

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 high quality medical care in a sound and cost effective manner for all residents;
- Reducing infectious diseases such as food and waterborne illnesses, hepatitis, HIV, meningitis, sexually transmitted infections, tuberculosis, vaccine-preventable diseases 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 Office of Homeland Security. As part of this mission, the Department works 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. In addition, the Office of Health Insurance Programs, a new entity within the Department, will be responsible for developing and implementing strategies to improve access to health insurance coverage for the uninsured and providing for an integrated approach to oversight and administration of the Medicaid program to strengthen coordination within the Department and among State agencies and focus on improving health outcomes.

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 Health Insurance Programs, the Office of Long Term Care Services and Programs, the centers located in the Office of Public Health, and the Office of Health Systems Management. The 2007-08 Executive Budget provides for the Department's reorganization by consolidating all public health insurance programs under a new office, responsible for Medicaid and Family Health Plus, Child Health Plus, Elderly Pharmaceutical Insurance Coverage, and the AIDS Drug Assistance Program, and all long term care services under a single office to improve integration of planning and program development. These entities are responsible for providing policy and management direction to the Department's system of regional offices. Department staff located in regional offices conduct health facility surveillance, monitor public health, provide direct services and oversee county health department activities.

Additionally, the Department is responsible for five health care facilities that are engaged in patient care: the Helen Hayes Hospital in West Haverstraw which offers specialty rehabilitation services, and four nursing homes for the care of veterans and their dependents in Oxford, New York City, Batavia and 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.

HEALTH

In 2007-08, the Department of Health will have a workforce of 5,998 positions, with 28 percent of those positions employed in the Department's health care facilities.

- Approximately 15 percent of these positions are paid by the General Fund;
- 10 percent are directly supported by fees;
- 58 percent are supported by third party, private patient care and Federal reimbursement; and
- The remaining 17 percent are directly funded by Federal grants.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

MEDICAID

Without any new cost controlling measures, total Medicaid spending in New York would grow to \$48.7 billion in 2007-08. The 2007-08 Medicaid Budget reflects a commitment to an effective and affordable delivery system that promotes high quality health care, protects patients, and ensures access to appropriate services to meet the health care needs of the State's most vulnerable residents.

Medicaid costs represent the single largest spending area in the State's budget. While spending growth has moderated recently, it continues to increase at a rate that places an unaffordable burden on State and local governments. Accordingly, the 2007-08 Executive Budget includes funding to support the Medicaid cap legislation which provides significant fiscal relief to local governments by capping their share of Medicaid costs up to the amount they will have spent in 2005, as modified by a predictable growth factor. To help control and refocus Medicaid spending, the Budget recommends a series of actions to limit Medicaid cost increases to keep the program affordable for State taxpayers while ensuring continued access to needed health care services for recipients. This Budget represents the first stage of a fundamental retooling of New York's health care system by:

- providing resources to facilitate the closure and consolidation of hospitals with excess capacity and investing in health care technologies and infrastructure;
- shifting spending away from expensive institutional nursing homes toward community and home-based alternatives;
- building the bridge to a rational reimbursement system for hospitals, nursing homes, and other services;
- appropriately paying for pharmaceuticals by reducing the cost for prescription drugs and setting the stage for more equitable payment measurements;
- strengthening care coordination and management for high-cost individuals to lower costs and improve treatment outcomes;
- implementing necessary cost containment measures and reforms to make health care more affordable; and
- addressing the uninsured, by simplifying enrollment processes and expanding coverage for children.

In addition, the Executive Budget advances statutory reforms to assist in the fight against fraud including a New York State False Claims Act and a Martin Act for Health Care and provides additional resources for the Office of the Medicaid Inspector General to improve and expand the State's Medicaid fraud, waste and abuse control efforts.

Pharmacy

Absent efforts to control growth, State Medicaid spending on pharmacy services will reach \$1.4 billion in 2007-08. The 2007-08 Executive Budget recommends several measures to control these costs, including: strengthening the Preferred Drug Program; instituting best practices for prescribing mental health drugs; including anti-depressants on the Preferred Drug Program in consultation with the Office of Mental Health; and, reducing pharmacy reimbursement for changes in Federal Upper Payment Limits and changing from Average Wholesale Price (AWP) less 20 percent to AWP less 30 percent for generics and from AWP less 13.25 percent to AWP less 15 percent for brand name drugs. In addition, to encourage the use of lower cost drug alternatives, the Budget provides for a \$1 increase in the dispensing fee paid to pharmacies for generic prescriptions.

