

Presentation to the House Appropriations Committee on House Bill 1

**Texas Department of State Health Services
Dr. John Hellerstedt, Commissioner**

Donna Sheppard, Chief Financial Officer

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TEXAS
Health and Human
Services

Presentation Overview

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DSHS Mission Statement and Key Functions

DSHS Mission: To improve the health, safety, and well-being of Texans through good stewardship of public resources, and a focus on core public health functions.

Key Public Health Functions

- ◆ Infectious disease prevention and control
- ◆ Health emergency preparedness and response
- ◆ Public health data and surveillance
- ◆ Chronic disease prevention
- ◆ Community health
- ◆ Consumer protection

Fiscal Years 2016-2017 Accomplishments

Critical Services that Impact Texas Health

- ◆ 15.5 million doses of disease-preventing vaccine each year to children and adults
- ◆ Support for public health programs that conduct about 15,000 tuberculosis investigations
- ◆ Oversight of the EMS/trauma system that includes 282 designated trauma facilities, 64,000 EMS personnel, 800 EMS providers and 4,500 EMS vehicles
- ◆ Newborn screening of almost 400,000 babies annually for genetic and metabolic disorders
- ◆ Provider of public health services in 94 of Texas's 254 counties

Major Initiatives in the Current Biennium

- ◆ High Consequence Infectious Disease preparedness activities (Ebola)
- ◆ Zika virus disease surveillance, preparedness, and response
- ◆ Public Health Inventory and Action Plan
- ◆ Neonatal levels of care designations for hospitals
- ◆ Expanded heart attack and stroke data collection
- ◆ Breastfeeding education and outreach initiatives

Fiscal Year 2017 Critical Budget Issues

Supplemental Request	
Description	Need
Rusk and San Antonio State Hospital Repairs	\$3.9 Million in Funding and Capital Authority
State Hospital Funding Shortfall	\$17.9 Million in Funding
Cost Containment	(\$2.8 Million)
TOTAL AGENCY SUPPLEMENTAL REQUEST (GENERAL REVENUE)	\$19.0 Million

Key Fiscal Years 2018-2019 Budget Drivers

- ◆ Population Growth
 - ◆ Increasing number of disease investigations
 - ◆ Added need for public health professionals
 - ◆ Higher number of consumer protection investigations and compliance activities
- ◆ Emerging disease threats like Zika virus
- ◆ Laboratory operations and infrastructure
- ◆ EMS/Trauma program method of finance
- ◆ Potential for changes to federal funds that are the major support for public health activities

Comparison of Current Biennium To H.B. 1

Description	FY 2016-17 EXP/BUD (LBE)	FY 2018-19 Introduced Bill
Goal 1 – Preparedness and Prevention Services	\$1,192,775,569	\$1,009,006,312
Goal 2 – Community Health Services	\$547,296,097	\$349,400,586
Goal 3 – Consumer Protection Services	\$95,617,623	\$82,858,075
Goal 4 – Agency Wide Technology Projects	\$50,488,260	\$25,591,179
Goal 5 – Indirect Administration	\$91,719,153	\$43,945,598
Goal 6 – Health & Human Svcs Sunset Legislation	\$3,639,458,586	\$0
TOTAL AGENCY REQUEST	\$5,617,355,288	\$1,510,801,750
General Revenue	\$1,987,176,355	\$452,194,717
General Revenue - Dedicated	\$875,537,966	\$318,617,219
Other Funds	\$591,410,190	\$210,644,066
Federal Funds	\$2,163,230,777	\$529,345,748
TOTAL, METHOD OF FINANCING	\$5,617,355,288	\$1,510,801,750
FTES	11,669.0	3,000.3

Summary of H.B. 1

- ◆ H.B. 1 ends the reliance of DSHS programs on earnings from the corpus of the Tobacco Settlement fund, and provides partial back fill with General Revenue for Preparedness and EMS/Trauma.
 - ◆ Reductions to Preparedness would decrease the funds available for emergency response; currently the agency has no dedicated state funding stream for response.
- ◆ H.B. 1 maintains largely level funding for the EMS/Trauma program.
- ◆ Newborn screening is maintained as level funding. However, revenues for newborn screening laboratory testing are not expected to reach H.B. 1 appropriated levels.

Summary of H.B. 1 (cont.)

