

DEPARTMENT OF HEALTH

MISSION

The Department of Health ensures that high quality, appropriate health services are available to all New York State residents at a reasonable cost. Department functions and responsibilities include:

- Promoting and supervising public health activities throughout the State;
- Ensuring sound and cost-effective quality medical care for all residents; and,
- Reducing infectious diseases such as tuberculosis, measles, mumps and rubella and chronic disabling illnesses such as heart disease, cancer, stroke and respiratory diseases.

The Department of Health is also the principal State agency that interacts with the Federal and local governments, health care providers and program participants for the State's Medicaid program.

ORGANIZATION AND STAFFING

Under the direction of the Commissioner, who is appointed by the Governor, the Department of Health meets its responsibilities through the Office of Medicaid Management, the Office of Managed Care, the centers located in the Office of Public Health, and the Office of Health Systems Management. These entities provide policy and management direction to the Department's system of regional offices. Department staff located in regional offices conduct health facility surveillance, public health monitoring and direct services, and oversee county health department activities.

Additionally, the Department is responsible for five health care facilities that are engaged in advanced medical research and patient care including the Roswell Park Cancer Institute in Buffalo, the Helen Hayes Hospital in West Haverstraw, and three nursing homes for the care of veterans and their dependents in Oxford, New York City and Batavia. In fiscal year 2001-02, construction is expected to be completed on a fourth veterans' nursing home located in Montrose, with an expected opening date in the first half of 2001. In early 1999, responsibility for the operations of the Roswell Park Cancer Institute was transferred to a public benefit corporation, the Roswell Park Cancer Institute Corporation, pursuant to an operating agreement between the Corporation and the Department. This has provided Roswell with the flexibility needed to compete more effectively in a changing health care environment.

In fiscal year 2001-02, the Department of Health will have a workforce of approximately 6,250 positions, with almost 25 percent of those positions employed in the Department's health care facilities. Since 1995-96, the number of non-institutional positions has decreased by approximately 375, reflecting new program initiatives such as the safe drinking water program, newborn screening and the West Nile virus response, offset by the impact of attrition, early retirements, and management efficiencies.

- Approximately 19 percent of these positions are paid exclusively by the General Fund;
- 11 percent are directly supported by fees;
- 53 percent are supported by third party, private patient care and Federal reimbursement; and,
- The remaining 17 percent are directly funded by Federal grants.

MEDICAID

Total Medicaid spending in New York will be approximately \$32.5 billion next year. The 2001-02 Medicaid budget reflects a continued commitment to an effective and

affordable delivery system that promotes quality health care, protects patients, and assures access to appropriate services to meet the health care needs of the State's neediest residents.

Acute Care

State Medicaid spending for hospitals and clinics will reach over \$2 billion in 2001-02. Hospitals will continue to rely on the landmark Health Care Reform Act (HCRA), originally enacted in 1996, as the basis for their funding. HCRA encourages competition in the health care industry by allowing most non-Medicaid payors to negotiate rates with hospitals.

The Health Care Reform Act of 2000 (HCRA 2000) continues, through March 31, 2003, cost containment actions enacted as part of prior year Budgets. In addition, HCRA 2000 continues to provide hospitals and clinics with adequate funding to ensure that quality health care services are accessible and affordable for all New Yorkers.

The 2001-02 budget recommends initiatives to achieve State and local savings through strategies to maximize Federal revenues including additional hospital Intergovernmental Transfers, Upper Payment Limit payments, and pursuing Federal reimbursement for hospital services that were previously provided to State inmates.

Long Term Care

Medicaid costs, which have been controlled in recent years, are beginning to rise at a rate which places an undue burden on State and local governments. New York pays far more than any other state on Medicaid long term care services — nursing home and community-based care — approximately \$3.5 billion in 2001-02. Accordingly, a series of initiatives is proposed to rein in these spiraling costs, including: eliminating inflationary payment increases for nursing homes; eliminating an unnecessary supplemental payment to facilities that have more than 300 beds; eliminating the return on equity payments to proprietary homes, an ineffective incentive given the significant dollars owners of these homes have withdrawn from the system; and, updating the Medicaid nursing home rate methodology to eliminate the existing subsidy State taxpayers provide to nursing homes that serve more costly Medicare and other-payer recipients. This component of the reimbursement methodology is no longer necessary because recent changes in Federal reimbursement policy now fully cover the nursing home's cost of serving these non-Medicaid recipients. Even after these actions, New York will still spend far more on long term care services than any other state.