The Department of Health continues to dedicate \$5 million in administrative resources and educational supports to ensure that individuals who are eligible for both Medicaid and Medicare have access to medically necessary drugs under the Medicare Part D prescription drug program. These funds support ongoing Department of Health activities including: education and training for recipients, interventions with pharmacies, prescribers and plans, and monitoring to ensure Medicaid beneficiaries are enrolled and medications are appropriately covered by their Part D plans. In addition, the Budget includes additional funding for the State Medicaid program to continue a wrap around benefit for certain drugs used in the treatment of mental illnesses, HIV/AIDS and organ transplants.

Acute Care

The Health Care Reform Act (HCRA) serves as the statutory basis governing hospital financing. Under HCRA, most non-Medicaid payors negotiate rates with hospitals, encouraging competition in the health care industry. Medicaid rates are established consistent with governing HCRA statutes.

The 2007-08 Executive Budget recommendations for HCRA extend the program through March 31, 2008; secure its fiscal stability by increasing available revenues and reducing costs where feasible; continue to provide hospitals and clinics with adequate funding; and, ensure that high quality health care services are accessible and affordable for all New Yorkers.

State Medicaid spending for hospitals and clinics is expected to be approximately \$2.2 billion in 2007-08, which reflects a number of Budget recommendations to limit the growth in those costs. These include reducing Graduate Medical Education (GME) payments to facilities that lack the costs necessary to support existing reimbursement levels; eliminating the annual inflationary increase; and continuing the hospital assessment at current levels and waiving the reconciliation requirement which caps liability. In addition, the Executive Budget advances a series of reimbursement reforms to move towards a rational reimbursement system including, updating the hospital inpatient rates to realign reimbursement with costs; and redirecting supplemental payments based on Medicaid indicators which more appropriately link funding to need.

HEALTH

Long Term Care

State spending on nursing home and community-based care comprises more than half the General Fund Medicaid Budget — or an estimated \$5.2 billion in 2007-08. The 2007-08 Executive Budget recommends several initiatives that affect nursing homes including requiring providers to offset inflationary cost increases; eliminating the case mix enhancements for Medicare patients which are inappropriate because of changes in Federal reimbursement policy; and permanently continuing the reimbursable assessment at six percent. In addition, the Executive Budget would eliminate reimbursement for certain non-medically necessary personal care services.

The 2007-08 Executive Budget includes funding for the “rebasings” legislation which updates the nursing home reimbursement methodology, starting January 1, 2007, over a three-year period. Once fully implemented, the rebasing of the rates will provide more than \$400 million in new resources for nursing homes.

While progress continues to be made in implementing the provisions of the Long Term Care Integration and Finance Act of 1997, the 2007-08 Executive Budget advances new initiatives to shift spending away from expensive institutional care toward community and home-based alternatives for the elderly and disabled. These include: expanding the managed long-term care program; providing investments to increase reimbursement for traumatic brain injury waiver programs; funding demonstration projects for telehealth care; additional funding for the Office for the Aging’s Supplemental Nutrition Assistance Program for the elderly; and funding targeted investments to expand and promote the provision of care in community-based settings. Also, the Budget recommends requiring that counties — with State guidance and administrative support — aggressively pursue recoveries for individuals inappropriately taking advantage of eligibility loopholes that allow individuals to receive services without contributing to the cost of their care.

The new Office of Long Term Care Services and Programs will assume responsibility for long term care programs currently overseen by several bureaus and offices throughout the Department.

Managed Care

The 2007-08 Executive Budget reflects the continued mandatory enrollment of Medicaid recipients in managed care. To date, New York City and forty-four counties are operating managed care programs. New York City and twenty-three of these counties currently require mandatory enrollment.

A key component of the expansion underway is to require mandatory enrollment of Supplemental Security Income (SSI) and Seriously and Persistently Mentally Ill (SPMI) individuals into managed care for their health care benefits. Managed care enrollment is projected to reach approximately 2.2 million by the end of 2006-07 and 2.4 million in 2007-08. When fully implemented, over three-quarters of all Medicaid recipients eligible for managed care are expected to be enrolled. The managed care program has facilitated an increased use of primary care, better access to specialists and better care based on standard quality measures.

