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# COMMITTEE ON HEALTH

DAVID A. CATANIA, CHAIRPERSON  
FISCAL YEAR 2012 COMMITTEE BUDGET REPORT

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**TO:** Members of the Council of the District of Columbia

**FROM:** Councilmember David A. Catania, Chair, Committee on Health

**DATE:** May 12, 2011

**SUBJECT:** Report and Recommendations of the Committee on Health on the Fiscal Year 2012 Budget for Agencies Under Its Purview

The Committee on Health (Committee), having conducted hearings and received testimony on the Mayor's proposed operating and capital budgets for Fiscal Year 2012 (FY12) for the agencies under its purview, reports its recommendations for review and consideration by the Committee of the Whole. The Committee also comments on several sections in the FY12 Budget Support Act of 2011, as proposed by the Mayor.

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# I. EXECUTIVE SUMMARY

The following summarizes the Committee’s recommendations for the FY12 operating budgets, full-time equivalents, and capital budgets for the Department of Health (DOH), the Department of Mental Health (DMH), the Department of Health Care Finance (DHCF), the Not-for-Profit Hospital Corporation (NPHC) and the Office of the Deputy Mayor of Health and Human Services (DMHHS) as well as any corresponding policy proposals.

Note: All dollar figures in budget tables are in thousands; small variances may occur due to rounding.

## A. DEPARTMENT OF HEALTH

### *AGENCY OPERATING BUDGET*

<b>DOH</b>	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	78,173	78,173	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	141,706	141,706	0
Federal Payment (250)	0	0	0
Private (400)	214	214	0
Special Purpose (600)	7,490	7,761	271
Intra District (700)	18,459	18,459	0
<b>Gross</b>	<b>246,040</b>	<b>246,311</b>	<b>271</b>

The Mayor’s FY12 budget proposal included \$246,040,000 in gross operating funds for DOH. The Committee recommends a gross operating budget of \$246,311,000, an increase of \$271,000 over the Mayor’s proposal. This increase is due to the Committee’s adjustment to the proposed special purpose revenue budget for DOH’s Health Regulation and Licensing Administration in order to correctly reflect management and oversight of the District’s Medical Marijuana Program. Funds to support this increase have been transferred from the Alcoholic Beverage Regulation Administration which is under the purview of the Committee on Human Services.

In addition to the \$271,000 increase, the Committee also recommends making the following internal adjustments within the proposed local budget for DOH:

- Reduce the local budget for Agency Management by \$270,000 in order to restore critical positions within the Health Regulation and Licensing Administration and to fully fund the District’s Academic Detailing program; and
- Increase the local budget within the Health Regulation and Licensing Administration by \$270,000 to reflect restoration of critical positions and full funding for the Academic Detailing program.

*AGENCY FULL-TIME EQUIVALENTS*

	FY12 Request	FY12 Committee	Variance
Local (100)	178.8	180.8	2.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	472.0	472.0	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	77.8	79.8	2.0
Intra District (700)	5.0	5.0	0.0
<b>DOH</b>	<b>733.6</b>	<b>737.6</b>	<b>4.0</b>

The Mayor’s FY12 budget proposal included authority for 733.6 full-time equivalents (FTEs) within DOH. The Committee recommends an FTE authority of 737.6, an increase of 4 FTEs over the Mayor’s proposal. This increase is based upon the Committee’s restoration of 2 FTEs within the Health Regulation and Licensing Administration as well as the inclusion of those FTEs associated with management and oversight of the District’s Medical Marijuana Program.

*AGENCY CAPITAL BUDGET*

The proposed FY12 capital budget does not include any funding for DOH.

*POLICY RECOMMENDATIONS*

The Committee recommends that DOH report back to the Council on the following:

- Resolution of outstanding facility and fixed cost issues as identified during the FY12 budget hearing;
- Enhancements within substance abuse data and epidemiology capabilities;
- The status of the federal Public Health Emergency Preparedness Grant;
- The status of its partnership with an academic or public health institution to support HIV/AIDS epidemiological research;
- The status of all housing programs for those living with HIV/AIDS;
- Efforts to resolve all outstanding issues with the Federal Health Resources Services Administration as they relate to the management of certain HIV/AIDS grants;
- The status of all social marketing campaigns on issues related to HIV/AIDS;
- Improvements in the monitoring of public health programs;
- The status of all tobacco settlement funds; and
- Efforts to maintain financial support for the Tobacco Quitline.

B. DEPARTMENT OF MENTAL HEALTH

*AGENCY OPERATING BUDGET*

<b>DMH</b>	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	153,884	153,884	0
Dedicated Taxes (110)	0	0	0
Federal Grants (200)	1,706	1,706	0
Federal Payment (250)	4,916	4,916	0
Private (400)	0	0	0
Special Purpose (600)	4,085	4,085	0
Intra District (700)	8,329	8,629	300
<b>Gross</b>	<b>172,921</b>	<b>173,221</b>	<b>300</b>

The Mayor’s FY12 budget proposal included \$172,921,000 in gross operating funds for DMH. The Committee recommends a gross operating budget of \$173,221,000, an increase of \$300,000 over the Mayor’s proposal. This increase is based upon the Committee’s adjustment to the intra-district budget for DMH’s Mental Health Support Services program in order to recognize additional federal Medicaid revenue associated with the District’s Comprehensive Psychiatric Emergency Program (CPEP).

In addition to the \$300,000 increase, the Committee also recommends making the following internal adjustments within the proposed local budget for the Mental Health Support Services program within DMH:

- Reduce the local budget for the CPEP activity by \$300,000 in order to reflect local savings as the result of enhanced federal revenue collection; and
- Increase the local budget for the Children and Youth Services activity by \$300,000 in order to restore a proposed reduction to the Court Assessment Center.

*AGENCY FULL-TIME EQUIVALENTS*

	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	1,130.0	1,130.0	0.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	7.5	7.5	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	37.0	37.0	0.0
Intra District (700)	81.2	81.2	0.0
<b>DMH</b>	<b>1,255.7</b>	<b>1,255.7</b>	<b>0.0</b>

The Committee makes no adjustments to the proposed FY12 FTE authority for DMH.

*AGENCY CAPITAL BUDGET*

The proposed FY12 capital budget does not include any funding for DMH.

## *POLICY RECOMMENDATIONS*

The Committee recommends that DMH report back to the Council on the following:

- Planned actions in FY12 to achieve the remaining *Dixon* exit criteria;
- The final recommendations of DMH's System Redesign Committee;
- Progress made towards meeting all requirements contained in the St. Elizabeths – Department of Justice Settlement Agreement;
- Efforts to collaborate with the University of the District of Columbia to implement a remote nurse education program; and
- The status of addressing issues related to the placement of individuals in community residential facilities.

The Committee also recommends that DMH issue rules that implement certain eligibility criteria for locally-funded mental health rehabilitation services.

C. DEPARTMENT OF HEALTH CARE FINANCE

*AGENCY OPERATING BUDGET*

<b>DHCF</b>	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	617,099	617,099	0
Dedicated Taxes (110)	50,614	50,614	0
Federal Grant (200)	15,399	15,399	0
Federal Payment (250)	1,458,913	1,459,110	197
Private (400)	0	0	0
Special Purpose (600)	2,024	2,024	0
Intra District (700)	10,400	10,400	0
<b>Gross</b>	<b>2,154,449</b>	<b>2,154,646</b>	<b>197</b>

The Mayor’s FY12 budget proposal included \$2,154,449,000 in gross operating funds for DHCF. The Committee recommends a gross operating budget of \$2,154,646,000, an increase of \$197,000 over the Mayor’s proposal. This adjustment reflects increased projected federal reimbursement based upon the Committee’s recommendation to restore 4 FTEs within DHCF’s Employer and Private Market Initiatives program.

In addition to the \$197,000 increase, the Committee also recommends making the following internal adjustments within the proposed dedicated tax budget for DHCF:

- Reduce the dedicated tax budget for the Health Care Finance program by \$241,000 in order to support funding for the restoration of 4 FTEs within the Employer and Private Market Initiatives program; and
- Increase the dedicated tax budget for the Employer and Private Market Initiatives program in order to restore funding associated with 4 FTEs that were eliminated as part of the proposed budget.

*AGENCY FULL-TIME EQUIVALENTS*

	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	78.8	78.8	0.0
Dedicated Taxes (110)	0.6	3.4	2.8
Federal Grants (200)	8.9	8.9	0.0
Federal Payments (250)	77.4	78.6	1.2
Private (400)	0.0	0.0	0.0
Special Purpose (600)	3.2	3.2	0.0
Intra District (700)	0.0	0.0	0.0
<b>DHCF</b>	<b>169.0</b>	<b>173.0</b>	<b>4.0</b>

The Mayor’s FY12 budget proposal included authority for 169 full-time equivalents (FTEs) within DHCF. The Committee recommends an FTE authority of 173, an increase of 4 FTEs over the Mayor’s proposal. This increase is based upon the Committee’s restoration of 4 FTEs within the Employer and Private Market Initiatives program in order to support the District’s efforts to fully implement federal health care reform.

## *AGENCY CAPITAL BUDGET*

The proposed FY12 capital budget does not include any funding for DHCF.

## *POLICY RECOMMENDATIONS*

The Committee recommends that DHCF report back to the Council on the following:

- Efforts to improve utilization of the personal care attendant benefit;
- Implementation of changes to nursing home rate-setting methodology for physical, occupational and speech therapies;
- The status of all submitted and potential state plan amendments;
- Implementation of face-to-face recertification process for the D.C. HealthCare Alliance;
- Actual and projected enrollment for all public health insurance programs;
- Implementation of the Administrative Services Organization for Medicaid claims and billing management; and
- Efforts to implement federal health care reform.

D. NOT-FOR-PROFIT HOSPITAL CORPORATION

*AGENCY OPERATING BUDGET*

<b>NPHC</b>	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	0	0	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	117,223	126,879	9,656
Intra District (700)	0	0	0
<b>Gross</b>	<b>117,223</b>	<b>126,879</b>	<b>9,656</b>

The Mayor’s FY12 budget proposal included \$117,223,000 in gross operating funds for NPHC, all of which is comprised of special purpose revenue. The Committee recommends a gross operating budget of \$126,879,000, an increase of \$9,569,000 over the Mayor’s proposal. This increase is necessary in order to accurately reflect projected FY12 revenue and ensure that NPHC has sufficient spending authority.

*AGENCY FULL-TIME EQUIVALENTS*

The proposed FY12 budget for NPHC does not have any associated FTEs.

*AGENCY CAPITAL BUDGET*

The proposed FY12 capital budget does not include any funding for NPHC.

*POLICY RECOMMENDATIONS*

The Committee recommends that NPHC report back to the Council on the following:

- Efforts to execute a lease with the joint partnership between Howard University College of Medicine and the National Institutes of Health to enhance the specialized HIV/AIDS services currently offered at United Medical Center.



E. DEPUTY MAYOR FOR HEALTH AND HUMAN SERVICES

*AGENCY OPERATING BUDGET*

<b>DMHHS</b>	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	698	698	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>698</b>	<b>698</b>	<b>0</b>

The Committee makes no adjustments to the proposed FY12 operating budget for DMHHS.

*AGENCY FULL-TIME EQUIVALENTS*

	<b>FY12 Request</b>	<b>FY12 Committee</b>	<b>Variance</b>
Local (100)	5.0	5.0	0.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	0.0	0.0	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	0.0	0.0	0.0
Intra District (700)	0.0	0.0	0.0
<b>DMHHS</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

The Committee makes no adjustments to the proposed FY12 FTE authority for DMHSS.

*AGENCY CAPITAL BUDGET*

The proposed FY12 capital budget does not include any funding for DMHHS.

*POLICY RECOMMENDATIONS*

The Committee recommends that DMHSS report back to the Council on the following:

- Efforts to maximize federal Medicaid revenue among the agencies under DMHSS' purview;
- Implementation of federal health care reform among agencies under DMHSS' purview; and
- All consent decrees/court orders under DMHSS' purview.

## II. FY12 AGENCY BUDGET RECOMMENDATIONS

### A. INTRODUCTION

The Committee is responsible for programmatic and budgetary oversight for DOH, DMH, and DHCF. In addition, the Committee also reviews and approves the budget for the Not-for-Profit Hospital Corporation and the Deputy Mayor for Health and Human Services. Led by Chairperson Catania, the Committee works closely with the agencies, District residents, and community advocates to craft careful and deliberate policies for public health services and programs.