Progress continues to be made in implementing the provisions of the Long-Term Care Integration and Finance Act of 1997. Continuing Care Retirement Communities are providing the elderly with more affordable and accessible options for comprehensive, independent living arrangements that include a wide array of home care, nursing care and other medical services. The rapidly growing Managed Long Term Care program is offering a broader and more integrated continuum of long term care service options.

In addition, the Partnership for Long Term Care is providing long term care insurance that protects individuals from having to spend down their assets to qualify for Medicaid in the event of a lengthy illness. This innovative Partnership, used in three other states, now represents a significant portion of New York's long term care insurance market.

Managed Care

The 2001-02 Budget reflects the continued mandatory enrollment of Medicaid recipients in managed care. Federal approval of New York's 1115 managed care waiver in July 1997 set the stage for mandatory enrollment to commence in October 1997. To date, sections of New York City and thirteen upstate counties — Albany, Broome, Columbia,

Erie, Greene, Monroe, Niagara, Onondaga, Ontario, Oswego, Rensselaer, Saratoga and Westchester — are operating mandatory managed care programs. New York City will continue to phase in managed care, by zip code, in five phases, one every four months, beginning in the last quarter of fiscal year 2000-01. The remainder of the State will also phase in at four-month intervals subject to Federal approval.

Managed Care enrollment is projected to reach approximately 796,000 by the end of 2000-01 and 1.1 million by the end of 2001-02. When fully implemented, approximately three-quarters of all Medicaid recipients are expected to be enrolled in mandatory managed care. As a result of existing managed care enrollment, New York State continues to have increased primary care use, lower emergency room use, and fewer inpatient days.

The State's Medicaid Managed Care program assures that the neediest people receive high quality, accessible health care. Legislation passed in 2000 extends the mandatory Medicaid managed care program until December 31, 2003 and the authorization for the State to certify special managed care plans to provide comprehensive services to individuals infected with the HIV virus. These Special Needs Plans will begin operation in 2001-02. Start-up grant funding will be provided to facilitate implementation of these plans. Medicaid Managed Care also incorporates a comprehensive set of consumer protections to ensure that recipients obtain enrollment assistance and quality care, and understand their rights and responsibilities under managed care plans.

Medicaid Administration

The Department of Health is responsible for overall management of the Medicaid program including the State's interaction with Federal and local governments, health care providers and Medicaid recipients. Counties will continue their role in making Medicaid eligibility determinations and contracting with providers of Medicaid services. Payments to health care providers also continue to be made through the State's computerized Medicaid Management Information System (MMIS) which is operated by a private agency with oversight by State personnel. The Department has obtained management and development services for a Replacement Medicaid System (RMS) that will replace both MMIS and the Electronic Medicaid Eligibility Verification System (EMEVS) with an integrated claims processing system. RMS will provide updated technologies and bring New York State into compliance with new Federal reporting requirements. In addition, the new system will substantially enhance front-end detection of Medicaid fraud.

Moreover, an independent Pharmacy and Therapeutics Committee will be established to help ensure the safe, cost effective and appropriate use of pharmaceuticals in the Medicaid program, as well as in the Elderly Pharmaceutical Insurance Coverage (EPIC) and AIDS Drug Assistance programs. The 2001-02 Budget also adds 25 new audit staff within the Department of Health to bolster the State's anti-fraud efforts.

CHILD HEALTH PLUS

New York's Child Health Plus program continues to set a national standard for children's health insurance coverage for children up to age 19. The Child Health Plus program was significantly expanded with passage of legislation under Governor Pataki's leadership in both 1996 and 1998, and resulted in a dramatic increase in enrollment to 530,000. Under Governor Pataki, the program has expanded to include comprehensive health benefits, Medicaid coverage for 15 to 19 year olds and, increased eligibility to 250 percent of the Federal Poverty Level. The 2001-02 budget proposes extending the Child Health Plus program to June 30, 2003.

When eligible Federal funds are combined with State Health Care Reform Act (HCRA) moneys, the Child Health Plus programs will provide comprehensive coverage to virtually all eligible children in the State.

OTHER PUBLIC HEALTH PROGRAMS

Excluding Medicaid program costs, General Fund appropriations finance 52 percent of the Department of Health's budget in 2001-02.