The State’s Medicaid managed care program — recently reauthorized through March 2009 — ensures that the neediest people receive high quality, accessible health care. In addition, the program has Special Needs Plans which provide comprehensive services to individuals infected with HIV/AIDS. Medicaid managed care also incorporates a

comprehensive set of consumer protections to ensure that all recipients obtain enrollment assistance and quality care, and understand their rights and responsibilities under managed care plans. The Executive Budget would require that managed care plans offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable. Premiums will still be adjusted for recently enacted emergency room rate increases and newborn rate adjustments.

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 are made through the State's new computerized payment system — commonly known as eMedNY — that is operated by a private company with oversight by State personnel. The new eMedNY Medicaid System replaced both the Medicaid Management Information System (MMIS) and the Electronic Medicaid Eligibility Verification System (EMEVs) with an integrated claims processing system. The new system provides updated technologies and brings New York State into compliance with new Federal reporting requirements. In addition, eMedNY is being used to substantially enhance front-end detection of Medicaid fraud.

CHILD HEALTH PLUS

New York's Child Health Plus (CHPlus) program continues to set a national standard for children's health insurance coverage for children up to age 19. Federal funds combined with State HCRA moneys allow CHPlus to provide comprehensive health insurance benefits for nearly 390,000 children.

The 2007-08 Executive Budget proposes new legislation — effective September 1, 2007 — to expand CHPlus eligibility from 250 percent to 400 percent of the Federal Poverty Level (FPL) to provide access to health insurance coverage for all children. With Federal approval for this expansion, New York's CHPlus program would be fully accessible and affordable for families of uninsured children. In addition, legislation is proposed to establish a new program to promote employee sponsored health insurance programs by providing cost effective premium subsidies for families with children eligible for the CHPlus program and individuals eligible for Family Health Plus (FHP).

The Budget would also require that all managed care plans — including CHPlus — offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable and modify the procedures for temporary enrollment to ensure that Medicaid eligible children are not inappropriately enrolled in CHPlus, thus avoiding Federal disallowances.

FAMILY HEALTH PLUS

The Family Health Plus (FHP) program offers access to comprehensive health coverage for eligible low-income adults who do not have insurance through their employers, yet have incomes that do not qualify them for other publicly financed health programs. Under Family

HEALTH

Health Plus, health coverage is provided to families with incomes up to 150 percent of the gross FPL. For individuals without children, coverage is offered to those at 100 percent of the FPL. When Federal funds are combined with State HCRA and General Fund moneys, FHP provides comprehensive health insurance benefits for 508,000 adults.

The 2007-08 Executive Budget proposes new legislation — effective January 1, 2008 — to streamline the renewal process by eliminating unnecessary documentation requirements for FHP and to provide 12 months guaranteed continuous coverage for certain adults to reduce gaps in coverage. That legislation also advances the same streamlining provisions for certain Medicaid recipients.

The Budget would also require that all managed care plans — including FHP — offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable.

OTHER PUBLIC HEALTH PROGRAMS

General Fund appropriations finance 18 percent of the Department of Health's budget in 2007-08 after excluding Medicaid and HCRA program costs. 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 45 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 37 percent is provided by Federal grants and Enterprise funds.

Capital Project appropriations promote the efficient operation of healthcare facilities statewide and 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 the General Fund, HCRA and/or facility revenues.

This overall recommendation ensures that public health priorities are preserved. As such, the 2007-08 Executive Budget:

- Provides the third \$250 million installment, increasing available appropriation levels to \$750 million of the \$1 billion commitment over four-years, for the Healthcare Efficiency and Affordability Law for New Yorkers (HEAL NY) Program authorized in 2005-06. This program supports healthcare projects to upgrade information and healthcare technology, enhance the efficiency of facility operations and support facility improvement, reconfiguration and consolidation. This appropriation includes \$25 million for capital projects at the Roswell Park Cancer Institute;
- Provides \$798 million for the Elderly Pharmaceutical Insurance Coverage program (EPIC) to ensure that 372,000 senior citizens receive crucial prescription insurance. The Executive Budget provides a series of measures that will reduce the cost of the EPIC program, including the enrollment of all eligible seniors in Medicare Part D unless such enrollment presents a significant financial hardship. The EPIC program will cover Part D premium costs to prevent an increased cost to seniors as a result of coordinating benefits with the new Medicare prescription drug program. The Executive Budget also proposes to reduce pharmacy reimbursement to reflect changes in Federal Upper Payment Limit, reduce AWP reimbursement for brand