On April 1, 2011 Mayor Vincent C. Gray submitted to the Council of the District of Columbia a proposed operating budget and financial plan for the upcoming fiscal year. The Committee held the following hearings to review the proposed FY12 budgets for those agencies under its purview:

<b>April 12, 2011</b>	Department of Mental Health
<b>April 14, 2011</b>	Department of Health Care Finance
<b>May 4, 2011</b>	Not-for-Profit Hospital Corporation, Deputy Mayor for Health and Human Services
<b>May 5, 2011</b>	Department of Health

In preparation for these hearings, the Committee submitted a series of questions to the agencies in order to better understand the proposed budget as submitted to the Council. Responses submitted to the Committee have been made public on the D.C. Council website ([http://dccouncil.us/fy12budgetresponses\\_health](http://dccouncil.us/fy12budgetresponses_health)) and at the Committee on Health office located in the John A. Wilson Building.

Information provided in these responses, along with public testimony offered at the hearings, provided the Committee with critical guidance as it reviewed the Mayor's FY12 budget request and developed the recommendations contained in this report.

## B. DEPARTMENT OF HEALTH

The mission of the Department of Health is to promote and protect the health, safety and quality of life of residents, visitors, and those doing business in the District through community collaborations and increased access to health resources. In addition, DOH provides health risk identification, public education, prevention and control of diseases, and protection against exposure to environmental hazards.

DOH is organized into the following programs:

- Agency Management Support
- Agency Financial Operations
- Addiction Prevention and Recovery Administration
- Health Emergency Preparedness and Response Administration
- HIV/AIDS, Hepatitis, STD, and Tuberculosis Administration
- Health Care Regulation and Licensing Administration
- Center for Policy, Planning, and Evaluation
- Community Health Administration

### Operating Budget & FTE Recommendations

Below is a summary of the Committee's recommendations for the DOH FY12 operating budget, including a breakdown by revenue type, comptroller source group, and program. Also included is the Committee's recommendation for the agency's FY12 FTE authority.

DOH OPERATING BUDGET - BY REVENUE TYPE

DOH	FY12 Request	FY12 Committee	Variance
Local (100)	78,173	78,173	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	141,706	141,706	0
Federal Payment (250)	0	0	0
Private (400)	214	214	0
Special Purpose (600)	7,490	7,761	271
Intra District (700)	18,459	18,459	0
<b>Gross</b>	<b>246,040</b>	<b>246,311</b>	<b>271</b>

DOH OPERATING BUDGET - BY PROGRAM

DOH Programs	FY12 Request (Gross)	FY12 Committee (Gross)	Variance
AMP	25,974	25,704	-270
AFO	3,123	3,123	0
APRA	34,020	34,020	0
HEPRA	7,759	7,759	0
HAHSTA	80,517	80,517	0
HRLA	19,064	19,605	541
CPPE	4,097	4,097	0
CHA	71,484	71,484	0
<b>DOH</b>	<b>246,040</b>	<b>246,311</b>	<b>271</b>

DOH OPERATING BUDGET – BY CSG

DOH Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	9,196	12,857	13,027	170	43,906	43,341	43,578	237
0012 - Other Pay	1,133	1,207	1,207	0	9,804	8,874	8,919	45
0013 - Additional Gross Pay	0	0	0	0	0	3	3	0
0014 - Fringe Benefits	1,899	2,749	2,749	0	9,517	10,265	10,290	25
0015 - Overtime Pay	0	0	0	0	98	90	90	0
<b>Personal Services Subtotal</b>	<b>12,228</b>	<b>16,813</b>	<b>16,983</b>	<b>170</b>	<b>63,325</b>	<b>62,573</b>	<b>62,880</b>	<b>307</b>
0020 - Supplies and Materials	2,736	2,575	2,575	0	34,961	31,064	31,080	16
0030 - Utilities	1,395	1,197	1,122	-75	1,395	1,756	1,681	-75
0031 - Communications	1,441	881	881	0	1,441	1,190	1,190	0
0032 - Rent	11,962	11,079	11,079	0	12,795	13,212	13,212	0
0033 - Janitorial	32	23	23	0	32	58	58	0
0034 - Security	1,874	1,616	1,516	-100	1,874	1,643	1,543	-100
0035 - Occupancy	432	1,452	1,377	-75	432	1,452	1,377	-75
0040 - Other Services and Charges	1,519	2,019	1,999	-20	3,756	4,968	5,009	41
0041 - Contractual Services	16,365	18,977	19,077	100	66,538	43,782	43,924	142
0050 - Subsidies and Transfers	22,002	21,351	21,351	0	89,594	83,850	83,850	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	238	190	190	0	554	494	509	15
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>59,996</b>	<b>61,360</b>	<b>61,190</b>	<b>-170</b>	<b>213,372</b>	<b>183,469</b>	<b>183,433</b>	<b>-36</b>
<b>TOTAL</b>	<b>72,224</b>	<b>78,173</b>	<b>78,173</b>	<b>0</b>	<b>276,697</b>	<b>246,040</b>	<b>246,311</b>	<b>271</b>

DOH FTE AUTHORITY – BY REVENUE TYPE

	FY12 Request	FY12 Committee	Variance
Local (100)	178.8	180.8	2.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	472.0	472.0	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	77.8	79.8	2.0
Intra District (700)	5.0	5.0	0.0
<b>DOH</b>	<b>733.6</b>	<b>737.6</b>	<b>4.0</b>

Capital Budget Recommendations

The proposed FY12 capital budget does not include any funding for DOH.

Below is additional information regarding the Committee’s recommendations for the FY12 DOH budget, presented by agency program:

## DOH – AGENCY MANAGEMENT SUPPORT

The mission of Agency Management Support (AMP) within DOH is to provide administrative support to the Department in order to achieve operational and programmatic results.

As proposed, Agency Management Support will include the following activities for FY12: Personnel; Labor Management; Contracting and Procurement; Property Management; Information Technology; Risk Management; Legal; Communications; Customer Services; Language Access; and Performance Management.

Below is a summary of the Committee’s recommendation for the Agency Management Support FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH AMP – BY REVENUE TYPE

DOH - AMP	FY12 Request	FY12 Committee	Variance
Local (100)	18,493	18,223	-270
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	6,755	6,755	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	726	726	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>25,974</b>	<b>25,704</b>	<b>-270</b>

DOH AMP – BY CSG

DOH - AMP Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	821	1,223	1,223	0	2,839	2,952	2,952	0
0012 - Other Pay	70	55	55	0	360	480	480	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	229	253	253	0	634	673	673	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>1,120</b>	<b>1,531</b>	<b>1,531</b>	<b>0</b>	<b>3,833</b>	<b>4,105</b>	<b>4,105</b>	<b>0</b>
0020 - Supplies and Materials	67	26	26	0	89	26	26	0
0030 - Utilities	1,395	1,197	1,122	-75	1,395	1,756	1,681	-75
0031 - Communications	1,441	881	881	0	1,441	1,190	1,190	0
0032 - Rent	11,962	11,079	11,079	0	11,962	13,212	13,212	0
0033 - Janitorial	32	23	23	0	32	58	58	0
0034 - Security	1,874	1,616	1,516	-100	1,874	1,643	1,543	-100
0035 - Occupancy	432	1,452	1,377	-75	432	1,452	1,377	-75
0040 - Other Services and Charges	658	679	659	-20	709	1,317	1,297	-20
0041 - Contractual Services	77	9	9	0	4,214	690	690	0
0050 - Subsidies and Transfers	0	0	0	0	525	525	525	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	104	0	0	0	104	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>18,042</b>	<b>16,962</b>	<b>16,692</b>	<b>-270</b>	<b>22,777</b>	<b>21,869</b>	<b>21,599</b>	<b>-270</b>
<b>TOTAL</b>	<b>19,162</b>	<b>18,493</b>	<b>18,223</b>	<b>-270</b>	<b>26,610</b>	<b>25,974</b>	<b>25,704</b>	<b>-270</b>
FTE Authority	13.0	12.0	12.0	0.0	43.0	40.3	40.3	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes the following adjustments to the proposed operating budget for Agency Management Support:

#### *LOCAL FUNDS*

##### *CSG30 (Utilities)*

The Committee recommends a decrease of \$75,000 in utilities to reflect savings identified due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs the \$75,000 in savings to HRLA to support restoration of certain reductions as included in the proposed budget.

##### *CSG 0034 (Security Services)*

The Committee recommends a decrease of \$100,000 in Security Services to reflect savings identified due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs the \$100,000 in savings to HRLA to support restoration of certain reductions as included in the proposed budget.

##### *CSG 0035 (Occupancy Fixed Costs)*

The Committee recommends a decrease of \$75,000 in Occupancy Fixed Costs to reflect savings identified due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs the \$75,000 in savings to HRLA to support restoration of certain reductions as included in the proposed budget.

##### *CSG 0040 (Other Services and Charges)*

The Committee recommends a decrease of \$20,000 in Other Services and Charges to reflect savings identified due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs the \$20,000 in savings to HRLA to support restoration of certain reductions as included in the proposed budget.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for Agency Management Support.

### Committee Policy Recommendations

The Committee makes the following policy recommendation specific to AMP:

- By October 1, 2011 AMP shall report to the Council on the resolution of all outstanding facility issues with the Department of Real Estate Services.

### Committee Analysis and Comments

During the FY12 budget hearing for AMP, the Committee raised a series of questions regarding substantial increases in a certain number of DOH's fixed costs for FY12 as compared to FY11. DOH explained that there were a number of unresolved issues with the Department of Real Estate Services, including the inclusion of certain vacant properties within the DOH portfolio, improper billing for utility costs, and changes to the square footage in buildings DOH currently occupies.

After careful review of the proposed budget, the Committee believes that certain estimates of proposed costs within various comptroller source groups were overstated and that the proposed level of funding for fixed costs does not accurately reflect FY12 obligations. The Committee believes that these dollars would be better invested in direct services and programs. As such the Committee is recommending that a small portion of these funds be redirected to HRLA in order to restore certain reductions as contained within the proposed budget, including the loss of front-line FTEs and a reduction to the District's Academic Detailing program. The Committee is also recommending that DOH report back to the Council on its work to resolve ongoing discrepancies between DOH and DRES regarding estimates for fixed costs versus DOH's actual obligations.

## DOH – AGENCY FINANCIAL OPERATIONS

The mission of Agency Financial Operations (AFO) is to provide comprehensive financial management services to DOH.

As proposed, AFO will include the following activities for FY12: Agency Fiscal Officer Operations; Accounting Operations; ACFO; and Agency Fiscal Officer.

Below is a summary of the Committee’s recommendation for the Agency Financial Operations FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH AFO – BY REVENUE TYPE

DOH - AFO	FY12 Request	FY12 Committee	Variance
Local (100)	775	775	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	2,348	2,348	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>3,123</b>	<b>3,123</b>	<b>0</b>

DOH AFO – BY CSG

DOH-AFO Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	614	606	606	0	2,505	2,462	2,462	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	108	118	118	0	440	480	480	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>722</b>	<b>724</b>	<b>724</b>	<b>0</b>	<b>2,945</b>	<b>2,942</b>	<b>2,942</b>	<b>0</b>
0020 - Supplies and Materials	6	6	6	0	6	6	6	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	4	4	4	0	9	33	33	0
0041 - Contractual Services	43	39	39	0	123	130	130	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	2	2	2	0	12	12	12	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>55</b>	<b>51</b>	<b>51</b>	<b>0</b>	<b>150</b>	<b>181</b>	<b>181</b>	<b>0</b>
<b>TOTAL</b>	<b>777</b>	<b>775</b>	<b>775</b>	<b>0</b>	<b>3,095</b>	<b>3,123</b>	<b>3,123</b>	<b>0</b>
FTE Authority	6.0	5.6	5.6	0.0	35.5	34.5	34.5	0.0

For additional detail, please see Attachment A.



Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for Agency Financial Operations.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for Agency Financial Operations.

Committee Policy Recommendations

The Committee makes no policy recommendations in FY12 for Agency Financial Operations.

Committee Analysis and Comments

The Committee has no additional analysis or comments on the proposed budget for Agency Financial Operations.

## DOH – ADDICTION PREVENTION RECOVERY ADMINISTRATION

The Addiction Prevention and Recovery Administration (APRA) promotes access to substance abuse prevention, treatment and recovery support services.

As proposed, the division will include seven activities for FY12: Office of the Senior Deputy Director; Office of the Deputy Director for Operations; Office of the Deputy Director for Administration; Office of Prevention Services; Office of Performance Management; Office of the Deputy Director for Treatment; and Implementation of Choice in Drug Treatment.

