide Present Law Adjustments					\$236,357					\$246,392
Grand Total All Present Law Adjustments					\$236,357					\$246,392

LFD COMMENT Statewide present law adjustments for personal services show an annual 21 percent increase over the personal services base budget amount. About \$100,000 is attributable to annualization of the pay plan approved in HB 447 of the 2005 Legislature. The remaining \$180,000 is due to restoration of funding for base year vacancies. During the FY 2006 family and community health had an overall vacancy rate in authorized FTE hours of 16.5 percent.

New Proposals

Sub Program	Fiscal 2008					Fiscal 2009				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70007 - HIV Treatment Funding Request										
05	0.00	150,000	0	0	150,000	0.00	150,000	0	0	150,000
DP 70016 - FCSS Spending Authority for Pool Inspections (Requires Legislation)										
05	0.00	0	60,000	0	60,000	0.00	0	60,000	0	60,000
Total	0.00	\$150,000	\$60,000	\$0	\$210,000	0.00	\$150,000	\$60,000	\$0	\$210,000

DP 70007 - HIV Treatment Funding Request - An increase of \$150,000 general fund is requested for each year of the biennium for HIV treatment. As of October 2006, there were 22 individuals waiting to be enrolled into the Montana AIDS Drug Assistance Program (ADAP). Additional funds would allow the department to supply some of the individuals with HIV medications using the significant ADAP discount. Currently, general fund is to cover federal funding gaps and to meet a 1:4 state/ federal match. The current average cost for HIV medication through ADAP is \$8,811 per person per year. The requested amount would create 16 additional ADAP slots and would sustain that increased enrollment for two years.

Justification: ADAP medications are purchased using a federally-negotiated discount and cost even less than Medicaid-funded drugs. HIV treatment funds permit Montana to access supplemental federal funds by meeting a 1:4 state/federal match, and thus take full advantage of the cost-effective ADAP discount. Reduced federal funding over the last two years, combined with rising prescription costs and increased eligible clients, has led an ADAP waiting list of over 20 Montanans. Some have been waiting to be enrolled for as long as 18 months.

Goals:

- o Reduce HIV morbidity and mortality by preventing progression to AIDS
- o Reduce transmission risk by lowering viral load: a less infectious person lowers public health risk.
- o Improve client health, quality of life, and productivity
- o Decrease the need for expensive inpatient care

Performance Criteria:

- o Increase current combined amount of federal and state funding to allow a total enrollment of 87 persons; and
- o Decrease waiting list by 75 percent.

Milestones:

- o By December 2007, enroll 16 new persons onto ADAP
- o Through June of 2008, maintain new enrollment level average of 87 ADAP clients per month

FTE: No additional FTE requested, existing DPHHS staff will monitor the program.

Funding: 100 percent general fund.

Obstacles: Since there is an established waiting list at this time the department will be able to provide service immediately to those in need with no known obstacle.

Risk: Continued under-funding could lead to an unmanageable waiting list number and possible serious health consequences. No patients have gone without medicines to date because of a process to get donated medicines. However, this process is burdensome, unpredictable, and dependent on providers outside of our control. For the HIV infected person to have a well controlled virus requires high adherence to a treatment regimen including a stable and reliable supply of medications. The waiting list puts some individuals at risk for not receiving a supply of medications.

DP 70016 - FCSS Spending Authority for Pool Inspections (Requires Legislation) - This request is for \$60,000 in state special revenue spending authority for each year of the biennium to allow Food and Consumer Safety to recover costs associated with inspections performed by PHSD employees. Many health departments defer the inspection and implementation of pool and spa programs to PHSD and the division needs authority for the additional revenue to cover personnel costs associated with the maintenance of the program. Pending legislation to increase pool inspection fees and plan reviews is being used to compute anticipated authority request.