- name and generic drugs and increase the generic dispensing fee from \$4.50 to \$5.50, similar to Medicaid. The Budget also proposes to accelerate the implementation of a preferred drug program for EPIC. New York will continue to assist in covering prescription drug costs for more seniors than any other state in the nation;
- Provides \$188 million for the State share of Early Intervention (EI) which provides needed services to infants and toddlers under the age of three who have developmental delays. The Budget advances measures to improve insurance reimbursement for EI medical services provided to insured children and enhances the audit capabilities of EI program. The Budget also proposes a new EI fee of \$125 for individual providers and \$225 for agency providers to certify their eligibility to provide EI services. Such certification will be effective for five years and the fee revenue will offset the operational costs of approving provider applications;
 - Includes \$220 million for the General Public Health Work program to reimburse counties for core and optional public health services at a rate of thirty-six percent;
 - Increases from \$20 million to \$40 million a reserve appropriation to address any public health emergencies;
 - Includes \$29 million to stockpile medications and supplies to be used in the event of a pandemic outbreak, such as the avian flu;
 - Sustains the State's commitment to fighting the AIDS epidemic by providing statewide spending of \$3.5 billion for AIDS programs — a year-to-year increase of \$82 million — including \$125 million for 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;
 - Includes \$78 million in direct support for the Roswell Park Cancer Institute Corporation;
 - Includes \$95 million, funded largely from HCRA, for an anti-smoking program, including counter advertising, community and school-based education programs, cancer mapping, cancer research, strict enforcement of laws regulating the sale and use of tobacco products. This appropriation includes \$15 million for cancer research at Roswell Park Cancer Institute;
 - Supports the optional State supplementation of the Federal nutrition assistance program for women, infants and children (WIC) with \$26 million, as well as an additional \$15 million, an increase of \$5 million, in support for other hunger assistance programs, making New York one of only 7 states to augment Federal nutrition funds;
 - Provides \$6 million, an increase of over \$2 million, for the health and social services human sexuality program to enhance the statewide network of health and human service providers that provide services to lesbian, gay, bisexual and transgender New Yorkers;
 - Includes \$39 million to support the second year of the three year Cost of Living Adjustment tied to the Consumer Price Index, effective October 1, 2006, for various public health and AIDS programs;
 - Includes \$4.75 million to continue the State's ongoing commitment to improve the lives of adult home residents in New York. The Department, working with the Office of Mental Health, the Commission on Quality of Care and Advocacy for Persons with Disabilities and the State Office for the Aging, has undertaken a statewide effort to further expand the various initiatives already underway in adult

HEALTH

- homes, including: vocational and educational training, recreational activities, independent living skills, as well as the general maintenance and upkeep of the homes, which is critical to ensuring the health and safety of residents. Additionally, \$5.25 million is available in the Office of Mental Health for enhanced care coordination and more than 3,500 additional case management slots for mentally ill residents of adult homes;
- Maintains funding for the Wadsworth Center for Laboratories and Research to purchase critical equipment, as well as \$10 million for capital improvements to the Wadsworth Laboratories;
 - Includes \$4.3 million in support of the State's seventeen Regional Perinatal Centers to ensure the quality of care for newborns and their mothers;
 - Provides \$2.6 million in new funding for education, training and outreach activities related to emergency contraception;
 - Includes \$2.5 million in new funding for an electronic laboratory and State Health Information Technology Project on the reporting of communicable diseases;
 - Continues more than \$27 million added in 2006-07 that support various public health programs, including funding for AIDS services, family planning, diabetes prevention, school-based health centers, rape crisis centers, breast cancer services, alzheimers assistance and consumer assistance for Medicare Part D; and
 - Includes over \$25 million in new funding for various initiatives, to enhance vital records, promote universal prenatal care and postpartum home visitation, expand access to cervical cancer vaccine, prevent childhood lead poisoning, require reporting of child's Body Mass Index on school physical form, and promote healthy lifestyles, improvements in breast imaging interpretation, colorectal screenings and the use of environmentally friendly cleaning products.