Below is a summary of the Committee’s recommendation for the APRA FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH APRA – BY REVENUE TYPE

DOH - APRA	FY12 Request	FY12 Committee	Variance
Local (100)	20,617	20,617	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	12,903	12,903	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	500	500	0
<b>Gross</b>	<b>34,020</b>	<b>34,020</b>	<b>0</b>

DOH APRA – BY CSG

DOH - APRA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	2402	2,411	2,411	0	4,673	4,759	4,759	0
0012 - Other Pay	0	54	54	0	112	169	169	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	401	481	481	0	819	961	961	0
0015 - Overtime Pay	0	0	0	0	20	0	0	0
<b>Personal Services Subtotal</b>	<b>2803</b>	<b>2,946</b>	<b>2,946</b>	<b>0</b>	<b>5,624</b>	<b>5,889</b>	<b>5,889</b>	<b>0</b>
0020 - Supplies and Materials	84	84	84	0	89	94	94	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	203	159	159	0	252	204	204	0
0041 - Contractual Services	1805	1,707	1,707	0	4,954	2,225	2,225	0
0050 - Subsidies and Transfers	16291	15,653	15,653	0	22,729	25,541	25,541	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	69	69	69	0	69	69	69	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>18452</b>	<b>17,672</b>	<b>17,672</b>	<b>0</b>	<b>28,093</b>	<b>28,131</b>	<b>28,131</b>	<b>0</b>
<b>TOTAL</b>	<b>21255</b>	<b>20,617</b>	<b>20,617</b>	<b>0</b>	<b>33,717</b>	<b>34,020</b>	<b>34,020</b>	<b>0</b>
FTE Authority	29.0	29.0	29.0	0.0	64.0	65.0	65.0	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for APRA.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for APRA.

### Committee Policy Recommendations

The Committee makes the following policy recommendation specific to APRA:

- By October 1, 2011, APRA will report to the Committee on efforts to enhance its data and epidemiological resources in order to better guide the planning and development of substance abuse interventions.

### Committee Analysis and Comments

During the FY12 budget hearing the Committee raised questions about the availability of substance abuse epidemiological data and whether such information is used to help guide policy and program development for APRA. Specifically, the Committee raised questions about APRA's ability to appropriately allocate the District's limited substance abuse resource dollars without up-to-date and accurate epidemiological data. In addition, the Committee believes that robust epidemiological data will allow for better mapping and targeting of the provision of services in the long run versus what has been a more short term focus on treatment today.

To ensure that this issue is adequately addressed, and that APRA is able to gather the information necessary to fully inform the development of its FY12 spending plans, the Committee is directing that APRA report back to the Committee on the status of its efforts to develop its epidemiological capabilities.

## DOH – HEALTH EMERGENCY PREPAREDNESS AND RESPONSE ADMINISTRATION

The mission of the Health Emergency Preparedness and Response Administration (HEPRA) is to provide regulatory oversight of Emergency Medical Services, ensure that DOH and its partners are prepared to respond to medical and public health emergencies, conduct disease surveillance and outbreak investigations, and provide analytical and diagnostic laboratory services for DOH programs and certain free and non-profit clinics.

As proposed, HEPRA will include the following activities for FY12: Public Health Emergency Preparedness; Public Health Laboratory; Public Health Emergency Operations and Program Support; Epidemiology Disease Surveillance and Investigation; Emergency Medical Services Regulation and the Office of the Senior Deputy Director.

Below is a summary of the Committee’s recommendation for HEPRA’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH HEPRA – BY REVENUE TYPE

DOH - HEPRA	FY12 Request	FY12 Committee	Variance
Local (100)	1,407	1,407	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	6,305	6,305	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	48	48	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>7,759</b>	<b>7,759</b>	<b>0</b>

DOH HEPRA – BY CSG

DOH-HEPRA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	556	552	552	0	2,041	2,147	2,147	0
0012 - Other Pay	286	289	289	0	2,122	1,852	1,852	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	149	164	164	0	731	780	780	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>991</b>	<b>1,005</b>	<b>1,005</b>	<b>0</b>	<b>4,894</b>	<b>4,779</b>	<b>4,779</b>	<b>0</b>
0020 - Supplies and Materials	89	94	94	0	861	364	364	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	44	27	27	0	146	671	671	0
0041 - Contractual Services	277	206	206	0	3,475	630	630	0
0050 - Subsidies and Transfers	0	75	75	0	1,063	1,239	1,239	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	77	77	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>410</b>	<b>402</b>	<b>402</b>	<b>0</b>	<b>5,545</b>	<b>2,981</b>	<b>2,981</b>	<b>0</b>
<b>TOTAL</b>	<b>1,401</b>	<b>1,406</b>	<b>1,406</b>	<b>0</b>	<b>10,439</b>	<b>7,759</b>	<b>7,759</b>	<b>0</b>
FTE Authority	12.2	13.2	13.2	0.0	58.5	57.3	57.3	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HEPRA.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HEPRA.

### Committee Policy Recommendations

The Committee makes the following policy recommendation with respect to HEPRA:

- By October 1, 2011, HEPRA shall report to the Council on the final status of the Public Health Emergency Preparedness Grant including what the final level of funding will be, the anticipated FTE reduction, and the impact on services in the District.

### Committee Analysis and Comments

The Public Health Emergency Preparedness grant from the Federal government provides funding which enables local health departments to have the capacity and the capability to effectively respond to public health consequences. These consequences include not only terrorist threats, but also infectious disease outbreaks, natural disasters, and biological, chemical, nuclear, and radiological emergencies.

The FY12 budget as proposed includes a reduction in funding as the result of a potential 25% decrease in the Public Health Emergency Preparedness grant. However, at the time of the budget hearing it was still unclear in regards to the final funding level for this grant. The Committee on Health is recommending that HEPRA report back on the status of this grant and the effect a reduction will have, to ensure that the District remains able to effectively handle any potential emergency that impacts the health of District residents.

DOH – HIV/AIDS, HEPATITIS, STD, AND TB ADMINISTRATION

The HIV/AIDS, Hepatitis, STD, and TB Administration (HAHSTA) partners with health and community-based organizations to provide HIV/AIDS, Hepatitis, STD, and TB prevention and care services, such as testing, medical care, counseling, housing and other support services. HAHSTA also supports the gathering and dissemination of epidemiological data.

As proposed, HAHSTA will include the following activities for FY12: HIV/AIDS Support Services; HIV/AIDS Policy and Planning; HIV Health and Support Services; HIV/AIDS Data and Research; Prevention and Intervention Services; Drug Assistance Program; Grants and Contracts Management; Sexually Transmitted Disease Control; Tuberculosis Control; and HIV/AIDS Housing and Support Services.

Below is a summary of the Committee’s recommendation for the HAHSTA FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH HAHSTA- BY REVENUE TYPE

DOH - HAHSTA	FY12 Request	FY12 Committee	Variance
Local (100)	11,638	11,638	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	68,879	68,879	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>80,517</b>	<b>80,517</b>	<b>0</b>

DOH HAHSTA – BY CSG

DOH - HAHSTA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	1,541	1,776	1,776	0	10,081	10,395	10,395	0
0012 - Other Pay	195	149	149	0	1,626	958	958	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	329	376	376	0	2,078	2,215	2,215	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>2,065</b>	<b>2,301</b>	<b>2,301</b>	<b>0</b>	<b>13,785</b>	<b>13,568</b>	<b>13,568</b>	<b>0</b>
0020 - Supplies and Materials	2,388	2,246	2,246	0	12,908	12,718	12,718	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	291	348	348	0	385	459	459	0
0041 - Contractual Services	2,302	2,275	2,275	0	12,549	11,807	11,807	0
0050 - Subsidies and Transfers	4,399	4,428	4,428	0	49,566	41,908	41,908	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	40	40	40	0	40	57	57	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>9,420</b>	<b>9,337</b>	<b>9,337</b>	<b>0</b>	<b>75,448</b>	<b>66,949</b>	<b>66,949</b>	<b>0</b>
<b>TOTAL</b>	<b>11,485</b>	<b>11,638</b>	<b>11,638</b>	<b>0</b>	<b>89,234</b>	<b>80,517</b>	<b>80,517</b>	<b>0</b>
FTE Authority	18.8	19.8	19.8	0.0	162.3	150.5	150.5	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HAHSTA.

#### *Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered a technical error related to the placement of funds for the Effi Barry Program. Specifically, \$51,705 in local funds were placed in activity code 3010 – HIV/AIDS Support Services and should have been placed in activity code 3015 – HIV/AIDS Policy and Planning. Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead, the Committee directs the Office of Budget and Planning to work with DOH to make the technical adjustment required within the FY12 budget in order to properly align programmatic and operational activities.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HAHSTA.

### Committee Policy Recommendations

The Committee makes the following policy recommendations specific to HAHSTA:

- By October 1, 2011, HAHSTA shall report to the Council on the status of its partnership with an academic/public health institution to provide epidemiological data research on issues related to HIV/AIDS.
- By October 1, 2011, HAHSTA shall submit a report to the Council on all housing programs that are designed to support District residents living with HIV/AIDS. At a minimum the report shall include information on FY11 utilization, projected FY12 utilization, and spending plans for each housing program.
- By October 1, 2011, HAHSTA shall report to the Council on its efforts to reconcile and resolve any outstanding issues with the Health Resources Services Administration (HRSA) regarding management of federal grant dollars.
- By October 1, 2011, HAHSTA shall provide a report to the Council on the District's AIDS Drug Assistance Program. At a minimum, the report shall include information on FY11 utilization, projected FY12 utilization, as well as a spending plan for FY12.
- By October 1, 2011, HAHSTA shall provide a report to the Council describing each of its social marketing campaigns on issues related to HIV/AIDS. The report shall include at a minimum a description of each campaign, FY11 utilization, and FY12 performance targets and spending plans.

### Committee Analysis and Comments

As stated above, HAHSTA is responsible for the delivery of a range of services, each of which has a significant impact on the lives of individuals living with HIV/AIDS and other communicable diseases. To ensure that each is properly implemented and that the FY12

budget can adequately support the associated costs, the Committee is recommending that HAHSTA report back to the Council on the status of each the following issues:

- *Status of epidemiological research partnership:* One of the most important components of any HIV strategy is the availability of current and accurate data about the epidemic. Over the past few fiscal years, the District has partnered with the George Washington University to provide such epidemiological and data support to HAHSTA. Not only has this data been critical in gaining a better understanding of infection trends but it has allowed HAHSTA to target its limited resources on those communities that need it most. Currently, the contract supporting this partnership is under a no-cost extension through the remainder of this fiscal year but little progress has been made on finalizing the necessary contracts for FY12. If the District fails to complete the contracting process in a timely manner it will not only impact HAHSTA's ability to appropriately allocate its FY12 resources but it could result in a disruption to the National HIV Behavioral Surveillance Study, as well as the ongoing federal study to evaluate the feasibility of an enhanced test, link to care, plus treatment approach to HIV prevention (TLC Plus). Having HAHSTA report on this issue will help to ensure that sufficient progress is made with respect to the contracting process so as to not lead to any disruption in data collection or analysis.
- *Status of housing programs:* Though lack of affordable housing is an issue facing many District residents, it has an acute impact on individuals living with HIV/AIDS. The failure to maintain stable housing often impedes an individual's ability to adhere to critical treatment regimens. During the FY10 oversight and FY12 budget hearings, the Committee spoke extensively with HAHSTA about their current housing programs and the growing waiting lists to access affordable and supported housing. In addition, the Committee raised concerns about the reduction in funding to the Bridges Fund, which provides short term emergency assistance to prevent eviction, foreclosure and/or utility disconnection. In FY11, this Fund was supported by \$380,000 in local funds; no local funds have been allocated for the Bridges Fund for FY12. To allow for appropriate oversight as DOH implements its FY12 budget, the Committee is recommending that HAHSTA provide the Council with detailed utilization data and FY12 spending plans for each housing program it administers.
- *HRSA reconciliation:* In December 2009 through January 2010, the Committee held a series of oversight hearings related to HAHSTA's management of certain of its federal grant dollars. Though many of the concerns discussed have since been resolved, HAHSTA is still working with the Federal Health Resources and Services Administration to address outstanding issues related to management of its Ryan White grant dollars. To ensure that HAHSTA resolves this issue as expeditiously as possible, and that there is no detrimental impact on the FY12 budget, the Committee is recommending that HAHSTA report back to the Council on this issue by the start of the upcoming fiscal year.



- *ADAP*: A key component in the fight against HIV/AIDS is timely access to necessary medications. In the District, the AIDS Drug Assistance Program (ADAP) provides HIV-related drugs to the uninsured and underinsured. ADAP also can provide financial assistance with insurance premiums and co-pays so as to ensure that individuals continue to get the medical care that they need to effectively manage HIV or AIDS. Though the majority of funding to support ADAP is through federal resources, it is important that the District take all available steps to ensure that this critical program remains available to all who need it. Having HAHSTA report back to the Council on utilization of and planned spending on ADAP will help inform the Council and the public at-large on the management of this program for the upcoming fiscal year.
- *Social marketing campaigns*: In recent years HAHSTA has implemented a series of comprehensive social marketing and public information campaigns designed to reduce the rate of infection of HIV and STDs among District residents. For example, HAHSTA is currently administering the following campaigns: “Ask for the Test/Offer the Test” which promotes routine HIV testing in medical settings; “Rubber Revolution” which encourages condom use; and “REALtalk DC” which utilizes text messaging to provide timely information and link young people to information about HIV, STDs and community testing locations. These programs are an integral component of HAHSTA’s strategy to combat HIV and STDs in the District. As such, the Committee is recommending that HAHSTA provide detailed information about each such campaign, including utilization data and spending plans, to the Council at the start of the upcoming fiscal year. This will help provide effective oversight over implementation of such programs and ensure that the funds to support these programs are being appropriately allocated.

