

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;
- Reducing infectious diseases such as tuberculosis, measles, mumps and rubella and chronic disabling illnesses such as heart disease, cancer, stroke and respiratory diseases; and
- Directing a variety of health-related homeland security measures in conjunction with the Governor's new Office of Public Security. As part of this new mission, the Department will work with the State's health care community to ensure appropriate readiness and response to potential public health threats.

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 four nursing homes for the care of veterans and their dependents in Oxford, New York City, Batavia and the newly opened home at Montrose. 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 2002-03, the Department of Health will have a workforce of approximately 6,111 positions, with nearly 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 392, reflecting new program initiatives such as the safe drinking water program, newborn screening and nursing home surveillance, offset by the impact of attrition, early retirements, and management efficiencies.

- Approximately 21 percent of these positions are paid exclusively by the General Fund;
- 12 percent are directly supported by fees;
- 52 percent are supported by third party, private patient care and Federal reimbursement; and
- The remaining 15 percent are directly funded by Federal grants.

MEDICAID

Total Medicaid spending in New York will be approximately \$35.8 billion in 2002-03. The 2002-03 Medicaid budget reflects a continued commitment to an effective and affordable

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delivery system that promotes quality health care, protects patients, and ensures access to appropriate services to meet the health care needs of the State's neediest residents. The 2002-03 Executive Budget recommends several targeted actions to offset Medicaid cost increases and keep the program affordable for State and local taxpayers.

Acute Care

State Medicaid spending for hospitals and clinics will reach more than \$2 billion in 2002-03. 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 2002-03 Executive Budget reflects more than \$300 million in State funds for priority health initiatives from HCRA 2000 (through June 30, 2003), and additional Federal funds, including those resulting from any increase in the Federal Medicaid Assistance Percentage (FMAP).

The 2002-03 Executive Budget also recommends initiatives to achieve State and local savings through strategies to maximize Federal revenues, including additional hospital intergovernmental transfers and Upper Payment Limit payments. In addition, the Budget distributes \$238 million in available New York Prospective Hospital Reimbursement Methodology (NYPHRM) and HCRA bad debt and charity care funds to hospitals.

Long Term Care

Medicaid costs, which have been controlled in recent years, are beginning to rise at a rate that places an undue burden on State and local governments. State spending on nursing home and community-based care comprises almost half of the General Fund Medicaid budget — or an estimated \$3.6 billion in 2002-03. Accordingly, the 2002-03 Executive Budget reflects revenues from a 6 percent reimbursable cash receipts assessment on nursing homes to help offset Medicaid costs.

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 2002-03 Executive 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 19 upstate counties — Albany, Broome, Cattaraugus, Chautauqua, Columbia, Erie, Greene, Monroe, Nassau, Niagara, Oneida, Onondaga, Ontario, Oswego, Rensselaer, Rockland, Saratoga, Suffolk and Westchester — are operating mandatory managed care programs. New York City and the remainder of the State will continue to phase in managed care, subject to Federal approval, during 2002-03.

Managed Care enrollment is projected to reach approximately 954,000 by the end of 2001-02 and 1.3 million by the end of 2002-03. 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 ensures that the neediest people receive high quality, accessible health care. Legislation passed in 2000 extends, until December 31, 2003, State authorization for the mandatory Medicaid managed care program and special managed care plans that provide comprehensive services to individuals infected with the HIV virus. These Special Needs Plans will begin operation in Winter 2002. Start-up grant funding is being 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) that 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, to control the escalating cost of prescription drugs in Medicaid, the 2002-03 Executive Budget will require the use of certain generic medications unless a physician determines it is medically necessary to prescribe brand name drugs.

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, resulting in a dramatic increase in enrollment to nearly 540,000 children. 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.

When eligible Federal funds are combined with State HCRA moneys, the Child Health Plus program will provide comprehensive coverage to virtually all eligible children in the State.