PROGRAM HIGHLIGHTS

MEDICAID

Medicaid was established in 1965 by the Federal government as a health insurance program for the poor. Absent reform, New York's Medicaid program costs would total \$48.7 billion in 2007-08 including \$10.5 billion in General Fund support which is an increase of 16 percent over 2006-07. Cost containment and revenue maximization initiatives will hold the State's General Fund Medicaid spending to an annual increase of 4.4 percent in 2007-08. In addition to the Federally mandated services — inpatient and outpatient hospital care, nursing facility care, physician services, home health care, family planning, and laboratory and x-ray services — New York also provides almost all Federally permissible optional services.

ACCESS TO HIGH QUALITY HEALTH CARE

The Department develops and implements programs to ensure that residents of New York have access to high quality health care. The 2007-08 Executive Budget advances initiatives to improve access by expanding eligibility for health insurance coverage for children through the CHPlus program from 250 percent of the Federal Poverty Level (FPL) to 400 percent of FPL and by simplifying the enrollment renewal process for Family Health Plus and Medicaid.

The Budget also extends HCRA by nine months — through March 31, 2008 — and ensures HCRA’s financial stability through its authorization period. Most significantly, the Budget: increases the covered lives assessment by \$75 million; enhances HCRA audit capabilities, reduces and redistributes Hospital Worker Recruitment and Retention and Worker Retraining funding; phases out Nursing Home Worker Recruitment and Retention funding over three-years; discontinues discretionary priority pools; and eliminates funding for Health Care Facility Restructuring, Nursing Home Quality Improvement, home care rural grants and the Adirondack Cancer Network. The Budget also authorizes additional insurance conversions and directs the proceeds to HCRA — similar to the Empire Blue Cross Conversion. In addition, \$228 million in General Fund savings is achieved while needed investments are made to support the HEAL NY Program, simplify enrollment in Family Health Plus and increase enrollment in Child Health Plus.

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, cancer education and outreach 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 Wadsworth Laboratories address public health concerns such as HIV, tuberculosis, environmental contamination and genetic disorders in newborns. The newborn screening program tests for 45 disorders, making New York State a national leader in the area of newborn testing. Ongoing research, largely funded by external grants, is carried out for public health problems such as AIDS, West Nile virus, cancer and the toxic effects of chemical substances and radiation. The Wadsworth Center regulates more than 700 environmental laboratories and more than 1,800 clinical laboratories and patient service centers to ensure testing quality, and the public’s health and safety. In addition, the Wadsworth Center and DOH’s Centers for Community and Environmental Health continue to play key roles in managing the State’s preparation for response to bio-terrorism.

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 \$3.5 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

HEALTH

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.

Responsibility for setting Medicaid reimbursement rates for hospitals, nursing homes, home health agencies and diagnostic and treatment centers, as well as oversight of the HCRA surcharges and assessments, will be shifted from Health Systems Management to the new Office of Health Insurance Programs.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	4,645,148,000	4,670,021,500	24,873,500	9,605,219,100
Aid To Localities	45,109,837,300	43,212,667,900	(1,897,169,400)	21,889,271,700
Capital Projects	305,537,000	304,412,000	(1,125,000)	660,498,000
Total	<u>50,060,522,300</u>	<u>48,187,101,400</u>	<u>(1,873,420,900)</u>	<u>32,154,988,800</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration and Executive Direction			
General Fund	88	117	29
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	253	253	0
AIDS Institute			
General Fund	164	164	0
Child Health Insurance			
General Fund	0	4	4
Special Revenue Funds - Other	37	37	0
Community Health			
General Fund	15	24	9
Special Revenue Funds - Federal	631	631	0
Special Revenue Funds - Other	131	133	2
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	32	32	0
Environmental Health			
General Fund	99	99	0
Special Revenue Funds - Federal	137	137	0
Special Revenue Funds - Other	92	92	0
Capital Projects Funds - Other	80	80	0
Health Care Financing			
General Fund	67	76	9
Special Revenue Funds - Other	70	75	5
Health Care Standards and Surveillance			
General Fund	598	611	13
Special Revenue Funds - Other	292	292	0
Health Services			
Enterprise Funds	14	14	0
Institution Management			
Special Revenue Funds - Other	1,672	1,672	0
Laboratories and Research			
General Fund	405	410	5
Special Revenue Funds - Federal	81	81	0
Special Revenue Funds - Other	208	208	0
Managed Care			
General Fund	158	165	7
Medicaid Management, Office of			
General Fund	436	443	7
Special Revenue Funds - Federal	88	88	0
Special Revenue Funds - Other	2	2	0
Total	<u>5,908</u>	<u>5,998</u>	<u>90</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	165,484,000	224,025,000	58,541,000
Special Revenue Funds - Federal	3,979,144,000	3,960,840,000	(18,304,000)
Special Revenue Funds - Other	500,510,000	485,146,500	(15,363,500)
Enterprise Funds	10,000	10,000	0
Total	<u>4,645,148,000</u>	<u>4,670,021,500</u>	<u>24,873,500</u>