Sub-Program Details

LAB 07

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	28.27	0.00	0.00	28.27	0.00	0.00	28.27	28.27
Personal Services	1,340,071	107,945	0	1,448,016	112,705	0	1,452,776	2,900,792
Operating Expenses	1,610,929	184,880	50,000	1,845,809	196,109	50,000	1,857,038	3,702,847
Equipment	109,381	0	145,000	254,381	0	145,000	254,381	508,762
Total Costs	\$3,060,381	\$292,825	\$195,000	\$3,548,206	\$308,814	\$195,000	\$3,564,195	\$7,112,401
General Fund	172,695	9,038	145,000	326,733	9,769	145,000	327,464	654,197
State/Other Special	2,465,337	261,290	0	2,726,627	274,311	0	2,739,648	5,466,275
Federal Special	422,349	22,497	50,000	494,846	24,734	50,000	497,083	991,929
Total Funds	\$3,060,381	\$292,825	\$195,000	\$3,548,206	\$308,814	\$195,000	\$3,564,195	\$7,112,401

The Laboratory Services Bureau 2009 biennium request increases about \$1 million over the biennium – split between general fund and state special revenue from laboratory testing fees. The request includes general fund for additional laboratory equipment rather than increased laboratory testing fees to cover these costs.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2008-----				-----Fiscal 2009-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					168,278					173,239
Vacancy Savings					(60,333)					(60,534)
Inflation/Deflation					282					296
Fixed Costs					54,598					65,813
Total Statewide Present Law Adjustments					\$162,825					\$178,814
DP 70011 - Increase Spending Authority for Laboratory	0.00	0	130,000	0	130,000	0.00	0	130,000	0	130,000
Total Other Present Law Adjustments	0.00	\$0	\$130,000	\$0	\$130,000	0.00	\$0	\$130,000	\$0	\$130,000
Grand Total All Present Law Adjustments					\$292,825					\$308,814

LFD COMMENT The laboratory statewide present law adjustments for personal services show an annual 12.5 percent increase over the personal services base budget amount. Approximately \$100,000 relates to annualization of the pay plan approved by the 2005 Legislature. The remaining statewide present law adjustments are for restoration of funding for base year vacancies.

DP 70011 - Increase Spending Authority for Laboratory - This request is for \$130,000 for each year of biennium in state special spending authority to meet projected increases in the DPHHS laboratory supply expenses. The number of tests performed by the Laboratory Services Bureau is expected to increase from 135,460 tests in FY 2005 to an estimated 145,000 tests in FY 2006.

New Proposals

Sub Program	Fiscal 2008					Fiscal 2009				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70002 - Ongoing Lab Equipment Replace & Maintenance OTO 07	0.00	145,000	0	0	145,000	0.00	145,000	0	0	145,000
DP 70013 - Food Emergency Response Network Grant 07	0.00	0	0	50,000	50,000	0.00	0	0	50,000	50,000
Total	0.00	\$145,000	\$0	\$50,000	\$195,000	0.00	\$145,000	\$0	\$50,000	\$195,000

DP 70002 - Ongoing Lab Equipment Replace & Maintenance OTO - This request is for an increase of \$145,000 in general fund for each year of the biennium to support state laboratory infrastructure. This infrastructure support is for equipment and instrument replacement and maintenance in the DPHHS Laboratory Services Bureau along with support for supplies and training for specialized testing.

The equipment that needs replacement in the next biennium includes:

- o Total organic carbon analyzer \$25,000
- o Alkalinity/PH/conductivity system \$35,000
- o Inductively coupled plasma spectrophotometer for measuring metals in water \$120,000
- o Flow injection autoanalyzer for measuring anions in water \$45,000
- o Analytical microbalance for air monitoring \$20,000
- o Smaller instruments such as a muffle furnace, a water bath, 2 incubators, a mechanical convection oven, an analytical balance, 6 computer work stations, and a laboratory refrigerator \$45,000
- o Automated serology analyzer to detect antibodies to infectious diseases is needed to modernize testing procedures \$60,000

The laboratory believes purchase of this equipment can not be supported by laboratory fees due to the high cost of the equipment and the need to keep fees at a reasonable level to support public health programs.

LFD
ISSUE

Increased State Special Revenue can be Used to Offset Equipment Purchases

Because the laboratory had not increased their fees in several years, in FY 2006 the operating costs of the public health laboratory were greater than the revenues resulting in a net operating loss of \$148,647. The program obtained a short-term loan to cover the shortfall and in FY 2007 implemented new fees. The increased fees should generate approximately \$240,000 annually in additional revenues. In addition to the increased fees the laboratory anticipates \$130,000 in additional revenues due to additional tests as requested in DP 70011.