Other revenue, including 1) reimbursement for patient care provided at the Department's health care facilities; 2) regulatory fees and audit recoveries; 3) management fees for hospital and nursing home construction projects financed through bond proceeds; and, 4) registration, testing and certification fees for various public health services, support 15 percent of the Department of Health's budget, including the Professional Medical Conduct Program, clinical and environmental laboratory certification activities, and health care facilities' operating costs. The remaining 33 percent is provided by Federal grants and Fiduciary and Enterprise funds.

Capital Projects appropriations preserve and maintain the Department's hospitals, nursing homes, and the three separate laboratory facilities in Albany County which constitute the Wadsworth Center for Laboratories and Research. The costs of projects at the health care facilities are funded from facility revenues and/or the General Fund.

This overall recommendation ensures that public health priorities are preserved. As such, the 2001-02 Budget:

- Adds new support totaling \$5.8 million for recently enacted legislation such as the Health Information and Quality Improvement Act — also known as Physician Profiling, and the Syringe Access Demonstration program.
- Adds \$5 million to implement the Newborn Hearing Program and continues funding of \$5 million to expand New York's newborn screening program to keep pace with advances in science. Genetic and other medical research is making it possible to diagnose an increasing number of treatable, yet potentially life threatening, disorders.
- Provides \$3.7 million in State funding to support the immunization of underinsured children with a new pneumonia vaccine recommended by the Federal government for children under 59 months of age.
- Increases long term care surveillance field staff to the highest level in the Department's history to provide more on-site inspections and investigative capacity for this function.
- Includes \$90 million for the Roswell Park Cancer Institute Corporation, \$60 million from HCRA and \$30 million from the General Fund.
- Sustains the State's commitment to fighting the AIDS epidemic by continuing statewide spending at more than \$2.2 billion, including \$107.2 million to be spent by the AIDS Institute. Emphasis will continue to be placed on prevention and specialized services which target resources to populations with the greatest risk of infection.
- Provides \$360 million in support for the Elderly Pharmaceutical Insurance Coverage program (EPIC) to ensure that more than 200,000 senior citizens receive crucial prescription insurance.
- Includes approximately \$216.8 million to reimburse counties and New York City for providing public health services such as childhood immunizations, primary health care, and control of communicable diseases such as tuberculosis and sexually-transmitted diseases, as well as West Nile Virus — an emerging public health concern. The West Nile Virus caused an increase in spending of 13 percent to fund counties' activities in the areas of epidemiology, surveillance and laboratory testing to address this outbreak.
- Continues support of \$44.5 million, funded largely from HCRA, for an enhanced anti-smoking program including counter advertising, community and school-based education programs, cancer mapping and strict enforcement of laws regulating the sale and use of tobacco products.

- Supports the optional State supplementation of the Federal nutrition assistance program for women, infants and children (WIC) with \$28 million. New York continues to be one of only thirteen states to augment Federal nutrition funds.
- Promotes program efficiencies and Medicaid revenue maximization in the \$155 million Early Intervention program serving infants and toddlers under the age of three who have developmental delays.
- Continues funding of \$14 million from all sources for programs to promote sexual abstinence among adolescents, including \$7.7 million suballocated from the Office of Children and Family Services.
- Enhances the Department's oversight of drinking water program operations and grants to support local safe drinking water activities by providing \$11 million, an increase of \$5 million from current year spending.

PROGRAM HIGHLIGHTS

MEDICAID

Originally established in 1965 by the Federal government as a health insurance program for the poor, New York's Medicaid program costs totaled \$30.8 billion in 2000-01, and provides coverage to approximately 3.1 million New Yorkers. Cost containment and revenue maximization initiatives have resulted in the State's 2000-01 Medicaid spending being held to nearly 1994-95 levels. In addition to the federally-mandated services — inpatient and outpatient hospital care, nursing facility care, physician services, home health care, family planning, laboratory and x-ray services — New York also provides almost all federally permissible optional services.

Traditionally, the Federal government has paid for 50 percent of the State's Medicaid program. The State pays about 35 percent of the total costs and counties pay about 15 percent. The Federal government has matched, on an unlimited basis, each State dollar expended on Medicaid.