## DOH – HEALTH CARE REGULATION AND LICENSING ADMINISTRATION

The Health Care Regulation and Licensing Administration (HRLA) administers all federal and local laws and regulations applicable to healthcare facilities and healthcare professionals in the District. HRLA’s mission is to promote and protect patient safety through the regulation of health professionals, health care and social service facilities, and pharmaceutical drugs. HRLA is also responsible for advancing community hygiene through food protection programs and rodent and animal control programs.

As proposed, HRLA will include the following activities for FY12: Health Professional Licensing Administration; HCRLA Support Services; Food, Drug, Radiation, and Community Hygiene; and Health Care Facilities Regulation.

Below is a summary of the Committee’s recommendation for the HRLA FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH HRLA - BY REVENUE TYPE

DOH - HRLA	FY12 Request	FY12 Committee	Variance
Local (100)	10,522	10,792	270
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	2,542	2,542	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	5,907	6,178	271
Intra District (700)	93	93	0
<b>Gross</b>	<b>19,064</b>	<b>19,605</b>	<b>541</b>

DOH-HRLA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	2,449	3,534	3,704	170	8,064	8,029	8,266	237
0012 - Other Pay	581	623	623	0	2,614	2,328	2,373	45
0013 - Additional Gross Pay	0	0	0	0	0	3	3	0
0014 - Fringe Benefits	536	813	813	0	1,886	2,096	2,121	25
0015 - Overtime Pay	0	0	0	0	78	90	90	0
<b>Personal Services Subtotal</b>	<b>3,566</b>	<b>4,970</b>	<b>5,140</b>	<b>170</b>	<b>12,642</b>	<b>12,546</b>	<b>12,853</b>	<b>307</b>
0020 - Supplies and Materials	31	53	53	0	233	204	220	16
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	252	527	527	0	1,332	1,128	1,189	61
0041 - Contractual Services	2,185	4,939	5,039	100	4,802	5,153	5,295	142
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	20	33	33	0	107	33	48	15
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>2,488</b>	<b>5,552</b>	<b>5,652</b>	<b>100</b>	<b>6,474</b>	<b>6,518</b>	<b>6,752</b>	<b>234</b>
<b>TOTAL</b>	<b>6,054</b>	<b>10,521</b>	<b>10,791</b>	<b>270</b>	<b>19,115</b>	<b>19,064</b>	<b>19,605</b>	<b>541</b>
FTE Authority	42.8	59.4	61.4	2.0	158.3	152.2	156.2	4.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes the following adjustments to the proposed operating budget for HRLA:

#### *LOCAL FUNDS*

##### *CSG11 (Regular Pay):*

The Committee recommends an increase of \$170,000 in local funds within regular pay. These additional funds are the result of savings identified within Agency Management Support due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs that this additional \$170,000 be used to support costs associated with the Committee's recommendation to restore 2 FTEs within HRLA.

##### *CSG41 (Contractual Services - Other)*

The Committee recommends an increase of \$100,000 in local funds within contractual services - other. These additional funds are the result of savings identified within Agency Management Support due to over-budgeting for certain fixed costs as assigned to DOH. The Committee directs that this additional \$100,000 be used to support costs associated with the Committee's recommendation to restore the proposed \$100,000 reduction to the SafeRx program as included in the proposed budget.

#### *SPECIAL PURPOSE REVENUE*

##### *CSG11 (Regular Pay)*

The Committee recommends an increase of \$67,000 in special purpose revenue for regular pay as part of a transfer from the Alcoholic Beverage Regulation Administration (ABRA) to account for a technical adjustment regarding the Medical Marijuana Program.

##### *CSG12 (Other Pay)*

The Committee recommends an increase of \$45,000 in special purpose revenue for regular pay as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

##### *CSG14 (Fringe Benefits)*

The Committee recommends an increase of \$25,000 in special purpose revenue for fringe benefits as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

##### *CSG20 (Supplies)*

The Committee recommends an increase of \$16,000 in special purpose revenue for supplies as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

*CSG40 (Other Services and Charges)*

The Committee recommends an increase of \$61,000 in special purpose revenue for other services and charges as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

*CSG41 (Contractual Services)*

The Committee recommends an increase of \$42,000 in special purpose revenue for contractual services as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

*CSG70 (Equipment)*

The Committee recommends an increase of \$15,000 in special purpose revenue for equipment as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

*Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered a technical error within HRLA related to placement of certain grant funds in activity code 4515 – Food, Drug, Radiation, and Community Hygiene that should have been placed in activity code 4530 – Health Care Facilities Regulation. Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead, the Committee directs the Office of Budget and Planning to work with DOH to make the technical adjustments required within the FY12 budget in order to properly align programmatic and operational activities.

Committee Adjustments to FTE Authority

The Committee makes the following adjustment to the proposed FTE authority for HRLA:

*LOCAL FUNDS*

The Committee recommends an increase of 2 FTEs within local funds in order to partially restore an FTE reduction as included in the proposed budget. Costs associated with these FTEs will be supported through a shift of local funds from Agency Management Support.

*SPECIAL PURPOSE REVENUE*

The Committee recommends an increase of 2 FTEs within special purpose revenue as part of a transfer from ABRA to account for a technical adjustment regarding the Medical Marijuana Program.

Committee Policy Recommendations

The Committee has no policy recommendations specific to HRLA.

### Committee Analysis and Comments

During the FY12 budget hearing, the Committee raised questions about the staffing levels at HRLA. Specifically, the Committee questioned agency officials about the proposed reduction of 6 FTEs and any potential impact on HRLA's ability to perform its duties, including implementation of recently enacted legislation on expanding and updating the licensing requirements of health professionals practicing in the District.

Though HRLA indicated that it has sufficient staff to maintain its functions, the Committee believes that additional FTEs are needed to ensure that it has the necessary resources to maintain its high standards of regulatory oversight. The Committee has directed funding from AMP to support this adjustment.

The Committee also has concerns about another proposed reduction as included in the proposed FY12 budget. Specifically, the Committee does not agree with the proposed \$100,000 reduction to the SafeRx program - all of which would come from the grant to the Alosa Foundation for operation of the Academic Detailing program. In 2008 the Council passed the SafeRx Amendment Act, which created the District's Academic Detailing Program. This program is designed to provide independent, unbiased, and evidence-based information about medications and other therapeutic options to physicians, other healthcare professionals and patients. In addition, the program provides prescribers with information about the costs associated with certain pharmaceutical products and helps to inform individuals that the most expensive product is not always the most medically beneficial. The program currently offers modules that cover Type 2 Diabetes, Antiplatelet Therapy, Lipid-Lowering Therapy, and Hypertension. The program is currently in the process of developing a module dedicated to HIV/AIDS medications.

Currently, the program is run out of Harvard University by the Alosa Foundation, and employs 2 academic detailers in the District. These detailers have worked with over 300 local physicians and have seen tremendous success over the past year and a half. This program not only improves the health outcomes of District residents but also ensures that limited health care dollars are spent in the most effective manner. By ensuring that doctors are better informed about prescribing habits and which drugs are both medically-appropriate and cost-effective, the District can ultimately save thousands if not millions of dollars in ever rising prescription drug costs.

To ensure that these vital services continue, which not only improve patient outcomes but ultimately saves money, the Committee is recommending restoring this proposed cut to the HRLA budget. The Committee has shifted funds from the Agency Management Support so that the District can fully fund the Academic Detailing Program at FY11 levels.

#### *Special Note:*

As part of the Mayor's FY12 budget submission to the Council, funds and FTE authority for the new Medical Marijuana Program were mistakenly included in the budget for the Alcoholic Beverage Regulation Administration (ABRA). These funds and associated FTEs should have been part of HRLA based upon recently finalized regulations that placed

management of the Program under the Department of Health. As such, the Committee has included these funds and FTEs as part of its recommendations for HRLA's FY12 budget.

## DOH – CENTER FOR POLICY, PLANNING AND EVALUATION

The Center for Policy, Planning, and Evaluation (CPPE) is responsible for: developing an integrated public health information system to support policy decisions for state health planning activities, performance analysis, and direction setting for DOH programs; health research and analysis; vital records; and planning, directing, coordinating, administering, and supervising a comprehensive Epidemiology for Health Risk Assessment program.

As proposed, CPPE will include the following activities for FY12: Research Evaluation and Measurement; the State Center for Health Statistics and the State Health Planning and Development Agency.

Below is a summary of the Committee’s recommendation for CPPE’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH CPPE – BY REVENUE TYPE

DOH - CPPE	FY12 Request	FY12 Committee	Variance
Local (100)	2,646	2,646	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	596	596	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	807	807	0
Intra District (700)	48	48	0
<b>Gross</b>	<b>4,097</b>	<b>4,097</b>	<b>0</b>

DOH CPPE – BY CSG

DOH-CPPE Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	1,891	1,891	0	2,533	2,494	2,494	0
0012 - Other Pay	0	37	37	0	149	209	209	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	376	376	0	471	527	527	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>2,304</b>	<b>2,304</b>	<b>0</b>	<b>3,153</b>	<b>3,230</b>	<b>3,230</b>	<b>0</b>
0020 - Supplies and Materials	0	5	5	0	27	28	28	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	833	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	12	222	222	0	125	344	344	0
0041 - Contractual Services	0	72	72	0	319	423	423	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	43	43	0	38	72	72	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>12</b>	<b>342</b>	<b>342</b>	<b>0</b>	<b>1,342</b>	<b>867</b>	<b>867</b>	<b>0</b>
<b>TOTAL</b>	<b>12</b>	<b>2,646</b>	<b>2,646</b>	<b>0</b>	<b>4,495</b>	<b>4,097</b>	<b>4,097</b>	<b>0</b>
FTE Authority	0.0	32.0	32.0	0.0	42.0	42.0	42.0	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for CPPE.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for CPPE.

### Committee Policy Recommendations

The Committee makes the following policy recommendation with respect to CPPE:

- By October 1, 2011, CPPE shall report to the Council on their efforts to improve the monitoring activities of public health programs and the results of their initial reports.

### Committee Analysis and Comments

During the DOH FY10 Performance Oversight, CPPE discussed ongoing efforts to improve the monitoring and evaluation of its public health programs. Specifically, CPPE spoke of a new initiative that will provide agency officials with more detailed information about the management of DOH programs, including how many people were served, which services were provided, how those services were funded, and the effectiveness of these services.

Access to this information will allow DOH to improve service delivery and better allocate resources more efficiently and effectively. It will also enable the Council and the public to closely monitor the correlation between the program budgets and the quality of services provided, creating increased accountability within DOH. This is extremely important for FY12 as limited health care dollars must be allocated across a variety of community needs, including substance abuse, HIV/AIDS, obesity, and oral health. As such, it is important that CPPE's enhanced monitoring and evaluation tools are fully operational as soon as possible.

To ensure continued progress, the Committee is recommending that CPPE report back to the Council by the start of the fiscal year on its efforts to fully implement this critical initiative.



## DOH – COMMUNITY HEALTH ADMINISTRATION

The mission of the Community Health Administration (CHA) is to improve health outcomes for targeted populations by promoting coordination within the health care system, enhancing access to prevention, medical care and support services, and fostering public participation in the design and implementation of programs.

As proposed, CHA will include the following activities for FY12: the Cancer and Chronic Disease Bureau; the Pharmaceutical Procurement and Distribution Bureau; the Primary Care Bureau; Support Services; the Perinatal and Infant Health Bureau; Special Health Care Needs; the Nutrition and Physical Fitness Bureau and the Child and Adolescent School Health Bureau.