The bureau’s appropriation for state special revenues is budgeted to increase \$261,290 in FY 2008 and \$274,311 in FY 2009, about \$100,000 less than anticipated revenues. By increasing the amount of the state special revenue appropriation the legislature could reduce the amount of general fund required to support this request. If the legislature approves the increase in state special revenues above, the legislature may also wish to consider appropriating additional state special revenues and reducing the amount of general fund needed for laboratory equipment purchases.

DP 70013 - Food Emergency Response Network Grant - An increase in federal authority of \$50,000 is requested for each year of biennium for the Food Emergency Response Network (FERN) grant. This authority is being requested to bring the base in line with the expected grant award. The Laboratory Services Bureau was funded by a federal grant from USDA in September 2005 to enhance capacity for the laboratory for Food Emergency Response Network (FERN). The grant funding is expected to continue through the 2009 biennium. The funding is for laboratory equipment and supplies related to testing foods for bacterial pathogens.

Sub-Program Details

PUBLIC HEALTH SYS IMPROV & PREPAREDNESS 09

Sub-Program Proposed Budget

The following table summarizes the total executive budget proposal for this sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	30.79	0.00	0.00	30.79	0.00	0.00	30.79	30.79
Personal Services	1,424,729	191,317	0	1,616,046	197,174	0	1,621,903	3,237,949
Operating Expenses	2,380,530	(56,114)	0	2,324,416	(51,746)	0	2,328,784	4,653,200
Equipment	122,281	0	0	122,281	0	0	122,281	244,562
Grants	5,387,536	1,541,925	0	6,929,461	1,541,925	0	6,929,461	13,858,922
Benefits & Claims	5,034	0	118,000	123,034	0	0	5,034	128,068
Total Costs	\$9,320,110	\$1,677,128	\$118,000	\$11,115,238	\$1,687,353	\$0	\$11,007,463	\$22,122,701
General Fund	20,150	1,239	118,000	139,389	1,276	0	21,426	160,815
State/Other Special	8,404	65,517	0	73,921	65,532	0	73,936	147,857
Federal Special	9,291,556	1,610,372	0	10,901,928	1,620,545	0	10,912,101	21,814,029
Total Funds	\$9,320,110	\$1,677,128	\$118,000	\$11,115,238	\$1,687,353	\$0	\$11,007,463	\$22,122,701

The 2009 biennium request for the Public Health System Improvement and Preparedness function increases about \$3.5 million when comparing the 2009 biennium with the FY 2006 base budget. The increases result from federal revenues of \$1.8 million per year for pandemic flu preparation and response, partially offset by a decrease of \$0.4 million due to loss of the federal environmental health tracking grant.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
	-----Fiscal 2008-----				-----Fiscal 2009-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					258,651					264,754
Vacancy Savings					(67,334)					(67,580)
Inflation/Deflation					3,500					4,140
Fixed Costs					7,874					10,799
Total Statewide Present Law Adjustments					\$202,691					\$212,113
DP 70015 - Public Health Emergency Preparedness	0.00	0	0	1,800,000	1,800,000	0.00	0	0	1,800,000	1,800,000
DP 70018 - BRFSS Spending Authority Increase	0.00	0		40,000	40,000	0.00	0	0	40,000	40,000
DP 70023 - BRFSS-02 Fee Account Continued Spending Authority	0.00	0	65,000	0	65,000	0.00	0	65,000	0	65,000
DP 70101 - Reduce Budget for Environmental Pub Hlth Tracking	0.00	0	0	(430,563)	(430,563)	0.00	0	0	(429,760)	(429,760)
Total Other Present Law Adjustments	0.00	\$0	\$65,000	\$1,409,437	\$1,474,437	0.00	\$0	\$65,000	\$1,410,240	\$1,475,240
Grand Total All Present Law Adjustments					\$1,677,128					\$1,687,353

**LFD
COMMENT**

Statewide present law adjustments for personal services show an annual 18 percent increase over the personal services base budget amount. Approximately \$100,000 relates to annualization of the pay plan approved by the 2005 Legislature. The remaining statewide present law adjustments are for restoration of funding for base year vacancies and salary or pay grade adjustments not funded in the pay plan.

DP 70015 - Public Health Emergency Preparedness - This present law adjustment request is for \$1.8 million per year of biennium for federal spending authority for Montana to prepare for and respond to a pandemic flu event.

Justification: The U.S. Centers for Disease Control and Prevention (CDC) provides funding to assist state and local agencies prepare for an influenza pandemic. Funding is allocated to each state on a population based formula and requires state and local jurisdictions to complete assessments intended to measure local response capabilities, and develop and exercise a variety of response plans to ensure a coordinated response to an influenza pandemic.