ACCESS TO QUALITY HEALTH CARE

The Department develops and implements programs to ensure that residents of New York have access to high quality health care. Over the last four years, significant legislation has been enacted that will enhance the availability of appropriate care to all New Yorkers:

- The landmark Health Care Reform Act of 1996 deregulated inpatient hospital reimbursement and introduced a market-based system which allows commercial insurers, managed care entities and self-insured plans to establish rates of payment directly through negotiations with hospitals and without State intervention. The Health Care Reform Act of 2000, enacted in 1999, retains the State's commitment to ensuring that the hospital system adapts to the changing health care environment. In addition, HCRA 2000 provides comprehensive new programs for the uninsured, including Family Health Plus and Healthy New York.
- Pioneering consumer managed care legislation enacted in 1996 — the Managed Care Bill of Rights — ensures that consumers will be appropriately informed about managed care choices and benefits, and guarantees that providers can discuss all appropriate health care options.
- Enhanced consumer protections were added in External Review legislation enacted in 1998 which provide health plan enrollees the opportunity to request an external appeal when coverage of health care services is denied on the grounds that the service is not medically necessary, or that it is experimental or investigational.

HEALTH

- The Long-Term Care Integration and Finance Act of 1997 authorizes various managed long-term care models for evaluation, expands service options, increases available financing streams for long-term care, and ensures the tax deductibility of long-term care insurance.
- The Health Information and Quality Improvement Act was enacted in 2000 to ensure that all New Yorkers have the information they need to make informed health care decisions. The bill requires New York to develop a database, which will be accessible to the public, containing profiles of all health care professionals and to create a Patient Safety Center to develop strategies and establish best practices to maximize patient safety and reduce medical errors.

In addition, the 2001-02 Executive Budget advances legislation to expand Medicaid eligibility to both cover the cost of treatment for low income women diagnosed with breast and cervical cancer through the Center for Disease Control's national screening program, and to provide low-income, working disabled individuals with access to comprehensive quality health care.

PUBLIC HEALTH

Efforts such as education, research and prevention of injuries and disease are aimed at improving the health of all New Yorkers. Particular focus is placed on nutrition, prenatal and perinatal care, child health, treatment and control of sexually transmitted diseases and tuberculosis, childhood immunization, the health risks of environmental contaminants, drinking water purity, and follow-up investigations of disease outbreak. In addition, the Department serves as primary liaison with local and county health departments to ensure the quality of public health services throughout New York State.

The Wadsworth Center for Laboratories and Research assists the Department in accomplishing its public health mission. Screening programs conducted by the Center annually report nearly three million test results to providers. These programs encompass such public health concerns as HIV, tuberculosis, and genetic disorders in newborns. Ongoing research, largely funded by external grants, is carried out for public health problems such as AIDS, Lyme disease, cancer and the toxic effects of chemical substances and radiation. In addition, the Wadsworth Center regulates over 800 environmental laboratories and over 1,800 clinical laboratories and blood banks to ensure testing quality, and the public's health and safety. The Wadsworth Center and DOH's Center for Community Health have played key roles in managing the State's response to, and containment of, West Nile disease, which was first identified in New York in 1999.

A COMMITMENT TO AIDS RESEARCH AND PREVENTION

The Department develops and funds HIV prevention and health care programs, educates the public and health care providers, formulates policy and directs regional and statewide HIV/AIDS planning. New York remains a leader in combating this complex epidemic by responding to changes in incidence with even greater attention to population-based programming, long term care and policies designed to reduce discrimination and guarantee basic medical care and treatment for the uninsured. New York State will spend \$2.2 billion to combat HIV/AIDS next year.

HEALTH SYSTEMS MANAGEMENT

The Department assures that quality health care is available to all New York residents by overseeing the services provided by hospitals, nursing homes, diagnostic and treatment centers and home care providers. The Department strives to ensure that limited health care dollars are prudently spent through its reimbursement rate methodologies, rate setting,

and review and monitoring of health facility plans for construction and expansion. Federal reimbursement for surveillance and certification, and fees for overseeing facilities to assure that bonded debt is repaid, help to offset program costs.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

<u>Category</u>	<u>Available 2000-01</u>	<u>Appropriations Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations Recommended 2001-02</u>
State Operations	3,834,303,600	3,975,558,000	141,254,400	4,887,766,200
Aid To Localities	25,203,942,493	27,585,333,000	2,381,390,507	17,086,396,700
Capital Projects	<u>120,077,000</u>	<u>115,259,000</u>	<u>(4,818,000)</u>	<u>208,352,000</u>
Total	<u><u>29,158,323,093</u></u>	<u><u>31,676,150,000</u></u>	<u><u>2,517,826,907</u></u>	<u><u>22,182,514,900</u></u>