Below is a summary of the Committee’s recommendation for CHA’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DOH - CHA	FY12 Request	FY12 Committee	Variance
Local (100)	12,077	12,077	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	41,374	41,374	0
Federal Payment (250)	0	0	0
Private (400)	214	214	0
Special Purpose (600)	0	0	0
Intra District (700)	17,818	17,818	0
<b>Gross</b>	<b>71,484</b>	<b>71,484</b>	<b>0</b>

DOH-CHA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	812	864	864	0	11,168	10,101	10,101	0
0012 - Other Pay	0	0	0	0	2,821	2,876	2,876	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	147	168	168	0	2,458	2,531	2,531	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>959</b>	<b>1,032</b>	<b>1,032</b>	<b>0</b>	<b>16,447</b>	<b>15,508</b>	<b>15,508</b>	<b>0</b>
0020 - Supplies and Materials	72	61	61	0	20,749	17,624	17,624	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	55	55	55	0	798	814	814	0
0041 - Contractual Services	9,676	9,729	9,729	0	36,102	22,724	22,724	0
0050 - Subsidies and Transfers	1,312	1,196	1,196	0	15,711	14,637	14,637	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	4	4	4	0	186	175	175	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>11,119</b>	<b>11,045</b>	<b>11,045</b>	<b>0</b>	<b>73,546</b>	<b>55,974</b>	<b>55,974</b>	<b>0</b>
<b>TOTAL</b>	<b>12,077</b>	<b>12,077</b>	<b>12,077</b>	<b>0</b>	<b>89,993</b>	<b>71,484</b>	<b>71,484</b>	<b>0</b>
FTE Authority	7.8	7.8	7.8	0.0	211.0	191.8	191.8	0.0

For additional detail, please see Attachment A.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for CHA.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for CHA.

### Committee Policy Recommendations

The Committee makes the following policy recommendations with respect to CHA:

- By October 1, 2011 CHA shall report to the Council on the status of all allocations supported by tobacco settlement funds.
- By October 1, 2011 CHA shall report to the Council on efforts to identify funding to ensure the continuation of the Tobacco Quitline.

### Committee Analysis and Comments

Though the Committee makes no adjustments to the proposed FY12 budget for CHA, it is recommending that certain information be provided to the Council at the start of the fiscal year regarding certain critical community health programs.

As part of the settlement following the suit brought against the tobacco companies, the District was awarded a substantial amount of funds. In 2006 the District passed the Community Access to Health Care Act which determined how these funds would be spent. Part of the original bond agreement required that a significant portion of these funds be spent by August of 2011. These funds support a number of programs throughout the District. The Committee is recommending that the Department report on the status of these funds to ensure that all of these funds were not only spent on time, but that they went to the appropriate initiatives and that no penalties or fines were incurred for failure to spend the funds by the agreed upon date.

The Tobacco Quitline has become a vital resource in the District's efforts to combat smoking and reduce the harmful short and long term health affects that result from smoking habits. However, funding for the Tobacco Quitline is part of the tobacco settlement funds, and those funds will no longer be available after August of 2011. The Quitline served 2,015 individuals in FY10 and has played a key role in reducing the incidence of smoking from 18% in 2006 to 16.2% in 2008 according to the recently released BRFSS survey. The Committee recommends that the Department report on efforts to secure funding for the Quitline so that we can ensure this vital resource will not disappear for District residents in the future.

## C. DEPARTMENT OF MENTAL HEALTH

The Department of Mental Health is responsible for developing, supporting, and overseeing a comprehensive, community-based mental health system. This system must be responsive and accessible, leverage continuous positive change by learning from and partnering with resources in the community, and ensure that providers are accountable to consumers and offer services that promote recovery from mental illness.

DMH is organized into the following programs:

- Agency Management
- Agency Financial Operations
- Mental Health Authority
- St. Elizabeths Hospital
- Mental Health Services and Supports
- Mental Health Financing/Fee for Service

### Operating Budget & FTE Recommendations

Below is a summary of the Committee's recommendations for the DMH FY12 operating budget, including a breakdown by revenue type, comptroller source group, and program. Also included is the Committee's recommendation for the agency's FY12 FTE authority.

DMH OPERATING BUDGET - BY REVENUE TYPE

DMH	FY12 Request	FY12 Committee	Variance
Local (100)	153,884	153,884	0
Dedicated Taxes (110)	0	0	0
Federal Grants (200)	1,706	1,706	0
Federal Payment (250)	4,916	4,916	0
Private (400)	0	0	0
Special Purpose (600)	4,085	4,085	0
Intra District (700)	8,329	8,629	300
<b>Gross</b>	<b>172,921</b>	<b>173,221</b>	<b>300</b>

DMH OPERATING BUDGET - BY PROGRAM

DMH Program	FY12 Request (Gross)	FY12 Committee (Gross)	Variance
AMP	14,293	14,293	0
AFO	1,519	1,521	0
MHA	7,340	7,340	0
SEH	80,622	80,622	0
MHSS	53,569	53,869	300
MHF	15,556	15,556	0
N/A*	21	21	0
<b>DMH</b>	<b>172,921</b>	<b>173,221</b>	<b>300</b>

\*Included in the proposed FY12 DMH budget is an additional \$21,000 in projected federal grant revenue that has not been allocated to a specific program.

**DMH OPERATING BUDGET – BY CSG**

DMH Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	67,703	68,367	68,367	0	75,398	76,938	76,938	0
0012 - Other Pay	6,768	5,848	5,848	0	7,392	6,378	6,378	0
0013 - Additional Gross Pay	2,192	1,992	1,992	0	2,311	2,083	2,083	0
0014 - Fringe Benefits	15,210	16,578	16,578	0	16,869	18,603	18,603	0
0015 - Overtime Pay	1,835	1,835	1,835	0	2,481	2,340	2,340	0
<b>Personal Services Subtotal</b>	<b>93,708</b>	<b>94,620</b>	<b>94,620</b>	<b>0</b>	<b>104,451</b>	<b>106,342</b>	<b>106,342</b>	<b>0</b>
0020 - Supplies and Materials	6,547	6,276	6,276	0	6,894	6,590	6,590	0
0030 - Utilities	3,073	3,563	3,563	0	3,073	3,563	3,563	0
0031 - Communications	1,457	1,457	1,457	0	1,457	1,457	1,457	0
0032 - Rent	2,928	307	307	0	2,928	307	307	0
0033 - Janitorial	2	0	0	0	2	0	0	0
0034 - Security	2,414	2,064	2,064	0	2,414	2,064	2,064	0
0035 - Occupancy	529	153	153	0	529	153	153	0
0040 - Other Services and Charges	6,124	5,734	5,734	0	11,355	10,888	10,888	0
0041 - Contractual Services	28,082	25,148	25,148	0	29,890	26,278	26,578	300
0050 - Subsidies and Transfers	17,653	14,393	14,393	0	17,752	14,467	14,467	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	171	169	169	0	978	811	811	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>68,980</b>	<b>59,264</b>	<b>59,264</b>	<b>0</b>	<b>77,272</b>	<b>66,578</b>	<b>66,878</b>	<b>300</b>
<b>TOTAL</b>	<b>162,688</b>	<b>153,884</b>	<b>153,884</b>	<b>0</b>	<b>181,723</b>	<b>172,920</b>	<b>173,220</b>	<b>300</b>

**DMH FTE AUTHORITY – BY REVENUE TYPE**

	FY12 Request	FY12 Committee	Variance
Local (100)	1,130.0	1,130.0	0.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	7.5	7.5	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	37.0	37.0	0.0
Intra District (700)	81.2	81.2	0.0
<b>DMH</b>	<b>1,255.7</b>	<b>1,255.7</b>	<b>0.0</b>

Capital Budget Recommendations

The proposed FY12 capital budget does not include any funding for DMH.

Below is additional information regarding the Committee’s recommendations for the FY12 DMH budget, presented by agency program:

## DMH – AGENCY MANAGEMENT

The Agency Management division provides for administrative support and the required tools to achieve operational and programmatic results.

As proposed, Agency Management will include 13 activities for FY12: Personnel; Training and Employee Development; Labor Relations; Contracting and Procurement; Property Management; Information Technology; Financial Management; Risk Management; Legal Services; Communications; Customer Services; Language Access; and Court Supervision.

Below is a summary of the Committee’s recommendation for Agency Management’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH AMP – BY REVENUE TYPE

DMH - AMP	FY12 Request	FY12 Committee	Variance
Local (100)	11,035	11,035	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	3,259	3,259	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>14,293</b>	<b>14,293</b>	<b>0</b>

DMH AMP – BY CSG

DMH - AMP Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	5,287	5,251	5,251	0	5,287	5,907	5,907	0
0012 - Other Pay	412	319	319	0	412	319	319	0
0013 - Additional Gross Pay	86	86	86	0	86	86	86	0
0014 - Fringe Benefits	1,145	1,222	1,222	0	1,145	1,366	1,366	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>6,930</b>	<b>6,878</b>	<b>6,878</b>	<b>0</b>	<b>6,930</b>	<b>7,678</b>	<b>7,678</b>	<b>0</b>
0020 - Supplies and Materials	79	79	79	0	159	159	159	0
0030 - Utilities	461	157	157	0	461	157	157	0
0031 - Communications	1,457	1,457	1,457	0	1,457	1,457	1,457	0
0032 - Rent	2,928	307	307	0	2,928	307	307	0
0033 - Janitorial	2	0	0	0	2	0	0	0
0034 - Security	1,311	482	482	0	1,311	482	482	0
0035 - Occupancy	415	1	1	0	415	1	1	0
0040 - Other Services and Charges	1,680	1,353	1,353	0	3,305	3,095	3,095	0
0041 - Contractual Services	269	269	269	0	269	269	269	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	52	52	52	0	806	689	689	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>8,654</b>	<b>4,157</b>	<b>4,157</b>	<b>0</b>	<b>11,113</b>	<b>6,616</b>	<b>6,616</b>	<b>0</b>
<b>TOTAL</b>	<b>15,584</b>	<b>11,035</b>	<b>11,035</b>	<b>0</b>	<b>18,043</b>	<b>14,293</b>	<b>14,293</b>	<b>0</b>
FTE Authority	74.6	71.0	71.0	0.0	0.0	71.0	71.0	0.0

For additional detail, please see Attachment B.

Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for Agency Management.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for Agency Management.

Committee Policy Recommendations

The Committee makes no policy recommendations specific to Agency Management.

## DMH – AGENCY FINANCIAL OPERATIONS

The Agency Financial Operations division provides comprehensive and efficient financial management services to the Department of Mental Health.

As proposed, the AFO division will include 3 activities for FY12: DMH Budget Operations; DMH Accounting Operations; and the DMH Fiscal Officer.

Below is a summary of the Committee’s recommendation for the AFO FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH AFO – BY REVENUE TYPE

DMH - AFO	FY12 Request	FY12 Committee	Variance
Local (100)	1,521	1,521	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>1,519</b>	<b>1,519</b>	<b>0</b>

DMH AFO – BY CSG

DMH - AFO Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	1,174	1,106	1,106	0	1,174	1,106	1,106	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	8	8	8	0	8	8	8	0
0014 - Fringe Benefits	245	242	242	0	245	242	242	0
0015 - Overtime Pay	4	4	4	0	4	4	4	0
<b>Personal Services Subtotal</b>	<b>1,431</b>	<b>1,360</b>	<b>1,360</b>	<b>0</b>	<b>1,431</b>	<b>1,360</b>	<b>1,360</b>	<b>0</b>
0020 - Supplies and Materials	17	17	17	0	17	17	17	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	29	29	29	0	29	29	29	0
0041 - Contractual Services	101	101	101	0	101	101	101	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	16	14	14	0	16	14	14	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>163</b>	<b>161</b>	<b>161</b>	<b>0</b>	<b>163</b>	<b>161</b>	<b>161</b>	<b>0</b>
<b>TOTAL</b>	<b>1,594</b>	<b>1,521</b>	<b>1,521</b>	<b>0</b>	<b>1,594</b>	<b>1,519</b>	<b>1,519</b>	<b>0</b>
FTE Authority	17.0	15.5	15.5	0.0	17.0	15.5	15.5	0.0

For additional detail, please see Attachment B.

Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for the AFO.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for the AFO.

Committee Policy Recommendations

The Committee makes no policy recommendations specific to the AFO.



## DMH – MENTAL HEALTH AUTHORITY

The Mental Health Authority (MHA) provides general oversight, planning and support to the District’s mental health service delivery system.

As proposed, MHA will include 8 activities for FY12: Office of the Director; Office of the Chief Clinical Officer; Consumer and Family Affairs; Office of Policy Support; Office of Strategic Planning and Grants; Office of Accountability – Quality Improvement; Office of Accountability – Certification/Licensure; and Office of Accountability – Investigations.

Below is a summary of the Committee’s recommendation for the MHA FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH MHA – BY REVENUE TYPE

DMH - MHA	FY12 Request	FY12 Committee	Variance
Local (100)	6,177	6,177	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	773	773	0
Federal Payment (250)	390	390	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>7,340</b>	<b>7,340</b>	<b>0</b>

DMH MHA – BY CSG

DMH - MHA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	3,116	3,032	3,032	0	3,116	3,032	3,032	0
0012 - Other Pay	37	37	37	0	37	37	37	0
0013 - Additional Gross Pay	41	41	41	0	41	41	41	0
0014 - Fringe Benefits	668	679	679	0	668	679	679	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>3,862</b>	<b>3,789</b>	<b>3,789</b>	<b>0</b>	<b>3,862</b>	<b>3,789</b>	<b>3,789</b>	<b>0</b>
0020 - Supplies and Materials	16	15	15	0	44	35	35	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	441	422	422	0	969	1,185	1,185	0
0041 - Contractual Services	3,149	1,949	1,949	0	3,750	2,329	2,329	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	2	2	2	0	2	2	2	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>3,608</b>	<b>2,388</b>	<b>2,388</b>	<b>0</b>	<b>4,765</b>	<b>3,551</b>	<b>3,551</b>	<b>0</b>
<b>TOTAL</b>	<b>7,470</b>	<b>6,177</b>	<b>6,177</b>	<b>0</b>	<b>8,627</b>	<b>7,340</b>	<b>7,340</b>	<b>0</b>
FTE Authority	37.5	33.1	33.1	0.0	37.5	33.1	33.1	0.0

For additional detail, please see Attachment B.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for MHA.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for MHA.