- ◆ H.B. 1 includes significant reductions to agency operations required to maintain public health functions.
 - ◆ DSHS would not be able to operate basic agency functions such as processing contract payments and fiscal monitoring.
- ◆ H.B. 1 significantly reduces the scale of the tobacco prevention and cessation program.
 - ◆ This would result in the elimination of tobacco public education campaigns, support for five local community coalitions that provide community outreach, and state-funded enforcement of youth access to tobacco laws.
- ◆ H.B. 1 includes full time equivalent and funding decreases to public health laboratory services.
 - ◆ This would result in decreased testing capacity at the DSHS Public Health Laboratory and decreased capacity at the South Texas Laboratory.
- ◆ H.B. 1 reduces full time equivalents and funding for the Vital Statistics program.
 - ◆ Less timely fulfillment of birth and death record requests; delays to adoption proceedings due to reduced capacity to complete requests for affidavits of paternity.

Summary of H.B. 1 (cont.)

- ◆ H.B. 1 includes a funding reduction to the strategy dedicated to immunizations but maintains FTE levels.
 - ◆ Reduced ability to ensure widespread availability and access of vaccine for uninsured children and adults.
- ◆ Program transfers to Texas Department of Licensing and Regulation are required to occur by September 1, 2019; H.B. 1 assumes transfer will occur by September 1, 2017.
 - ◆ DSHS will not be able to support transferring TDLR programs after September 1, 2017, regardless of transition status.
- ◆ H.B.1 reduces full time equivalents and funding for registries that maintain and track health data for the state.
 - ◆ The EMS/Trauma health registry would be discontinued.

DSHS Approach to Exceptional Item Revisions

- ◆ Ensure DSHS basic capacity to maintain public health services in Texas.
- ◆ Prioritize currently-funded public health programs with immediate health consequences.
- ◆ Maintain the laboratory's ability to support these critical functions, particularly during emergency scenarios.
- ◆ Assure public health capacity statewide to ensure front-line response to infectious disease and tuberculosis.

Summary of Exceptional Item Requests-H.B. 1

Exceptional Item	FY 2018 GR/GRD	FY 2018 All Funds	FY 2018 FTEs	FY 2019 GR/GRD	FY 2019 All Funds	FY 2019 FTEs	Biennial GR/GRD	Biennial All Funds
1. Ensure Basic Public Health Capacity	\$25,443,523	\$25,443,523	205.8	\$24,950,098	\$24,950,098	198.8	\$50,393,621	\$50,393,621
2. Strengthen the State Public Health Laboratory	\$8,255,329	\$8,255,329	2.0	\$7,244,671	\$7,244,671	2.0	\$15,500,000	\$15,500,000
3. Prevent and Control the Spread of Infectious Disease	\$9,876,587	\$9,876,587	42.0	\$9,623,413	\$9,623,413	42.0	\$19,500,000	\$19,500,000
4. Secure and Preserve Vital Records	\$1,133,941	\$1,133,941	0.0	\$813,040	\$813,040	0.0	\$1,946,981	\$1,946,981
Exceptional Item Total	\$44,709,380	\$44,709,380	249.8	\$42,631,222	\$42,631,222	242.8	\$87,340,602	\$87,340,602
H.B. 1 Base Bill	\$387,311,115	\$758,552,342	3,000.3	\$383,500,821	\$752,249,408	3,000.3	\$770,811,936	\$1,510,801,750
H.B. 1 and Exceptional Item Total	\$432,020,495	\$803,261,722	3,250.1	\$426,132,043	\$794,880,630	3,243.1	\$858,152,538	\$1,598,142,352

Appendix

DSHS Exceptional Items

Item #1 – Ensure Basic Public Health Capability

- ◆ This exceptional item requests \$50.4 M for basic public health capabilities to:
 - ◆ Recruit providers, manage vaccine inventory, and provide immunizations to Texans.
 - ◆ Investigate and respond to incidence of infectious disease, including tuberculosis.
 - ◆ Test for infectious disease at the DSHS Public Health and South Texas Laboratories.
 - ◆ Respond to public health emergency response situations.
 - ◆ Continue all health registry functions.
 - ◆ Support activities to mitigate the impact of chronic diseases on the health care system.
 - ◆ Ensure agency operations to support effective, efficient, and accountable management of public health resources.