Goals: To ensure a coordinated effort among state and local response agencies to ensure that systems are in place to protect the public health in the event of a pandemic influenza outbreak.

Performance Criteria: During the contract period DPHHS will have received and evaluated progress reports and work plans from 58 jurisdictions (51 county health and 7 tribal) receiving funding for pandemic influenza planning efforts. State and local contractors will conduct drills and exercises to ensure that information is available for prescribed performance measures by CDC. Contractors will plan drills and exercises that stress their routine and urgent response systems to ensure that they are building capacity for larger events.

Milestones: Each year of the biennium the division will provide specific guidance for pandemic influenza preparedness to local and tribal agencies. Agencies will submit work plans and, in some cases, refined response plans. The State of Montana has data systems in place to accurately capture required information and report requested information to the CDC.

FTE: No additional FTE are requested. Existing DPHHS staff will monitor the program.

Funding: 100 percent Federal funding.

Obstacles: Demand on local agencies related to emergency preparedness and pandemic influenza are increasing and smaller jurisdictions may have trouble developing adequate plans. DPHHS and partners agencies will continue to assist as needed to help ensure each area develops reasonable emergency response plans.

Risk: Failure to develop and exercise plans supported through this funding would increase the likelihood of illnesses and deaths in the event of an influenza pandemic.

**LFD
ISSUE****Performance Measures**

The performance criteria do not include how many reports are due from local partners, how often the reports are due, or how often the tests will be conducted. Nor does it include benchmarks to be attained to ensure Montana is ready for a pandemic influenza outbreak. Milestones are general for each year and do not include specific dates by which they will be completed. The legislature may wish to specify more specific performance measurements and milestones.

DP 70018 - BRFSS Spending Authority Increase - An increase in federal authority of \$40,000 for each year of biennium is requested for the behavioral risk factor surveillance system (BRFSS). This authority is being requested to balance the base with the expected grant award. Increased funding includes: increased costs of administering the survey with a contracted survey company, increased sample size of Montana adults (6000) to allow for meaningful subpopulation/regional analyses, and an over-sampling of Montana's Native American population in order to understand high-risk populations and the relationship between behaviors and health outcomes. State and local health departments use data from BRFSS to determine high-priority health issues and identify populations at highest risk for illness, disability, and death. It is also used to develop strategic plans and targeted prevention programs and to monitor the effectiveness of public health programs.

DP 70023 - BRFSS-02 Fee Account Continued Spending Authority - This present law adjustment request is for \$65,000 in state special revenue for each year of the biennium for the BRFSS fee account. When a program requests the addition of new items to the BRFSS survey, fees are collected to help support some of the state effort for the collaborative agreement with CDC/BSB. As a collaborative agreement, the BRFSS data users who request items be placed on the annual on-going survey are expected to help pay for such services through their own program funds.

DP 70101 - Reduce Budget for Environmental Pub Hlth Tracking - A reduction in federal authority to the base budget of \$430,463 is requested for each year of the biennium for an environmental public health tracking grant. Montana was not granted funds for the implementation phase of the program and the program will not continue.

New Proposals

New Proposals										
Sub Program	FTE	Fiscal 2008				Fiscal 2009				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 70107 - Purchase of Tamiflu - Biennial OTO										
09	0.00	118,000	0	0	118,000	0.00	0	0	0	0
Total	0.00	\$118,000	\$0	\$0	\$118,000	0.00	\$0	\$0	\$0	\$0

DP 70107 - Purchase of Tamiflu - Biennial OTO - This request is for a biennial appropriation of \$118,000 in general fund for a one-time purchase of an additional 8,174 courses of Tamiflu. To assist Montana in the event of a pandemic, the federal government has set aside approximately 136,828 courses of Tamiflu. In addition to the supply being maintained by federal partners, a federal contract allows the state to purchase an additional 96,400 courses of treatment at a 25 percent discount. DPHHS has evaluated the state's potential needs under various scenarios to determine what, if any, additional courses of treatment would be necessary to respond to a pandemic. To supplement the federal set aside, DPHHS anticipates purchasing an additional 8,174 treatment courses as an added measure of protection. An option to purchase additional courses of treatment at the federally subsidized price will be periodically reassessed.