FAMILY HEALTH PLUS

As authorized by HCRA 2000, the Family Health Plus program offers access to comprehensive health coverage to more than 700,000 eligible low-income adults who do not have insurance through their employers, yet have incomes that do not qualify them for other public programs. Under Family Health Plus, health coverage is expanded for families up to 133 percent of the gross Federal Poverty Level (FPL) on October 1, 2001 and to 150 percent of the FPL on October 1, 2002. For individuals without children, coverage is expanded to those at 100 percent of the FPL at the beginning of the program. Enrollment in Family Health Plus began in October 2001 and is projected to reach approximately 24,000 by the end of 2001-02, and 168,000 by the end of 2002-03.

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OTHER PUBLIC HEALTH PROGRAMS

Excluding Medicaid program costs, General Fund appropriations finance 28 percent of the Department of Health's budget in 2002-03. Other revenue sources, 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 38 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 34 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 that 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 2002-03 Budget:

- Continues funding of \$3 million for the Newborn Hearing Program and \$3 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;
- Includes \$90 million for the Roswell Park Cancer Institute Corporation;
- Sustains the State's commitment to fighting the AIDS epidemic by continuing statewide spending at more than \$2.3 billion, a year-to-year increase of \$104.1 million, including \$105 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 \$458 million in support for the Elderly Pharmaceutical Insurance Coverage program (EPIC) to ensure that more than 257,000 senior citizens receive crucial prescription insurance. The EPIC recommendation is premised on various efficiencies, including the maximization of third party drug benefits;
- Includes approximately \$213.5 million for the General Public Health Works program 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.
- 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 13 states to augment Federal nutrition funds;
- Promotes private insurance and Medicaid revenue maximization in the \$210 million (State share) Early Intervention program serving infants and toddlers under the age of three who have developmental delays; and
- Advances targeted fee increases to support the Department's oversight of health care entities as well as an increase in the fee for medical records provided to non-patients by physicians and health care entities.

In addition, the Budget restores the HCRA 2000 covered lives assessment to 1996 levels and increases the State's cigarette tax by 39 cents per pack. These actions will produce much needed revenue to support critical public health programs in HCRA.

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 will total \$33.4 billion in 2001-02, and provide coverage to approximately 2.8 million New Yorkers. Cost containment and revenue maximization initiatives have resulted in the State's 2001-02 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 and local 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 five years, significant legislation has been enacted that will enhance the availability of appropriate care to all New Yorkers including:

- 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. HCRA 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;
- 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; and
- 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 2002-03 Executive Budget includes funding to expand Medicaid eligibility to working disabled individuals and to cover the cost of treatment for low income women diagnosed with breast or cervical cancer through the Center for Disease Control's National Screening Program.

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PUBLIC HEALTH

Efforts such as education, research and disease prevention 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, environmental contamination 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. The Wadsworth Center regulates more than 800 environmental laboratories and more than 1,800 clinical laboratories and blood banks to ensure testing quality, and the public's health and safety. In addition, the Wadsworth Center and DOH's Center for Community Health have played key roles in managing the State's response to recent terrorist activities.

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 \$2.3 billion to combat HIV/AIDS next year.

HEALTH SYSTEMS MANAGEMENT

The Department ensures 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 ensure that bonded debt is repaid, help to offset program costs.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2001-02	Appropriations Recommended 2002-03	Change	Reappropriations Recommended 2002-03
State Operations	3,959,724,500	4,504,502,000	544,777,500	7,571,918,100
Aid To Localities	27,797,517,000	30,022,232,000	2,224,715,000	21,282,383,700
Capital Projects	115,259,000	156,600,000	41,341,000	243,941,000
Total	31,872,500,500	34,683,334,000	2,810,833,500	29,098,242,800