### Committee Policy Recommendations

The Committee makes the following policy recommendations with respect to MHA:

- By October 1, 2011, MHA shall provide the Council with a detailed FY12 action plan, including a corresponding budget, outlining how the Department will work to achieve the remaining *Dixon* exit criteria during the upcoming fiscal year; and
- By October 1, 2011, MHA shall report to the Council on the final recommendations of the Department's System Redesign Committee, including timelines for implementation and any projected cost savings.

### Committee Analysis and Comments

As stated earlier, MHA has responsibility for general management and oversight of the mental health service delivery system in the District. Part of this mandate is the management of all issues related to the *Dixon* Consent Decree. Due to litigation dating back to 1974 (when the management of St. Elizabeths hospital was still under federal control), DMH is required to report regularly to a Court Monitor on efforts to provide and maintain community-based alternatives to the hospitalization of individuals with mental illness. Specifically, DMH must show progress in meeting 19 performance targets that together ensure that the District has an effective public mental health infrastructure.

In recent years DMH has made great progress in achieving each of the required "exit criteria". As of the FY12 budget hearing, DMH had moved 13 of the 19 requirements from active to inactive status. There are, however, certain key targets – such as demonstrating planning for and delivery of effective consumer services for children and ensuring appropriate supported housing for adults with serious mental illness – that require additional work on the part of DMH.

To ensure continued progress in meeting these requirements, the Committee is recommending that MHA provide the Council with a detailed action plan outlining how DMH will work to achieve the remaining exit criteria during the upcoming fiscal year. Not only will achieving these targets eliminate what has been outside oversight over the District's mental health delivery system since before Home Rule, but it will also provide DMH with greater flexibility in determining its own budget priorities and spending plans.

Another major function of MHA is to ensure that the overall mental health service delivery system is best designed to meet the needs of District residents. To this end, in FY10 DMH

convened the Mental Health System Redesign Workgroup to review the District's mental health infrastructure and make recommendations for improvements. After numerous meetings with stakeholders the Committee finalized 12 recommendations, of which three were prioritized for immediate action. These include implementing a web-based practice management system, establishing DMH as the single point of entry for psychiatric residential treatment facility (PRTF) placements, and expanding the Money Follows the Person initiative to provide funds to support transition services to individuals with mental illness living in nursing homes and in PRTFs who are returning to the community.

Full implementation of these recommendations will not only enhance the quality of mental health services in the District but may provide DMH with significant opportunities for local savings in FY12 and beyond. As such the Committee is recommending that MHA report back to the Council on the work of the System Redesign Committee and those recommendations to be implemented in FY12 and beyond.

## DMH – ST. ELIZABETHS HOSPITAL

St. Elizabeths Hospital (SEH) provides intensive inpatient care, including psychiatric, medical, and psycho-social treatment, for adults with serious and persistent mental illness. SEH also conducts mental health evaluations and provides care to forensic patients.

As proposed, SEH will include the following 14 activities for FY12: the Office of the Chief Executive; the Office of Clinical and Medical Services; Engineering and Maintenance; Fiscal and Support Services; Forensic Services; Housekeeping; Materials Management; Nursing Services; Nutritional Services; Security and Safety; Transportation and Grounds; the Office of the Chief of Staff; the Office of the Chief Operating Officer; and Clinical Administration.

Below is a summary of the Committee’s recommendation for the SEH FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH SEH – BY REVENUE TYPE

DMH - SEH	FY12 Request	FY12 Committee	Variance
Local (100)	73,902	73,902	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	3,885	3,885	0
Intra District (700)	2,835	2,835	0
<b>Gross</b>	<b>80,622</b>	<b>80,622</b>	<b>0</b>

DMH SEH – BY CSG

DMH - SEH Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	43,294	43,584	43,584	0	46,805	47,228	47,228	0
0012 - Other Pay	4,808	4,144	4,144	0	4,911	4,262	4,262	0
0013 - Additional Gross Pay	1,834	1,634	1,634	0	1,948	1,635	1,635	0
0014 - Fringe Benefits	9,865	10,722	10,722	0	10,582	11,559	11,559	0
0015 - Overtime Pay	1,529	1,529	1,529	0	2,103	2,034	2,034	0
<b>Personal Services Subtotal</b>	<b>61,330</b>	<b>61,613</b>	<b>61,613</b>	<b>0</b>	<b>66,349</b>	<b>66,718</b>	<b>66,718</b>	<b>0</b>
0020 - Supplies and Materials	4,034	4,034	4,034	0	4,238	4,211	4,211	0
0030 - Utilities	2,526	3,183	3,183	0	2,526	3,183	3,183	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	1,075	1,583	1,583	0	1,075	1,583	1,583	0
0035 - Occupancy	0	8	8	0	0	8	8	0
0040 - Other Services and Charges	1,945	1,931	1,931	0	3,270	3,017	3,017	0
0041 - Contractual Services	1,506	1,506	1,506	0	2,141	1,853	1,853	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	44	44	44	0	93	49	49	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>11,130</b>	<b>12,289</b>	<b>12,289</b>	<b>0</b>	<b>13,343</b>	<b>13,904</b>	<b>13,904</b>	<b>0</b>
<b>TOTAL</b>	<b>72,460</b>	<b>73,902</b>	<b>73,902</b>	<b>0</b>	<b>79,692</b>	<b>80,622</b>	<b>80,622</b>	<b>0</b>
FTE Authority	808.8	791.8	791.8	0.0	880.2	864.0	864.0	0.0

For additional detail, please see Attachment B.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for SEH.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for SEH.

### Committee Policy Recommendations

The Committee makes the following policy recommendations with respect to SEH:

- By October 1, 2011, SEH shall report to the Council on its progress in meeting the terms and conditions as set forth in the United States Department of Justice Settlement Agreement; and
- By October 1, 2011, SEH shall report the Council on its collaboration with the University of the District of Columbia to develop and implement a remote nurse education program.

### Committee Analysis and Comments

One of the most pressing issues facing SEH for FY12 is continued compliance with the terms and conditions as set forth in the United States Department of Justice (DOJ) Settlement Agreement. Under federal law the DOJ is responsible for protecting the civil rights of institutionalized persons. In early 2005, the DOJ conducted a review of patient care at SEH and found a number of areas of concern regarding protection from harm, risk management, nursing care, and treatment planning. In 2007, DMH entered into a settlement agreement with the DOJ that outlines how the District will address these alleged deficiencies and sets a timeline for completion. Since then SEH has made significant progress in meeting these requirements. As of the FY10 DMH performance oversight hearing:

- Substantial compliance: 72 (up from 40 in May 2010)
- Partial compliance: 128 (down from 147 in May 2010)
- Noncompliance: 2 (down from 17 in May 2010)
- No findings: 22

While it is clear that DMH has made great strides in the last year on this issue, the Committee is recommending that SEH report back to the Council by October 1, 2011 on its continuing efforts to meet the terms and conditions set forth by the DOJ. Such a report will not only ensure sustained progress in this area but will also help provide critical oversight for implementation of the FY12 budget; according to DMH, 95 percent of the SEH budget can be directly linked to a specific Settlement Agreement requirement. A reporting requirement on SEH's progress will allow the Committee to better monitor the budget as enacted to ensure that funds are being appropriately allocated so support both the mission of the facility and the requirements of the Settlement Agreement.

As indicated above, the Settlement Agreement touches upon many aspects of SEH's management and delivery of care. One of the most critical areas, however, concerns staffing requirements. Under the terms of the Agreement, DMH is required to maintain a certain level of staffing at SEH in order to provide for a safe and therapeutic environment for its residents. Yet as discussed during both the FY10 performance oversight hearing and the FY12 budget hearing for the Department of Mental Health, SEH's has faced certain challenges with respect to hiring appropriately trained psychiatric nurses. This is an issue that has been repeatedly raised by the DOJ in their reports to the Department and one that has a direct impact on the Hospital's personnel services budget.

In response to these concerns, Hospital leadership began discussions in February and March of 2011 with UDC about developing a nurse education program. According to testimony provided at the FY12 DMH budget hearing, the goal is to have a pilot program in place by the summer and then a full program available next year. The Committee is recommending that SEH report back to the Council on this initiative to ensure that there is appropriate oversight on this issue. Not only will this partnership help fill critical nursing positions at the facility, but it will help alleviate some of the concerns raised by the Department of Justice regarding required staffing levels. In addition, creating a more robust applicant pool for SEH positions will allow DMH to better manage its personnel services budget for the upcoming year.

## DMH – MENTAL HEALTH SUPPORT SERVICES

The Mental Health Support Services (MHSS) program is responsible for the design, delivery and evaluation of DMH’s direct mental health services and supports for children, youth, families, adults, and special populations.

MHSS will include 15 activities for FY12: Office of the Deputy Director; Organizational Development; Care Coordination; Mental Health Services; Supported Housing; Supported Employment; Assertive Community Treatment; Forensic Services; Pharmacy; Comprehensive Psychiatric Emergency Program (CPEP); Homeless Outreach; Children and Youth Services; Early Childhood and School Mental Health Services; Integrated Care; and the Physicians’ Practice Group.

Below is a summary of the Committee’s recommendation for the MHSS FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH MHSS – BY REVENUE TYPE

DMH - MHSS	FY12 Request	FY12 Committee	Variance
Local (100)	45,783	45,783	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	933	933	0
Federal Payment (250)	1,158	1,158	0
Private (400)	0	0	0
Special Purpose (600)	200	200	0
Intra District (700)	5,495	5,795	300
<b>Gross</b>	<b>53,569</b>	<b>53,869</b>	<b>300</b>

DMH MHSS – BY CSG

DMH - MHSS Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	13,891	14,575	14,575	0	17,986	18,760	18,760	0
0012 - Other Pay	1,457	1,293	1,293	0	1,978	1,705	1,705	0
0013 - Additional Gross Pay	218	218	218	0	223	309	309	0
0014 - Fringe Benefits	3,090	3,520	3,520	0	4,014	4,543	4,543	0
0015 - Overtime Pay	303	0	0	0	375	303	303	0
<b>Personal Services Subtotal</b>	<b>18,959</b>	<b>19,909</b>	<b>19,909</b>	<b>0</b>	<b>24,576</b>	<b>25,620</b>	<b>25,620</b>	<b>0</b>
0020 - Supplies and Materials	2,398	2,128	2,128	0	2,434	2,165	2,165	0
0030 - Utilities	87	223	223	0	87	223	223	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	27	0	0	0	27	0	0	0
0035 - Occupancy	114	143	143	0	114	143	143	0
0040 - Other Services and Charges	2,028	1,999	1,999	0	3,780	3,560	3,560	0
0041 - Contractual Services	23,057	21,324	21,324	0	23,629	21,727	22,027	300
0050 - Subsidies and Transfers	0	0	0	0	99	74	74	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	57	57	57	0	61	57	57	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>27,768</b>	<b>25,874</b>	<b>25,874</b>	<b>0</b>	<b>30,231</b>	<b>27,949</b>	<b>28,249</b>	<b>300</b>
<b>TOTAL</b>	<b>46,728</b>	<b>45,784</b>	<b>45,784</b>	<b>0</b>	<b>54,807</b>	<b>53,569</b>	<b>53,869</b>	<b>300</b>

FTE Authority	197.0	206.6	206.6	0.0	250.8	258.9	258.9	0.0
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For additional detail, please see Attachment B.

### Committee Adjustments to Operating Budget

The Committee makes the following adjustments to the proposed operating budget for MHSS:

#### *LOCAL FUNDS*

##### *CSG41 (Contractual Services):*

Though the Committee makes no change to the proposed local budget for contractual services within MHSS, it is recommending that certain of the funds be reallocated from one MHSS activity to another. Specifically the Committee recommends the following:

- A decrease of \$300,000 in local funds for contractual services for the Comprehensive Psychiatric Emergency Program (Activity 4845). This decrease reflects the shifting of certain local costs to available federal resources.
- An increase of \$300,000 in local funds for contractual services for the Children and Youth Services activity (Activity 4860). The Committee directs that these additional local funds be dedicated to restore the proposed reduction to the Court Assessment Center as included in the proposed FY12 budget.