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Program	Full-Time Equivalent Positions (FTE)		FTE Change
	2000-01 Estimated FTEs 03/31/01	2001-02 Estimated FTEs 03/31/02	
Administration and Executive Direction			
General Fund	148	126	(22)
Special Revenue Funds - Federal	144	144	0
Special Revenue Funds - Other	228	268	40
AIDS Institute			
General Fund	198	194	(4)
Special Revenue Funds - Other	20	20	0
Child Health Insurance			
Special Revenue Funds - Other	42	42	0
Community Health			
General Fund	90	82	(8)
Special Revenue Funds - Federal	569	569	0
Office of Continuing Care			
General Fund	396	406	10
Special Revenue Funds - Other	2	2	0
Elderly Pharmaceutical Insurance Coverage			
General Fund	28	28	0
Environmental Health			
General Fund	135	131	(4)
Special Revenue Funds - Federal	117	117	0
Special Revenue Funds - Other	175	175	0
Health Care Financing			
General Fund	74	74	0
Special Revenue Funds - Other	55	55	0
Health Care Standards and Surveillance			
General Fund	302	302	0
Special Revenue Funds - Other	234	234	0
Health Services			
Enterprise Funds	12	12	0
Institution Management			
Special Revenue Funds - Other	1,569	1,569	0
Laboratories and Research			
General Fund	409	409	0
Special Revenue Funds - Federal	97	97	0
Special Revenue Funds - Other	152	152	0
Managed Care			
General Fund	152	152	0
Special Revenue Funds - Other	3	3	0
Medicaid Audit and Fraud Prevention			
General Fund	226	239	13
Special Revenue Funds - Federal	231	243	12
Special Revenue Funds - Other	27	27	0
Office of Medicaid Management			
General Fund	382	382	0
Special Revenue Funds - Other	5	5	0
Total	<u>6,222</u>	<u>6,259</u>	<u>37</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	206,406,800	227,995,000	21,588,200
Special Revenue Funds - Federal	3,275,044,400	3,392,061,000	117,016,600
Special Revenue Funds - Other	350,117,400	351,527,000	1,409,600
Enterprise Funds	10,000	10,000	0
Fiduciary Funds	<u>2,725,000</u>	<u>3,965,000</u>	<u>1,240,000</u>
Total	3,834,303,600	<u>3,975,558,000</u>	<u>141,254,400</u>
Adjustments:			
Transfer(s) From			
Health, Department of			
General Fund (Aid To Localities)	(3,000,000)		
Special Revenue Funds - Other	(5,651,800)		
Special Pay Bill			
General Fund	(12,601,000)		
Special Revenue Funds - Federal	(4,662,000)		
Special Revenue Funds - Other	(10,974,000)		
Transfer(s) To			
Helen Hayes Hospital			
Special Revenue Funds - Other	2,897,100		
New York City Veterans Home			
Special Revenue Funds - Other	1,078,800		
New York State Home for Veterans and Their Dependents			
Special Revenue Funds - Other	1,124,800		
Western New York Veterans Home			
Special Revenue Funds - Other	<u>551,100</u>		
Appropriated 2000-01	<u>3,803,066,600</u>		