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

Program	Full-Time Equivalent Positions (FTE)		
	2001-02	2002-03	FTE Change
	Estimated FTEs 03/31/02	Estimated FTEs 03/31/03	
Administration and Executive Direction			
General Fund	126	122	(4)
Special Revenue Funds - Federal	100	100	0
Special Revenue Funds - Other	268	258	(10)
AIDS Institute			
General Fund	194	190	(4)
Special Revenue Funds - Other	20	0	(20)
Child Health Insurance			
Special Revenue Funds - Other	42	41	(1)
Community Health			
General Fund	82	80	(2)
Special Revenue Funds - Federal	569	569	0
Office of Continuing Care			
General Fund	371	364	(7)
Special Revenue Funds - Other	2	2	0
Elderly Pharmaceutical Insurance Coverage			
General Fund	28	0	(28)
Special Revenue Funds - Other	0	28	28
Environmental Health			
General Fund	131	128	(3)
Special Revenue Funds - Federal	117	117	0
Special Revenue Funds - Other	175	161	(14)
Health Care Financing			
General Fund	74	63	(11)
Special Revenue Funds - Other	55	64	9
Health Care Standards and Surveillance			
General Fund	302	259	(43)
Special Revenue Funds - Other	239	271	32
Health Services			
Enterprise Funds	12	12	0
Institution Management			
Special Revenue Funds - Other	1,516	1,552	36
Laboratories and Research			
General Fund	409	428	19
Special Revenue Funds - Federal	97	97	0
Special Revenue Funds - Other	152	149	(3)
Managed Care			
General Fund	169	162	(7)
Medicaid Audit and Fraud Prevention			
General Fund	239	230	(9)
Special Revenue Funds - Federal	243	243	0
Special Revenue Funds - Other	27	27	0
Office of Medicaid Management			
General Fund	400	392	(8)
Special Revenue Funds - Other	2	2	0
Total	6,161	6,111	(50)

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

Fund Type	Available 2001-02	Recommended 2002-03	Change
General Fund	203,858,600	209,454,000	5,595,400
Special Revenue Funds - Federal	3,404,828,000	3,901,179,000	496,351,000
Special Revenue Funds - Other	347,062,900	389,734,000	42,671,100
Enterprise Funds	10,000	10,000	0
Fiduciary Funds	3,965,000	4,125,000	160,000
Total	3,959,724,500	4,504,502,000	544,777,500

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

Program	Available 2001-02	Recommended 2002-03	Change
Administration and Executive Direction			
General Fund	14,056,200	22,365,000	8,308,800
Special Revenue Funds - Federal	12,839,000	10,473,000	(2,366,000)
Special Revenue Funds - Other	26,209,000	29,389,000	3,180,000
AIDS Institute			
General Fund	16,851,000	16,818,000	(33,000)
Special Revenue Funds - Other	2,136,000	0	(2,136,000)
Child Health Insurance			
Special Revenue Funds - Federal	30,280,000	28,340,000	(1,940,000)
Special Revenue Funds - Other	11,680,000	11,920,000	240,000
Community Health			
General Fund	9,670,000	9,852,000	182,000
Special Revenue Funds - Federal	98,268,000	102,151,000	3,883,000
Special Revenue Funds - Other	5,554,000	5,554,000	0
Fiduciary Funds	1,000,000	1,200,000	200,000
Office of Continuing Care			
General Fund	20,654,000	22,095,000	1,441,000
Special Revenue Funds - Federal	13,116,000	13,055,000	(61,000)
Special Revenue Funds - Other	3,626,000	3,893,000	267,000
Fiduciary Funds	40,000	0	(40,000)
Elderly Pharmaceutical Insurance Coverage			
General Fund	11,039,000	0	(11,039,000)
Special Revenue Funds - Other	0	15,447,000	15,447,000
Environmental Health			
General Fund	10,059,000	9,987,000	(72,000)
Special Revenue Funds - Federal	11,105,000	12,670,000	1,565,000
Special Revenue Funds - Other	14,270,000	15,999,000	1,729,000
Health Care Financing			
General Fund	5,575,000	5,116,000	(459,000)
Special Revenue Funds - Other	5,945,000	6,915,000	970,000
Health Care Standards and Surveillance			
General Fund	30,319,000	25,620,000	(4,699,000)
Special Revenue Funds - Other	42,860,000	48,044,000	5,184,000
Institution Management			
Special Revenue Funds - Other	104,960,000	112,890,000	7,930,000
Enterprise Funds	10,000	10,000	0
Fiduciary Funds	325,000	325,000	0
Laboratories and Research			
General Fund	35,252,000	49,934,000	14,682,000
Special Revenue Funds - Federal	7,932,000	9,124,000	1,192,000
Special Revenue Funds - Other	29,234,900	28,795,000	(439,900)
Fiduciary Funds	2,600,000	2,600,000	0
Maintenance Undistributed			
General Fund	(78,338,000)	(88,638,000)	(10,300,000)
Special Revenue Funds - Other	78,338,000	88,638,000	10,300,000
Managed Care			
General Fund	15,297,000	15,416,000	119,000
Medicaid Audit and Fraud Prevention			
General Fund	18,665,000	18,591,000	(74,000)
Special Revenue Funds - Federal	36,278,000	37,856,000	1,578,000
Special Revenue Funds - Other	14,500,000	14,500,000	0
Office of Medicaid Management			
General Fund	46,083,400	47,023,000	939,600
Special Revenue Funds - Federal	3,127,500,000	3,620,000,000	492,500,000
Special Revenue Funds - Other	7,750,000	7,750,000	0
Medicaid Management Information System			
General Fund	48,676,000	55,275,000	6,599,000
Special Revenue Funds - Federal	67,510,000	67,510,000	0
Total	<u>3,959,724,500</u>	<u>4,504,502,000</u>	<u>544,777,500</u>

STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2002-03 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	8,200,000	309,000	7,972,000	309,000
AIDS Institute	10,396,000	7,000	10,396,000	22,000
Community Health	4,722,000	55,000	4,627,500	46,100
Office of Continuing Care	20,865,000	1,441,000	20,665,000	1,427,000
Elderly Pharmaceutical Insurance Coverage	0	(1,539,000)	0	(1,534,000)
Environmental Health	7,900,000	(222,000)	7,701,000	(223,200)
Health Care Financing	4,248,000	(459,000)	4,213,000	(462,000)
Health Care Standards and Surveillance	15,343,000	(1,363,000)	15,173,000	(1,363,000)
Laboratories and Research	21,500,000	379,000	21,179,000	379,500
Managed Care	10,706,000	119,000	10,706,000	133,000
Medicaid Audit and Fraud Prevention	13,907,000	(74,000)	13,907,000	(74,000)
Office of Medicaid Management	22,693,000	337,000	22,473,000	337,000
Total	140,480,000	(1,010,000)	139,012,500	(1,002,600)

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	0	(15,000)
Community Health	72,100	7,100	22,400	1,800
Office of Continuing Care	100,000	0	100,000	14,000
Elderly Pharmaceutical Insurance Coverage	0	0	0	(5,000)
Environmental Health	187,000	700	12,000	500
Health Care Financing	0	0	35,000	3,000
Health Care Standards and Surveillance	20,000	0	150,000	0
Laboratories and Research	64,000	(200)	257,000	(300)
Managed Care	0	0	0	(14,000)
Medicaid Audit and Fraud Prevention	0	0	0	0
Office of Medicaid Management	70,000	0	150,000	0
Total	638,100	7,600	829,400	(15,000)

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2002-03 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Executive Direction	14,165,000	7,999,800	740,000	0
AIDS Institute	6,422,000	(40,000)	1,604,100	103,200
Community Health	5,130,000	127,000	1,473,900	127,000
Office of Continuing Care	1,230,000	0	38,200	0
Elderly Pharmaceutical Insurance Coverage	0	(9,500,000)	0	(22,000)
Environmental Health	2,087,000	150,000	159,000	400
Health Care Financing	868,000	0	12,000	0
Health Care Standards and Surveillance	10,277,000	(3,336,000)	241,300	0
Laboratories and Research	28,434,000	14,303,000	3,210,000	100
Managed Care	4,710,000	0	34,000	0
Medicaid Audit and Fraud Prevention	4,684,000	0	85,300	0
Office of Medicaid Management	24,330,000	602,600	305,000	0
Medicaid Management Information System	55,275,000	6,599,000	0	0
Total	157,612,000	16,905,400	7,902,800	208,700