#### *INTRA-DISTRICT FUNDS*

##### *CSG41 (Regular Pay):*

The Committee recommends an increase of \$300,000 in intra-district funds within contractual services. This reflects the Committee's recommendation to shift certain local costs associated with Comprehensive Psychiatric Emergency Program to available federal resources.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for MHSS

### Committee Policy Recommendations

The Committee makes the following policy recommendation with respect to MHSS:

- By October 1, 2011, MHSS shall report to the Council on all efforts to ensure that individuals living in community residential facilities are receiving the appropriate level of care. At a minimum, such a report shall include the following: the number of individuals who reside in either contracted or independent community residential facilities; the acuity levels of individuals living in contracted and independent residence facilities; an update on all DMH efforts to transition individuals to community residential facilities that best meet their acuity needs; and all DMH efforts to provide financial and technical support to independent community residential facilities.



### Committee Analysis and Comments

Included in the proposed FY12 budget for MHSS is a local funds savings of \$900,000, which was the result of a reduction of certain contractual costs within the Children and Youth Services activity. Based on information provided to the Committee, this \$900,000 local funds reduction is comprised of the following:

- Shifting certain local expenditures related to early childhood services to available federal grant dollars;
- Reducing the allocation for the Assessment Center, which provides mental health consultations and assessments for D.C. family court cases; and
- Eliminating a locally funded contract for emergency psychiatric services for children who are eligible for Medicaid reimbursement.

The Committee fully supports the Mayor's efforts to shift local expenditures to available federal resources, as is the case with the proposal regarding the early childhood program and emergency psychiatric services. The Committee does not, however, support the proposed reduction to the Assessment Center. The work of the Assessment Center provides judges with critical information regarding the psychological and psychiatric health of children and youth in delinquency, abuse and neglect, and child custody matters. Failure to fully fund the Assessment Center will limit the number of assessments performed and will result in hundreds of District youth going without needed mental health services.

While DMH has indicated that it will seek to recover a portion of the reduction by implementing a sliding scale fee schedule in domestic relations cases for those individuals who can afford to pay, the Committee does not believe this will recover sufficient funds to offset the total reduction. As such, the Committee recommends reallocating \$300,000 in local funds from regular pay to contractual services in order to offset this proposed reduction. This \$300,000 is available due to the Committee's recommendation to shift certain local expenditures related to the management of CPEP to available federal revenue. According to DMH, there is significant opportunity to increase Medicaid billing within CPEP. Though some estimates have indicated that upwards of \$750,000 in Medicaid revenue may be available if DMH can enhance its claims processing, the Committee has only included \$300,000 within its recommendations, as is indicated within the intra-district budget for MHSS. If additional revenue beyond the \$300,000 is achieved, the Committee recommends that any associated local savings be reinvested into early childhood mental health services and the mental health rehabilitation program.

## DMH – MENTAL HEALTH FINANCING/FEE FOR SERVICE

The Mental Health Financing/Fee for Service (MHF) program within DMH supports a community network of private providers that offer prevention, comprehensive assessments, treatment, and emergency mental health services to individuals with mental illness as part of DMH’s Mental Health Rehabilitation Services (MHRS) program. These MHRS services are supported both through local dollars and as part of Medicaid’s fee-for-service and managed care programs.

MHSS will include 4 activities for FY12: MHRS; MHRS Local Match; Claims Administration/Billing; and Provider Relations.

Below is a summary of the Committee’s recommendation for the MHF FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMH MHF – BY REVENUE TYPE

DMH - MHF	FY12 Request	FY12 Committee	Variance
Local (100)	15,447	15,447	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	109	109	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>15,554</b>	<b>15,554</b>	<b>0</b>

DMH MHF – BY CSG

DMH - MHF Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	941	801	801	0	1,030	890	890	0
0012 - Other Pay	53	55	55	0	53	55	55	0
0013 - Additional Gross Pay	5	5	5	0	5	5	5	0
0014 - Fringe Benefits	197	189	189	0	215	209	209	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>1196</b>	<b>1,050</b>	<b>1,050</b>	<b>0</b>	<b>1,303</b>	<b>1,159</b>	<b>1,159</b>	<b>0</b>
0020 - Supplies and Materials	3	3	3	0	3	3	3	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	1	1	1	0	1	1	1	0
0041 - Contractual Services	0	0	0	0	0	0	0	0
0050 - Subsidies and Transfers	17653	14,393	14,393	0	17,653	14,393	14,393	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>17657</b>	<b>14,397</b>	<b>14,397</b>	<b>0</b>	<b>17,657</b>	<b>14,397</b>	<b>14,397</b>	<b>0</b>
<b>TOTAL</b>	<b>18853</b>	<b>15,446</b>	<b>15,446</b>	<b>0</b>	<b>18,960</b>	<b>15,554</b>	<b>15,554</b>	<b>0</b>
<b>FTE Authority</b>	<b>14.0</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>	<b>15.0</b>	<b>13.0</b>	<b>13.0</b>	<b>0.0</b>

For additional detail, please see Attachment B.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for MHF.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for MHF.

### Committee Policy Recommendations

The Committee recommends that DMH issue rules regarding the locally-funded MHRS program to limit eligibility to District residents who meet the definition of “children and youth with mental health problems” or “adults with mental illness” and who are not eligible for Medicaid or Medicare or are not enrolled in third-party insurance (excluding the D.C. HealthCare Alliance) and have a household income of less than 200 percent of the federal poverty level.

### Committee Analysis and Comments

The MHRS program provides an array of diagnostic, counseling and treatment services for individuals living with mental illness. For individuals enrolled in Medicaid, the MHRS program supports only the required local match payment, which is approximately 30 percent of the overall cost of care. For all other individuals, the MHRS program covers 100 percent of the cost through its local budget.

In FY10 and FY11 the MHRS program underwent a dramatic shift when the District expanded eligibility for Medicaid as part of implementation of federal health care reform. Specifically, DMH was able to shift thousands of individuals from the 100 percent locally-funded MHRS services to Medicaid eligible MHRS services. To reflect these changes, the FY12 MHF budget as proposed by the Mayor has moved funding from the local MHRS activity to the Medicaid MHRS activity within MHF.

As part of its review of the MHF budget proposal, the Committee asked DMH to conduct a detailed analysis of its locally-funded MHRS program. Specifically, the Committee was interested in gaining a better understanding of who was utilizing locally-funded MHRS services, especially in light of the recent Medicaid expansions. The analysis revealed that the locally-funded MHRS program was paying 100 percent of the cost of care for hundreds of individuals who are actually enrolled in or eligible for Medicaid or Medicare. In addition, a number of local MHRS enrollees were identified as having private insurance or incomes greater than the current limits for other publicly financed programs.

Included in the proposed FY12 budget for MHF is a \$3.16 million reduction to MHRS services, split between the two MHRS activities (local and Medicaid). As proposed, these savings would be achieved through the imposition of benefit caps or service limitations within the MHRS program. The Committee believes that a more prudent approach is to implement certain eligibility requirements regarding the locally-funded MHRS program. Rather than limiting care for all MHRS enrollees, the program itself should be restructured

to ensure that it targets those who are in greatest need. Specifically, the locally-funded MHRS program should be a safety net for those that have no other means of accessing care rather than a catch-all for anyone who is not actively enrolled in a Medicaid program. As such, the Committee recommends that DMH issue regulations prior to the start of the upcoming fiscal year that limits eligibility.

Though implementing such eligibility requirements will not eliminate the need for a reduction within MHF, it will offset the severity. Initial estimates from DMH show that there is the potential for almost \$1 million in savings to be found by restructuring the locally-funded MHRS program as a true mental health safety net. The Committee directs that any such savings be reinvested directly into the MHRS program so as to offset the need for a full \$3.16 million reduction in services. As such, this will have no overall impact on the proposed budget for MHF.

## D. DEPARTMENT OF HEALTH CARE FINANCE

The Department of Health Care Finance is responsible for the health care services provided to low-income children, adults, elderly, and persons with disabilities. The mission of DHCF is to improve health outcomes by providing access to comprehensive, cost-effective, high quality health services for residents of the District.

DHCF is organized into the following divisions:

- Agency Management Program
- Agency Financial Operations
- Health Care Delivery Management
- Health Care Policy and Planning
- Health Care Accountability
- Health Care Finance
- Health Care Operations
- Employer and Private Market Initiatives

### Operating Budget & FTE Recommendations

Below is a summary of the Committee's recommendations for the DHCF FY12 operating budget, including a breakdown by revenue type, comptroller source group, and program. Also included is the Committee's recommendation for the agency's FY12 FTE authority.

DHCF OPERATING BUDGET - BY REVENUE TYPE

DHCF	FY12 Request	FY12 Committee	Variance
Local (100)	617,099	617,099	0
Dedicated Taxes (110)	50,614	50,614	0
Federal Grant (200)	15,399	15,399	0
Federal Payment (250)	1,458,913	1,459,110	197
Private (400)	0	0	0
Special Purpose (600)	2,024	2,024	0
Intra District (700)	10,400	10,400	0
<b>Gross</b>	<b>2,154,449</b>	<b>2,154,646</b>	<b>197</b>

DHCF OPERATING BUDGET - BY PROGRAM

DHCF Program	FY12 Request (Gross)	FY12 Committee (Gross)	Variance
AMP	13,710	13,710	0
AFO	2,459	2,459	0
HCDM	22,653	22,653	0
HCPP	2,463	2,463	0
HCA	9,203	9,203	0
HCF	2,076,127	2,075,886	-241
HCO	26,052	26,052	0
EPMI	1,782	2,220	438
<b>DHCF</b>	<b>2,154,449</b>	<b>2,154,646</b>	<b>197</b>

DHCF OPERATING BUDGET – BY CSG

DHCF Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	5,065	6,109	6,109	0	12,584	12,894	13,256	362
0012 - Other Pay	94	178	178	0	855	684	684	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	1,010	1,294	1,294	0	2,611	2,794	2,870	76
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>6,169</b>	<b>7,581</b>	<b>7,581</b>	<b>0</b>	<b>16,050</b>	<b>16,373</b>	<b>16,811</b>	<b>438</b>
0020 - Supplies and Materials	68	72	72	0	155	176	176	0
0030 - Utilities	2	0	0	0	2	0	0	0
0031 - Communications	80	44	44	0	80	80	80	0
0032 - Rent	688	954	954	0	1,321	1,734	1,734	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	283	1	1	0	544	1	1	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	182	615	615	0	733	1,245	1,245	0
0041 - Contractual Services	13,251	14,134	14,134	0	43,893	49,618	49,618	0
0050 - Subsidies and Transfers	508,858	593,655	593,655	0	2,052,546	2,085,111	2,084,870	-241
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	42	43	43	0	376	112	112	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>523,454</b>	<b>609,518</b>	<b>609,518</b>	<b>0</b>	<b>2,099,650</b>	<b>2,138,077</b>	<b>2,137,836</b>	<b>-241</b>
<b>TOTAL</b>	<b>529,623</b>	<b>617,099</b>	<b>617,099</b>	<b>0</b>	<b>2,115,700</b>	<b>2,154,449</b>	<b>2,154,646</b>	<b>197</b>
FTE Authority	70.0	79.0	79.0	0.0	173.0	169.0	173.0	0.0

DHCF FTE AUTHORITY – BY REVENUE TYPE

	FY12 Request	FY12 Committee	Variance
Local (100)	78.8	78.8	0.0
Dedicated Taxes (110)	0.6	3.4	2.8
Federal Grants (200)	8.9	8.9	0.0
Federal Payments (250)	77.4	78.6	1.2
Private (400)	0.0	0.0	0.0
Special Purpose (600)	3.2	3.2	0.0
Intra District (700)	0.0	0.0	0.0
<b>DHCF</b>	<b>169.0</b>	<b>173.0</b>	<b>4.0</b>

Capital Budget Recommendations

The proposed FY12 capital budget does not include any funding for DHCF.

Below is additional information regarding the Committee’s recommendations for the FY12 DHCF budget, presented by agency program:

DHCF – AGENCY MANAGEMENT PROGRAM

The mission of the Agency Management Program (AMP) within DHCF is to provide administrative support to the Department in order to achieve operational and programmatic results.

As proposed, AMP will include the following activities for FY12: Personnel; Training and Development; Contracting and Procurement; Property Management; Information Technology; Legal; Fleet Management; Communications; Language Access and Performance Management.