MOF (\$ in Millions)	FY 2018	FY 2019	Biennium
General Revenue	\$25.4 M	\$25.0 M	\$50.4 M
All Funds	\$25.4 M	\$25.0 M	\$50.4 M

FTEs	205.8	198.8
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Program Impact	Annual
Delayed Contract Payments	100% Increase to 42 Days
Reports to the EMS/Trauma Registry	3,085,912

Item #2 - Strengthen the State Public Health Laboratory

- Laboratory Science Staff Recruitment and Retention, \$3.0 M:** Ensure DSHS ability to maintain essential testing staff and cover testing demand by increasing salary levels of DSHS skilled laboratorians and adding two new molecular biologists.
- Cost of Public Health Testing, \$11.1 M:** Maintain DSHS ability to provide critical disease outbreak response by supporting public health disease surveillance testing needs that are not reimbursed by other funding sources.
- Laboratory Infrastructure, \$1.4 M:** Maintain laboratory safety and infection control by providing proper airflow, acid waste treatment, and biosafety features.

MOF (\$ in Millions)	FY 2018	FY 2019	Biennium
General Revenue	\$8.3 M	\$7.2 M	\$15.5 M
All Funds	\$8.3 M	\$7.2 M	\$15.5 M

FTEs	2
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Program Impact	Annual
Public Health Lab Tests	1.6 million
Newborn Screens for Genetic Disorders	800,000
Testing for Texas Health Steps	400,000

Item #3 - Prevent and Control the Spread of Infectious Disease

- ◆ **Local Health Department Capacity for Tuberculosis (TB) Investigations, \$7.0 M:** Ensure response to the growing number of TB reports by providing support for additional investigation capacity at local health departments.
- ◆ **Front Line Infectious Disease Staff, \$8.1 M:** Provide essential disease investigation and immunizations services in areas without a local health department or with only limited services.
- ◆ **Essential Tools for Responding to Infectious Disease, \$4.4 M:** Ensure quick and accurate identification of TB with additional laboratory testing capacity and capability to detect drug resistance, and provide a greater supply of medications to treat TB infection and disease.

MOF (\$ in Millions)	FY 2018	FY 2019	Biennium
General Revenue	\$9.9 M	\$9.6 M	\$19.5 M
All Funds	\$9.9 M	\$9.6 M	\$19.5 M

FTEs	42
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Program Impact	Annual
Additional TB Screening for Exposed Individuals	700
Increase in Percentage of TB Exposures Responded To	30%

Item #4 - Secure and Preserve Vital Records

- Controlled Access and Surveillance, \$560 K:**
 Better ensure the security of sensitive personal information that may be used for criminal activity like identity theft by remediating current security controls and cameras.
- Vital Records Preservation, \$837 K:** Assets for preserving vital records and security papers to prevent identity fraud and birth certificate manipulation or theft.
- Microfilming Equipment, \$100 K:** Replace decade-old microfilm equipment necessary to read, produce, and replace copies of records for records retention compliance.
- Long-term Planning, \$450 K:** Conduct an assessment to determine how to address the continued growth of vital statistics records given current space limitations.

MOF (\$ in Millions)	FY 2018	FY 2019	Biennium
General Revenue	\$1.1 M	\$0.8 M	\$1.9 M
All Funds	\$1.1 M	\$0.8 M	\$1.9 M

FTEs	-
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Program Impact	Annual
Birth Records	30 Million
Death Records	10 Million
New Adoptions Processed	8,700

Comparison to Exceptional Items in the LAR

Total Request Amount

- ◆ Revised total request is reduced from \$89.3 million in the LAR to \$87.3 million

Reduced Requests

- ◆ Strengthen the Public Health Laboratory: From \$27.5 million to \$15.5 million for the biennium
- ◆ Secure and Preserve Vital Records: From \$3.9 million to \$1.9 million for the biennium

Combined Requests

- ◆ Support Regional and Local Public Health: Original submission was \$6.3 million for the biennium
- ◆ Improve TB Detection and Control Capacity: Original submission was \$24.7 million for the biennium
- ◆ Combined request from \$31.0 million to \$19.5 million for the biennium

Deleted Requests

- ◆ Restore Four Percent Reduction to Chronic Disease Programs: \$5.0 million
- ◆ Maintain Critical Public Health Capacity and Tobacco Prevention and Control: \$10.3 million
- ◆ Ensure Continued Operation of Public Health Information Technology: \$11.8 million