Adjustments:	
Transfer(s) To	
Executive Chamber	
General Fund	258,000
Appropriated 2006-07	<u>4,645,406,000</u>

HEALTH

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	20,775,000	28,222,500	7,447,500
Special Revenue Funds - Federal	8,984,000	9,146,000	162,000
Special Revenue Funds - Other	35,954,000	35,653,800	(300,200)
AIDS Institute			
General Fund	16,329,000	16,714,000	385,000
Child Health Insurance			
Special Revenue Funds - Federal	64,131,000	64,130,000	(1,000)
Special Revenue Funds - Other	11,421,000	11,559,000	138,000
Community Health			
General Fund	7,132,000	7,684,000	552,000
Special Revenue Funds - Federal	117,128,000	118,018,000	890,000
Special Revenue Funds - Other	9,084,000	10,984,000	1,900,000
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	19,125,000	20,333,000	1,208,000
Environmental Health			
General Fund	9,287,000	9,317,500	30,500
Special Revenue Funds - Federal	15,678,000	15,678,000	0
Special Revenue Funds - Other	18,166,000	19,963,700	1,797,700
Health Care Financing			
General Fund	6,482,000	7,371,000	889,000
Special Revenue Funds - Other	8,425,000	10,378,000	1,953,000
Health Care Standards and Surveillance			
General Fund	55,333,000	62,345,000	7,012,000
Special Revenue Funds - Other	64,691,000	70,698,000	6,007,000
Institution Management			
Special Revenue Funds - Other	140,327,000	139,340,000	(987,000)
Enterprise Funds	10,000	10,000	0
Laboratories and Research			
General Fund	39,812,000	41,431,000	1,619,000
Special Revenue Funds - Federal	15,076,000	11,448,000	(3,628,000)
Special Revenue Funds - Other	45,995,000	46,015,000	20,000
Maintenance Undistributed			
General Fund	(135,262,000)	(105,262,000)	30,000,000
Special Revenue Funds - Other	135,262,000	105,262,000	(30,000,000)
Managed Care			
General Fund	15,372,000	17,461,000	2,089,000
Special Revenue Funds - Other	60,000	60,000	0
Medicaid Management, Office of			
General Fund	53,427,000	57,892,000	4,465,000
Special Revenue Funds - Federal	3,662,424,000	3,646,697,000	(15,727,000)
Special Revenue Funds - Other	12,000,000	14,900,000	2,900,000
Medicaid Management Information System			
General Fund	76,797,000	80,849,000	4,052,000
Special Revenue Funds - Federal	95,723,000	95,723,000	0
Total	<u>4,645,148,000</u>	<u>4,670,021,500</u>	<u>24,873,500</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2007-08 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	8,172,300	967,300	7,667,300	967,300
AIDS Institute	10,833,000	385,000	10,816,000	385,000
Community Health	1,672,000	969,000	1,672,000	969,000
Environmental Health	7,080,500	(269,500)	6,859,000	(491,000)
Health Care Financing	4,864,000	(724,000)	4,854,000	(664,000)
Health Care Standards and Surveillance	40,297,000	1,996,000	39,172,000	1,241,000
Laboratories and Research	25,813,000	727,000	25,486,000	721,000
Managed Care	11,381,000	420,000	11,381,000	420,000
Medicaid Management, Office of	27,660,000	1,242,000	27,660,000	1,242,000
Total	137,772,800	5,712,800	135,567,300	4,790,300