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	18,758,400	17,291,000	(1,467,400)
Special Revenue Funds - Federal	14,464,000	12,839,000	(1,625,000)
Special Revenue Funds - Other	24,877,600	29,917,000	5,039,400
AIDS Institute			
General Fund	16,838,700	16,851,000	12,300
Special Revenue Funds - Other	2,062,200	2,136,000	73,800
Child Health Insurance			
Special Revenue Funds - Federal	13,400,000	30,280,000	16,880,000
Special Revenue Funds - Other	11,251,600	11,680,000	428,400
Community Health			
General Fund	9,442,700	9,797,000	354,300
Special Revenue Funds - Federal	103,759,700	98,268,000	(5,491,700)
Special Revenue Funds - Other	5,596,800	5,554,000	(42,800)
Fiduciary Funds	0	1,000,000	1,000,000
Office of Continuing Care			
General Fund	22,477,400	23,902,000	1,424,600
Special Revenue Funds - Federal	12,778,000	61,000	(12,717,000)
Special Revenue Funds - Other	3,632,700	5,626,000	1,993,300
Fiduciary Funds	400,000	40,000	(360,000)
Elderly Pharmaceutical Insurance Coverage			
General Fund	12,320,600	11,039,000	(1,281,600)
Environmental Health			
General Fund	9,797,000	10,204,000	407,000
Special Revenue Funds - Federal	13,255,300	11,105,000	(2,150,300)
Special Revenue Funds - Other	13,819,200	14,290,000	470,800
Health Care Financing			
General Fund	5,934,800	5,575,000	(359,800)
Special Revenue Funds - Other	5,782,700	6,145,000	362,300
Health Care Standards and Surveillance			
General Fund	26,876,000	30,319,000	3,443,000
Special Revenue Funds - Other	42,022,300	43,372,000	1,349,700
Institution Management			
Special Revenue Funds - Other	111,707,000	102,860,000	(8,847,000)
Enterprise Funds	10,000	10,000	0
Fiduciary Funds	325,000	325,000	0
Laboratories and Research			
General Fund	35,604,800	35,867,000	262,200
Special Revenue Funds - Federal	7,962,200	7,932,000	(30,200)
Special Revenue Funds - Other	28,777,300	29,359,000	581,700
Fiduciary Funds	2,000,000	2,600,000	600,000
Maintenance Undistributed			
General Fund	(79,338,000)	(78,338,000)	1,000,000
Special Revenue Funds - Other	78,338,000	78,338,000	0
Managed Care			
General Fund	14,098,300	13,234,000	(864,300)
Medicaid Audit and Fraud Prevention			
General Fund	18,303,700	18,977,000	673,300
Special Revenue Funds - Federal	34,563,500	36,566,000	2,002,500
Special Revenue Funds - Other	14,500,000	14,500,000	0
Office of Medicaid Management			
General Fund	46,616,400	52,511,000	5,894,600
Special Revenue Funds - Federal	3,007,350,700	3,127,500,000	120,149,300
Special Revenue Funds - Other	7,750,000	7,750,000	0
Medicaid Management Information System			
General Fund	48,676,000	60,766,000	12,090,000
Special Revenue Funds - Federal	67,511,000	67,510,000	(1,000)
Total	<u>3,834,303,600</u>	<u>3,975,558,000</u>	<u>141,254,400</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

Program	Total Personal Service		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	7,891,000	(502,200)	7,663,000	(502,200)
AIDS Institute	10,389,000	(237,900)	10,374,000	(237,900)
Community Health	4,667,000	227,200	4,581,400	220,400
Office of Continuing Care	21,877,000	1,199,600	21,677,000	999,600
Elderly Pharmaceutical Insurance Coverage	1,539,000	421,400	1,534,000	417,400
Environmental Health	8,122,000	1,761,200	7,924,200	1,760,200
Health Care Financing	4,707,000	(359,500)	4,675,000	(359,500)
Health Care Standards and Surveillance	16,706,000	976,700	16,536,000	976,700
Laboratories and Research	21,121,000	(353,700)	20,799,500	(353,700)
Managed Care	8,533,000	(889,300)	8,533,000	(889,300)
Medicaid Audit and Fraud Prevention	14,293,000	672,900	14,293,000	769,900
Office of Medicaid Management	21,353,000	(1,572,000)	21,133,000	(1,572,000)
Total	141,198,000	1,344,400	139,723,100	1,229,600

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	125,000	0	103,000	0
AIDS Institute	0	0	15,000	0
Community Health	65,000	5,000	20,600	1,800
Office of Continuing Care	100,000	100,000	100,000	100,000
Elderly Pharmaceutical Insurance Coverage	0	0	5,000	4,000
Environmental Health	186,300	0	11,500	1,000
Health Care Financing	0	0	32,000	0
Health Care Standards and Surveillance	20,000	0	150,000	0
Laboratories and Research	64,200	0	257,300	0
Managed Care	0	0	0	0
Medicaid Audit and Fraud Prevention	0	(48,500)	0	(48,500)
Office of Medicaid Management	70,000	0	150,000	0
Total	630,500	56,500	844,400	58,300

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)**

Program	Total Nonpersonal Service		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Executive Direction	9,400,000	(965,200)	740,000	0
AIDS Institute	6,462,000	250,200	1,500,900	0
Community Health	5,130,000	127,100	1,473,900	354,100
Office of Continuing Care	2,025,000	225,000	108,200	0
Elderly Pharmaceutical Insurance Coverage	9,500,000	(1,703,000)	22,000	3,400
Environmental Health	2,082,000	(1,354,200)	158,600	25,000
Health Care Financing	868,000	(300)	12,000	(200)
Health Care Standards and Surveillance	13,613,000	2,466,300	241,300	199,900
Laboratories and Research	14,746,000	615,900	3,209,900	62,200
Managed Care	4,701,000	25,000	0	(122,100)
Medicaid Audit and Fraud Prevention	4,684,000	400	85,300	0
Office of Medicaid Management	31,158,000	7,466,600	269,000	177,680
Medicaid Management Information System	60,766,000	12,090,000	0	0
Total	165,135,000	19,243,800	7,821,100	699,980