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Executive Direction	262,000	(200)	10,112,000	5,000,000
AIDS Institute	311,700	1,000	3,809,500	100,000
Community Health	139,500	0	3,478,200	0
Office of Continuing Care	766,900	0	377,400	0
Elderly Pharmaceutical Insurance Coverage	0	(30,000)	0	(9,372,000)
Environmental Health	415,000	100	1,223,000	100
Health Care Financing	38,300	0	807,000	0
Health Care Standards and Surveillance	480,400	0	6,895,800	(370,000)
Laboratories and Research	76,000	0	6,293,000	802,400
Managed Care	0	0	4,676,000	0
Medicaid Audit and Fraud Prevention	180,000	0	2,743,200	0
Office of Medicaid Management	256,000	0	3,455,000	(400)
Medicaid Management Information System	0	0	55,275,000	6,599,000
Total	2,925,800	(29,100)	99,145,100	2,759,100

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	51,000	0	3,000,000	3,000,000
AIDS Institute	246,700	5,800	450,000	(250,000)
Community Health	38,400	0	0	0
Office of Continuing Care	47,500	0	0	0
Elderly Pharmaceutical Insurance Coverage	0	(5,000)	0	(71,000)
Environmental Health	140,000	(600)	150,000	150,000
Health Care Financing	10,700	0	0	0
Health Care Standards and Surveillance	159,500	0	2,500,000	(2,966,000)
Laboratories and Research	355,000	500	18,500,000	13,500,000
Medicaid Audit and Fraud Prevention	526,500	0	1,149,000	0
Office of Medicaid Management	260,000	0	20,054,000	603,000
Total	1,835,300	700	45,803,000	13,966,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2002-03 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Executive Direction	39,862,000	814,000	15,846,000	(480,000)
AIDS Institute	0	(2,136,000)	0	(842,000)
Child Health Insurance	40,260,000	(1,700,000)	2,272,000	(64,000)
Community Health	108,905,000	4,083,000	0	0
Office of Continuing Care	16,948,000	166,000	135,000	2,000
Elderly Pharmaceutical Insurance Coverage	15,447,000	15,447,000	1,616,000	1,616,000
Environmental Health	28,669,000	3,294,000	4,923,000	154,000
Health Care Financing	6,915,000	970,000	4,205,000	534,000
Health Care Standards and Surveillance	48,044,000	5,184,000	15,322,000	2,800,000
Institution Management	97,125,000	3,997,000	0	0
Laboratories and Research	40,519,000	752,100	8,951,000	(464,000)
Medicaid Audit and Fraud Prevention	52,356,000	1,578,000	0	0
Office of Medicaid Management	3,627,750,000	492,500,000	0	0
Medicaid Management Information System	67,510,000	0	0	0
Total	4,190,310,000	524,949,100	53,270,000	3,256,000

Program	Nonpersonal Service		Maintenance	Undistributed
	Amount	Change	Amount	Change
Administration and Executive Direction	11,890,000	2,360,000	12,126,000	(1,066,000)
AIDS Institute	0	(1,294,000)	0	0
Child Health Insurance	9,648,000	304,000	28,340,000	(1,940,000)
Community Health	100,000	0	108,805,000	4,083,000
Office of Continuing Care	3,658,000	265,000	13,155,000	(101,000)
Elderly Pharmaceutical Insurance Coverage	13,756,000	13,756,000	75,000	75,000
Environmental Health	9,526,000	175,000	14,220,000	2,965,000
Health Care Financing	2,710,000	436,000	0	0
Health Care Standards and Surveillance	14,140,000	2,392,000	18,582,000	(8,000)
Institution Management	0	0	97,125,000	3,997,000
Laboratories and Research	11,344,000	24,100	20,224,000	1,192,000
Medicaid Audit and Fraud Prevention	10,000,000	0	42,356,000	1,578,000
Office of Medicaid Management	0	0	3,627,750,000	492,500,000
Medicaid Management Information System	0	0	67,510,000	0
Total	86,772,000	18,418,100	4,050,268,000	503,275,000