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	250,000	0	255,000	0
AIDS Institute	0	0	17,000	0
Community Health	0	0	0	0
Environmental Health	210,000	210,000	11,500	11,500
Health Care Financing	5,000	5,000	5,000	(65,000)
Health Care Standards and Surveillance	125,000	5,000	1,000,000	750,000
Laboratories and Research	70,000	6,000	257,000	0
Managed Care	0	0	0	0
Medicaid Management, Office of	0	0	0	0
Total	660,000	226,000	1,545,500	696,500

HEALTH

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2007-08 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Executive Direction	20,050,200	6,480,200	1,077,400	337,400
AIDS Institute	5,881,000	0	1,333,881	0
Community Health	6,012,000	(417,000)	10,000	10,000
Environmental Health	2,237,000	300,000	133,600	133,600
Health Care Financing	2,507,000	1,613,000	119,000	56,000
Health Care Standards and Surveillance	22,048,000	5,016,000	426,000	146,500
Laboratories and Research	15,618,000	892,000	3,352,000	67,000
Managed Care	6,080,000	1,669,000	156,000	42,000
Medicaid Management, Office of	30,232,000	3,223,000	536,000	536,000
Medicaid Management Information System	80,849,000	4,052,000	0	0
Total	191,514,200	22,828,200	7,143,881	1,328,500

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Executive Direction	381,500	119,500	18,517,000	7,470,000
AIDS Institute	311,700	0	3,556,900	0
Community Health	32,000	32,000	1,615,000	100,000
Environmental Health	374,400	374,400	1,622,600	(314,400)
Health Care Financing	30,000	(66,300)	2,318,000	1,684,000
Health Care Standards and Surveillance	1,247,000	(22,300)	18,837,000	3,819,300
Laboratories and Research	76,000	0	6,885,000	825,000
Managed Care	128,000	128,000	5,666,000	1,369,000
Medicaid Management, Office of	823,000	823,000	26,042,000	1,033,000
Medicaid Management Information System	0	0	80,849,000	4,052,000
Total	3,403,600	1,388,300	165,908,500	20,037,900

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	74,300	23,300	0	(1,470,000)
AIDS Institute	228,519	0	450,000	0
Community Health	5,000	5,000	4,350,000	(564,000)
Environmental Health	106,400	106,400	0	0
Health Care Financing	40,000	(60,700)	0	0
Health Care Standards and Surveillance	515,000	322,500	1,023,000	750,000
Laboratories and Research	5,305,000	0	0	0
Managed Care	130,000	130,000	0	0
Medicaid Management, Office of	831,000	831,000	2,000,000	0
Medicaid Management Information System	0	0	0	0
Total	7,235,219	1,357,500	7,823,000	(1,284,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2007-08 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Executive Direction	44,799,800	(138,200)	16,370,000	94,000
Child Health Insurance	75,689,000	137,000	2,601,000	173,000
Community Health	129,002,000	2,790,000	2,328,000	2,328,000
Elderly Pharmaceutical Insurance Coverage	20,333,000	1,208,000	2,116,000	415,000
Environmental Health	35,641,700	1,797,700	7,066,200	1,423,200
Health Care Financing	10,378,000	1,953,000	5,312,000	845,000
Health Care Standards and Surveillance	70,698,000	6,007,000	16,061,000	(468,000)
Institution Management	139,350,000	(987,000)	83,387,000	(1,190,000)
Laboratories and Research	57,463,000	(3,608,000)	13,562,316	3,929,158
Managed Care	60,000	0	30,000	0
Medicaid Management, Office of	3,661,597,000	(12,827,000)	2,093,000	1,393,000
Medicaid Management Information System	95,723,000	0	0	0
Total	4,340,734,500	(3,667,500)	150,926,516	8,942,358

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	19,283,800	833,800	9,146,000	(1,066,000)
Child Health Insurance	8,958,000	(35,000)	64,130,000	(1,000)
Community Health	8,656,000	8,656,000	118,018,000	(8,194,000)
Elderly Pharmaceutical Insurance Coverage	18,017,000	786,000	200,000	7,000
Environmental Health	11,497,500	374,500	17,078,000	0
Health Care Financing	5,066,000	1,108,000	0	0
Health Care Standards and Surveillance	27,342,000	(515,000)	27,295,000	6,990,000
Institution Management	55,963,000	203,000	0	0
Laboratories and Research	40,952,684	18,596,842	2,948,000	(26,134,000)
Managed Care	30,000	0	0	0
Medicaid Management, Office of	12,807,000	1,507,000	3,646,697,000	(15,727,000)
Medicaid Management Information System	0	0	95,723,000	0
Total	208,572,984	31,515,142	3,981,235,000	(44,125,000)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	10,035,134,300	10,149,844,900	114,710,600
Special Revenue Funds - Federal	26,345,255,000	24,921,322,000	(1,423,933,000)
Special Revenue Funds - Other	6,458,248,000	6,370,301,000	(87,947,000)
Fiduciary Funds	2,271,200,000	1,771,200,000	(500,000,000)
Total	45,109,837,300	43,212,667,900	(1,897,169,400)