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Executive Direction	262,200	0	8,346,800	3,234,800
AIDS Institute	310,700	200	3,709,500	0
Community Health	139,500	(27,000)	3,478,200	(200,000)
Office of Continuing Care	766,900	0	1,102,400	725,000
Elderly Pharmaceutical Insurance Coverage	30,000	20,300	9,372,000	3,771,200
Environmental Health	414,900	40,500	1,367,900	45,300
Health Care Financing	38,300	(100)	807,000	3,000
Health Care Standards and Surveillance	480,400	100,000	7,265,800	500,000
Laboratories and Research	76,000	0	6,105,600	553,700
Managed Care	0	(292,000)	4,701,000	839,600
Medicaid Audit and Fraud Prevention	180,000	0	2,743,200	100,400
Office of Medicaid Management	256,000	(64,800)	3,622,000	(137,480)
Medicaid Management Information System	0	0	60,766,000	12,090,000
Total	2,954,900	(222,900)	113,387,400	21,525,520

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Administration and Executive Direction	51,000	0	0	0
AIDS Institute	240,900	0	0	0
Community Health	38,400	0	0	0
Office of Continuing Care	47,500	0	0	0
Elderly Pharmaceutical Insurance Coverage	5,000	1,500	0	0
Environmental Health	140,600	35,000	0	0
Health Care Financing	10,700	(3,000)	0	0
Health Care Standards and Surveillance	159,500	12,100	0	(811,700)
Laboratories and Research	354,500	0	0	0
Managed Care	0	(400,500)	0	0
Medicaid Audit and Fraud Prevention	526,500	(100,000)	0	0
Office of Medicaid Management	260,000	191,200	0	0
Total	1,834,600	(263,700)	0	(811,700)

STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)

Program	Maintenance Undistributed	
	Amount	Change
Administration and Executive Direction	0	(4,200,000)
AIDS Institute	700,000	250,000
Office of Continuing Care	0	(500,000)
Elderly Pharmaceutical Insurance Coverage	71,000	(5,499,400)
Environmental Health	0	(1,500,000)
Health Care Standards and Surveillance	5,466,000	2,466,000
Laboratories and Research	5,000,000	0
Medicaid Audit and Fraud Prevention	1,149,000	0
Office of Medicaid Management	26,751,000	7,300,000
Total	39,137,000	(1,683,400)

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2001-02 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Executive Direction	42,756,000	3,414,400	16,326,000	1,928,600
AIDS Institute	2,136,000	73,800	842,000	9,100
Child Health Insurance	41,960,000	17,308,400	2,336,000	(54,700)
Community Health	104,822,000	(4,534,500)	0	(27,200)
Office of Continuing Care	5,727,000	(11,083,700)	133,000	(2,500)
Environmental Health	25,395,000	(1,679,500)	4,769,000	274,900
Health Care Financing	6,145,000	362,300	3,671,000	439,000
Health Care Standards and Surveillance	43,372,000	1,349,700	12,522,000	(341,400)
Institution Management	91,028,000	(18,514,000)	0	0
Laboratories and Research	39,891,000	1,151,500	9,415,000	225,600
Medicaid Audit and Fraud Prevention	51,066,000	2,002,500	0	0
Office of Medicaid Management	3,135,250,000	120,149,300	0	0
Medicaid Management Information System	67,510,000	(1,000)	0	0
Total	3,657,058,000	109,999,200	50,014,000	2,451,400