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

Fund Type	Available 2001-02	Recommended 2002-03	Change
General Fund	6,973,180,000	6,765,055,000	(208,125,000)
Special Revenue Funds - Federal	18,118,904,000	19,067,013,000	948,109,000
Special Revenue Funds - Other	1,855,433,000	3,240,164,000	1,384,731,000
Fiduciary Funds	850,000,000	950,000,000	100,000,000
Total	27,797,517,000	30,022,232,000	2,224,715,000

Adjustments:

Recommended Deficiency	
Health, Department of	
General Fund	(364,800,000)
Special Revenue Funds - Other	(107,000,000)
Appropriated 2001-02	<u>27,325,717,000</u>

HEALTH

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

Program	Available 2001-02	Recommended 2002-03	Change
Administration and Executive Direction			
General Fund	869,000	869,000	0
AIDS Institute			
General Fund	53,656,000	0	(53,656,000)
Special Revenue Funds - Other	34,597,000	88,253,000	53,656,000
Child Health Insurance			
Special Revenue Funds - Federal	726,720,000	921,060,000	194,340,000
Special Revenue Funds - Other	280,320,000	470,000,000	189,680,000
Community Health			
General Fund	526,588,000	484,451,000	(42,137,000)
Special Revenue Funds - Federal	574,806,000	605,193,000	30,387,000
Special Revenue Funds - Other	36,578,000	58,823,000	22,245,000
Office of Continuing Care			
General Fund	2,546,000	621,000	(1,925,000)
Special Revenue Funds - Federal	315,000	0	(315,000)
Elderly Pharmaceutical Insurance Coverage			
General Fund	401,100,000	0	(401,100,000)
Special Revenue Funds - Other	0	484,900,000	484,900,000
Environmental Health			
General Fund	1,500,000	0	(1,500,000)
Special Revenue Funds - Federal	2,208,000	2,540,000	332,000
Special Revenue Funds - Other	200,000	6,200,000	6,000,000
Health Care Standards and Surveillance			
General Fund	9,535,000	9,185,000	(350,000)
Laboratories and Research			
General Fund	1,071,000	1,071,000	0
Special Revenue Funds - Federal	2,105,000	2,420,000	315,000
Maintenance Undistributed			
General Fund	(272,338,000)	(7,288,000)	265,050,000
Special Revenue Funds - Other	272,338,000	7,288,000	(265,050,000)
Office of Medicaid Management			
General Fund	5,796,000	5,796,000	0
Medical Assistance			
General Fund	6,134,300,000	6,156,000,000	21,700,000
Special Revenue Funds - Federal	16,424,000,000	17,054,000,000	630,000,000
Special Revenue Funds - Other	1,231,400,000	2,124,700,000	893,300,000
Fiduciary Funds	850,000,000	950,000,000	100,000,000
Medical Assistance Administration			
General Fund	108,557,000	114,350,000	5,793,000
Special Revenue Funds - Federal	388,750,000	481,800,000	93,050,000
Total	<u>27,797,517,000</u>	<u>30,022,232,000</u>	<u>2,224,715,000</u>

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

Comprehensive Construction Program	Available 2001-02	Recommended 2002-03	Change	Reappropriations 2002-03
Design and Construction Supervision				
Capital Projects Fund	0	0	0	1,078,000
Rehabilitation and Improvements				
Capital Projects Fund	0	0	0	2,126,000
Laboratories and Research				
Capital Projects Fund	4,000,000	4,000,000	0	8,518,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	19,936,000
New Institution Construction				
Capital Projects Fund - Advances	0	0	0	20,000,000
Water Resources				
Federal Capital Projects Fund	53,659,000	75,000,000	21,341,000	182,283,000
Safe Drinking Water - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	50,000,000	70,000,000	20,000,000	10,000,000
Total	<u>115,259,000</u>	<u>156,600,000</u>	<u>41,341,000</u>	<u>243,941,000</u>