Adjustments:

Prior Year Deficiency	
Health, Department of	
General Fund	606,000,000
Transfer(s) To	
Medicaid Inspector General, Office of the	
General Fund (State Operations)	500,000
Appropriated 2006-07	<u>45,716,337,300</u>

HEALTH

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	608,000	632,000	24,000
AIDS Institute			
General Fund	13,623,700	20,301,700	6,678,000
Special Revenue Funds - Other	88,253,000	88,253,000	0
Child Health Insurance			
Special Revenue Funds - Federal	478,500,000	487,800,000	9,300,000
Special Revenue Funds - Other	435,000,000	442,500,000	7,500,000
Community Health			
General Fund	574,593,600	627,943,500	53,349,900
Special Revenue Funds - Federal	694,035,000	682,915,000	(11,120,000)
Special Revenue Funds - Other	99,385,000	70,385,000	(29,000,000)
Elderly Pharmaceutical Insurance Coverage			
General Fund	39,200,000	40,300,000	1,100,000
Special Revenue Funds - Other	874,075,000	737,275,000	(136,800,000)
Environmental Health			
General Fund	6,000,000	6,000,000	0
Special Revenue Funds - Federal	3,206,000	3,206,000	0
Special Revenue Funds - Other	200,000	200,000	0
Health Care Financing			
General Fund	0	150,000	150,000
Health Care Reform Act Program			
Special Revenue Funds - Other	1,215,060,000	1,261,100,000	46,040,000
Health Care Standards and Surveillance			
General Fund	12,551,000	20,028,700	7,477,700
Special Revenue Funds - Federal	400,000	400,000	0
Special Revenue Funds - Other	4,750,000	4,750,000	0
Laboratories and Research			
General Fund	931,000	4,943,000	4,012,000
Special Revenue Funds - Federal	3,201,000	3,201,000	0
Maintenance Undistributed			
General Fund	(7,288,000)	(7,288,000)	0
Special Revenue Funds - Other	7,288,000	7,288,000	0
Medicaid Management, Office of			
General Fund	13,477,000	17,048,000	3,571,000
Special Revenue Funds - Federal	0	300,000,000	300,000,000
Special Revenue Funds - Other	0	300,000,000	300,000,000
Medical Assistance			
General Fund	8,973,988,000	8,978,836,000	4,848,000
Special Revenue Funds - Federal	24,684,113,000	22,962,000,000	(1,722,113,000)
Special Revenue Funds - Other	3,734,237,000	3,458,550,000	(275,687,000)
Fiduciary Funds	2,271,200,000	1,771,200,000	(500,000,000)
Medical Assistance Administration			
General Fund	407,450,000	440,950,000	33,500,000
Special Revenue Funds - Federal	481,800,000	481,800,000	0
Total	<u>45,109,837,300</u>	<u>43,212,667,900</u>	<u>(1,897,169,400)</u>

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Health Care Efficiency and Affordability Law for New Yorkers				
Capital Projects Fund	165,000,000	165,000,000	0	211,250,000
Capital Projects Fund - Advances	85,000,000	85,000,000	0	270,000,000
Laboratories and Research				
Capital Projects Fund	10,000,000	10,000,000	0	19,670,000
Capital Projects Fund - Authority Bonds	5,000,000	0	(5,000,000)	5,000,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	26,026,000
New Institution Construction				
Cap Proj Fund - DOH (Direct Auth Bonds)	0	0	0	21,000,000
Water Resources				
Federal Capital Projects Fund	32,937,000	36,812,000	3,875,000	107,552,000
Total	<u>305,537,000</u>	<u>304,412,000</u>	<u>(1,125,000)</u>	<u>660,498,000</u>