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	11,938,000	1,457,800	14,492,000	28,000
AIDS Institute	1,294,000	64,700	0	0
Child Health Insurance	9,344,000	483,100	30,280,000	16,880,000
Community Health	100,000	(16,200)	104,722,000	(4,491,100)
Office of Continuing Care	3,393,000	(104,200)	2,201,000	(10,977,000)
Environmental Health	9,371,000	195,900	11,255,000	(2,150,300)
Health Care Financing	2,474,000	423,300	0	(500,000)
Health Care Standards and Surveillance	12,260,000	660,300	18,590,000	1,030,800
Institution Management	0	0	91,028,000	(18,514,000)
Laboratories and Research	11,444,000	356,100	19,032,000	569,800
Medicaid Audit and Fraud Prevention	10,000,000	0	41,066,000	2,002,500
Office of Medicaid Management	0	0	3,135,250,000	120,149,300
Medicaid Management Information System	0	0	67,510,000	(1,000)
Total	71,618,000	3,520,800	3,535,426,000	104,027,000

HEALTH

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	6,320,167,893	6,820,080,000	499,912,107
Special Revenue Funds - Federal	16,559,793,500	18,113,784,000	1,553,990,500
Special Revenue Funds - Other	1,673,981,100	1,801,469,000	127,487,900
Fiduciary Funds	<u>650,000,000</u>	<u>850,000,000</u>	<u>200,000,000</u>
Total	25,203,942,493	<u>27,585,333,000</u>	<u>2,381,390,507</u>
Adjustments:			
Transfer(s) To			
Health, Department of			
General Fund (State Operations)		<u>3,000,000</u>	
Appropriated 2000-01		<u>25,206,942,493</u>	

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	869,300	869,000	(300)
AIDS Institute			
General Fund	61,556,700	53,656,000	(7,900,700)
Special Revenue Funds - Other	34,595,000	34,597,000	2,000
Child Health Insurance			
Special Revenue Funds - Federal	291,600,000	726,720,000	435,120,000
Special Revenue Funds - Other	240,000,000	280,320,000	40,320,000
Community Health			
General Fund	393,356,500	461,588,000	68,231,500
Special Revenue Funds - Federal	584,097,900	569,686,000	(14,411,900)
Special Revenue Funds - Other	36,578,100	36,614,000	35,900
Office of Continuing Care			
General Fund	11,342,200	7,342,000	(4,000,200)
Special Revenue Funds - Federal	0	315,000	315,000
Elderly Pharmaceutical Insurance Coverage			
General Fund	252,200,000	360,400,000	108,200,000
Environmental Health			
General Fund	1,500,000	6,000,000	4,500,000
Special Revenue Funds - Federal	2,810,800	2,208,000	(602,800)
Special Revenue Funds - Other	200,000	200,000	0
Health Care Standards and Surveillance			
General Fund	10,284,900	9,535,000	(749,900)
Institution Management			
General Fund	0	30,000,000	30,000,000
Laboratories and Research			
General Fund	1,071,000	1,071,000	0
Special Revenue Funds - Federal	2,134,800	2,105,000	(29,800)
Maintenance Undistributed			
General Fund	(209,608,000)	(272,338,000)	(62,730,000)
Special Revenue Funds - Other	209,608,000	272,338,000	62,730,000
Medical Assistance			
General Fund	5,694,300,000	6,083,400,000	389,100,000
Special Revenue Funds - Federal	15,300,500,000	16,424,000,000	1,123,500,000
Special Revenue Funds - Other	1,153,000,000	1,177,400,000	24,400,000
Fiduciary Funds	650,000,000	850,000,000	200,000,000
Medical Assistance Administration			
General Fund	87,750,000	78,557,000	(9,193,000)
Special Revenue Funds - Federal	378,650,000	388,750,000	10,100,000
Community Projects			
General Fund	15,545,293	0	(15,545,293)
Total	<u>25,203,942,493</u>	<u>27,585,333,000</u>	<u>2,381,390,507</u>

HEALTH

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

<u>Comprehensive Construction Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations 2001-02</u>
Design and Construction Supervision				
Capital Projects Fund	0	0	0	1,503,000
Rehabilitation And Improvements				
Capital Projects Fund	0	0	0	2,461,000
Laboratories and Research				
Capital Projects Fund	4,000,000	4,000,000	0	8,852,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	15,013,000
New Institution Construction				
Capital Projects Fund - Advances	0	0	0	26,500,000
Department of Health Facilities Capital Improvemt Fund	0	0	0	7,932,000
Water Resources				
Federal Capital Projects Fund	48,477,000	53,659,000	5,182,000	136,091,000
Safe Drinking Water - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	<u>60,000,000</u>	<u>50,000,000</u>	<u>(10,000,000)</u>	<u>10,000,000</u>
Total	<u>120,077,000</u>	<u>115,259,000</u>	<u>(4,818,000)</u>	<u>208,352,000</u>