Below is a summary of the Committee’s recommendation for AMP’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF AMP – BY REVENUE TYPE

DHCF - AMP	FY12 Request	FY12 Committee	Variance
Local (100)	4,273	4,273	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	3,075	3,075	0
Federal Payment (250)	6,362	6,362	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>13,710</b>	<b>13,710</b>	<b>0</b>

DHCF AMP – BY CSG

DHCF - AMP Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	651	1,150	1,150	0	2,195	2,588	2,588	0
0012 - Other Pay	72	54	54	0	718	186	186	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	135	245	245	0	545	568	568	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>858</b>	<b>1,449</b>	<b>1,449</b>	<b>0</b>	<b>3,458</b>	<b>3,342</b>	<b>3,342</b>	<b>0</b>
0020 - Supplies and Materials	31	36	36	0	69	65	65	0
0030 - Utilities	2	0	0	0	2	1	1	0
0031 - Communications	80	44	44	0	80	80	80	0
0032 - Rent	688	954	954	0	1,321	1,734	1,734	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	283	1	1	0	544	1	1	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	137	157	157	0	493	286	286	0
0041 - Contractual Services	1751	1,623	1,623	0	4,100	6,237	6,237	0
0050 - Subsidies and Transfers	0	0	0	0	0	1,948	1,948	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	8	9	9	0	16	16	16	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>2980</b>	<b>2,824</b>	<b>2,824</b>	<b>0</b>	<b>6,625</b>	<b>10,368</b>	<b>10,368</b>	<b>0</b>
<b>TOTAL</b>	<b>3838</b>	<b>4,273</b>	<b>4,273</b>	<b>0</b>	<b>10,085</b>	<b>13,710</b>	<b>13,710</b>	<b>0</b>
FTE Authority	8.0	14.4	14.4	0.0	32.0	32.0	32.0	0.0

For additional detail, please see Attachment C.

Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for AMP.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for AMP.

Committee Policy Recommendations

The Committee makes no policy recommendations specific to AMP.



DHCF – AGENCY FISCAL OPERATIONS

The mission of Agency Fiscal Operations (AFO) within DHCF is to provide comprehensive financial management services to DHCF.

As proposed, AFO will include the following activities for FY12: Budgeting Operations; Accounting Operations and Agency Fiscal Officer.

Below is a summary of the Committee’s recommendation for AFO’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF AFO – BY REVENUE TYPE

DHCF - AFO	FY12 Request	FY12 Committee	Variance
Local (100)	1,082	1,082	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	34	34	0
Federal Payment (250)	1,344	1,344	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>2,459</b>	<b>2,459</b>	<b>0</b>

DHCF AFO – BY CSG

DHCF - AFO Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	235	458	458	0	1,200	1,234	1,234	0
0012 - Other Pay	22	0	0	0	22	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	48	95	95	0	229	257	257	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>305</b>	<b>553</b>	<b>553</b>	<b>0</b>	<b>1,451</b>	<b>1,491</b>	<b>1,491</b>	<b>0</b>
0020 - Supplies and Materials	3	3	3	0	7	9	9	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	4	417	417	0	8	758	758	0
0041 - Contractual Services	0	109	109	0	0	198	198	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	3	3	3	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>7</b>	<b>529</b>	<b>529</b>	<b>0</b>	<b>18</b>	<b>968</b>	<b>968</b>	<b>0</b>
<b>TOTAL</b>	<b>312</b>	<b>1,082</b>	<b>1,082</b>	<b>0</b>	<b>1,467</b>	<b>2,459</b>	<b>2,459</b>	<b>0</b>
FTE Authority	3	5	5	0	14	14	14	0

For additional detail, please see Attachment C.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for AFO.

#### *Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered a technical error that requires a shift of \$1,500 within comptroller object 702 across certain of the activities within the AFO program. Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead the Committee directs the Office of Budget and Planning to work with DHCF to make the technical adjustments required within the FY12 budget in order to properly align programmatic and operational activities.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for AFO.

### Committee Policy Recommendations

The Committee makes no policy recommendations specific to AFO.

DHCF – HEALTH CARE DELIVERY MANAGEMENT

The mission of Health Care Delivery Management (HCDM) is to oversee the management of certain publicly financed health care services in the District, including chronic and long-term care programs, the SCHIP program, the Immigrant Children’s program, and the Medicaid managed care contracts. HCDM also assists District residents with any questions they may have about their health care coverage.

As proposed, HCDM will include the following activities for FY12: Chronic and Long Term Care; Managed Care Management; Preventive and Acute Care; Office of the Ombudsman and Health Care Delivery Management Support Services.

Below is a summary of the Committee’s recommendation for HCDM’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF HCDM - BY REVENUE TYPE

DHCF - HCDM	FY12 Request	FY12 Committee	Variance
Local (100)	6,279	6,279	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	10,640	10,640	0
Federal Payment (250)	5,210	5,210	0
Private (400)	0	0	0
Special Purpose (600)	524	524	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>22,653</b>	<b>22,653</b>	<b>0</b>

DHCF HCDM - BY CSG

DHCF - HCDM Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	1507	1,642	1,642	0	3,251	3,386	3,386	0
0012 - Other Pay	0	14	14	0	88	298	298	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	296	345	345	0	656	762	762	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>1803</b>	<b>2,001</b>	<b>2,001</b>	<b>0</b>	<b>3,995</b>	<b>4,446</b>	<b>4,446</b>	<b>0</b>
0020 - Supplies and Materials	12	12	12	0	37	62	62	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	13	14	14	0	168	151	151	0
0041 - Contractual Services	3752	4,238	4,238	0	7,261	8,441	8,441	0
0050 - Subsidies and Transfers	0	0	0	0	3,729	9,499	9,499	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	15	15	15	0	319	55	55	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>3792</b>	<b>4,279</b>	<b>4,279</b>	<b>0</b>	<b>11,514</b>	<b>18,208</b>	<b>18,208</b>	<b>0</b>
<b>TOTAL</b>	<b>5594</b>	<b>6,279</b>	<b>6,279</b>	<b>0</b>	<b>15,506</b>	<b>22,653</b>	<b>22,653</b>	<b>0</b>
FTE Authority	20.3	20.4	20.4	0.0	44.1	47.0	47.0	0.0

For additional detail, please see Attachment C.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HCDM.

#### *Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered two technical errors that require a shift in funds from HCDM to HCA. Specifically:

- \$400,000 in local funds within comptroller object 409 from service code 2310 within HCDM to service code 4600 in HCA; and
- \$400,000 in federal payments within comptroller object 409 from service code 2310 within HCDM to service code 4600 HCA.

Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead the Committee directs the Office of Budget and Planning to work with DHCF to make the technical adjustments required within the FY12 budget in order to properly align programmatic and operational activities.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HCDM.

### Committee Policy Recommendations

The Committee makes the following policy recommendations related to HCDM:

- By October 1, 2011, DHCF shall report to the Council on efforts to improve utilization of the personal care attendant benefit through better needs assessments, concurrent monitoring, and more stringent regulation. DHCF shall also provide the Council with an analysis of associated projected cost savings for FY12.
- By October 1, 2011, DHCF shall report to the Council on implementation of changes to the nursing home rate-setting methodology for physical, occupational, and speech therapies. DHCF shall also provide the Council with an analysis of associated projected cost savings for FY12.

### Committee Analysis and Comments

Included in the DHCF budget as proposed for FY12 are two local savings initiatives related to the management of long-term care services. First, DHCF is proposing certain changes to the District's Personal Care Attendants (PCA) benefit. Specifically, DHCF believes that the PCA benefit has historically been over-utilized and that, through better needs assessments, real-time monitoring of authorizations, and more stringent regulation of the use of staffing agencies, the District can achieve almost \$1.2 million in local savings.

Second, the budget includes \$2.9 million in local savings to be realized through a change to the Medicaid rate-setting methodology for nursing homes for physical, occupational and speech therapies. According to DHCF, the current reimbursement methodology provides

for costs associated with these therapies as part of the Medicaid nursing home per diem, despite the fact that these services are disproportionately utilized by Medicare patients. The proposed change would limit the cost of these three therapies to just those costs incurred by Medicaid patients.

Given that these savings have already been incorporated into the FY12 budget, failure to fully implement could result in a spending pressure for the upcoming fiscal year. To ensure that DHCF moves expeditiously on these matters, the Committee is recommending that DHCF report back to the Council on implementation of each cost-saving initiative.

DHCF – HEALTH CARE POLICY AND PLANNING

The mission of Health Care Policy and Planning (HCPP) is to maintain the Medicaid State Plan and the SCHIP State Plan. HCPP is also charged with developing policies for the administration of the Alliance program and ensuring the coordination and consistency of federal reimbursement procedures District-wide.

As proposed, the HCPP division will include the following activities for FY12: Policy Management; Public Provider Liaison Management; Data Analysis; Member Management and Health Care Policy and Planning Support Services.

Below is a summary of the Committee’s recommendation for HCPP’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF HCPP – BY REVENUE TYPE

DHCF - HCPP	FY12 Request	FY12 Committee	Variance
Local (100)	1,420	1,420	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	1,043	1,043	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>2,463</b>	<b>2,463</b>	<b>0</b>

DHCF HCPP – BY CSG

DHCF - HCPP Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	936	947	947	0	1,694	1,623	1,623	0
0012 - Other Pay	0	44	44	0	0	80	80	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	184	202	202	0	335	347	347	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>1120</b>	<b>1,193</b>	<b>1,193</b>	<b>0</b>	<b>2,029</b>	<b>2,050</b>	<b>2,050</b>	<b>0</b>
0020 - Supplies and Materials	6	6	6	0	12	11	11	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	9	9	9	0	18	16	16	0
0041 - Contractual Services	188	206	206	0	376	375	375	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	6	6	6	0	12	11	11	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>209</b>	<b>227</b>	<b>227</b>	<b>0</b>	<b>418</b>	<b>413</b>	<b>413</b>	<b>0</b>
<b>TOTAL</b>	<b>1329</b>	<b>1,420</b>	<b>1,420</b>	<b>0</b>	<b>2,447</b>	<b>2,463</b>	<b>2,463</b>	<b>0</b>
FTE Authority	14.0	13.6	13.6	0.0	24.0	23.0	23.0	0.0

For additional detail, please see Attachment C.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HCPP.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HCPP.

### Committee Policy Recommendations

The Committee makes the following policy recommendations that relate to HCPP:

- By October 1, 2011, DHCF shall provide a report to the Council on the status of all state plan amendments submitted to the federal government during FY11 and to be submitted in FY12. The report shall also include an analysis of the impact of each state plan amendment on the FY12 budget.
- By October 1, 2011, DHCF shall report to the Council on implementation of the face-to-face membership recertification process for the D.C. HealthCare Alliance.

### Committee Analysis and Comments

Included in the FY12 proposed budget is a series of cost savings initiatives related to management of the District's Medicaid and DC HealthCare Alliance programs. These include, among others, a change to the re-certification process for the D.C. HealthCare Alliance, which is projected to achieve almost \$11 million in savings. According to the agency, this proposal will require Alliance enrollees to undergo mandatory face-to-face recertifications in order to maintain coverage.

Also included in the FY12 budget are savings associated with the implementation of a state plan amendment regarding the District's pharmaceutical reimbursement methodology for certain prescription drugs under the Medicaid program. Though this particular proposal is only expected to generate \$1.3 million in local savings, there are additional state plan amendments that were to be implemented in FY11 that will have a direct impact on DHCF spending in FY12. In addition, it is likely that DHCF will identify other possible state plan amendments to be submitted during FY12 that will also have budgetary implications.

At the budget hearing for DHCF the Committee questioned agency officials about the ability to fully implement these measures so as to ensure that the District can fully realize the associated cost savings. Though DHCF assured the Committee that necessary work is already underway, the Committee is recommending that DHCF report back to the Council by the start of the upcoming fiscal year so that the Council can better monitor implementation of these critical cost-saving initiatives.

DHCF – HEALTH CARE ACCOUNTABILITY

The mission of Health Care Accountability (HCA) is to ensure that District residents enrolled in health care programs administered by DHCF receive quality health care. HCA achieves this goal by identifying areas in need of quality improvement, measuring performance in those areas, and implementing quality improvement activities.

As proposed, HCA will include the following activities for FY12: Quality Management; Utilization Management; Program Integrity; Pharmacy Management and Health Care Accountability Support Services.

Below is a summary of the Committee’s recommendation for HCA’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF HCA – BY REVENUE TYPE

DHCF - HCA	FY12 Request	FY12 Committee	Variance
Local (100)	3,426	3,426	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	5,777	5,777	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>9,203</b>	<b>9,203</b>	<b>0</b>

DHCF HCA – BY CSG

DHCF - HCA Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	1,131	1,189	1,189	0	2,559	2,476	2,476	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	227	243	243	0	511	505	505	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>1,358</b>	<b>1,432</b>	<b>1,432</b>	<b>0</b>	<b>3,070</b>	<b>2,981</b>	<b>2,981</b>	<b>0</b>
0020 - Supplies and Materials	11	11	11	0	22	20	20	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	13	13	13	0	26	23	23	0
0041 - Contractual Services	1,463	1,961	1,961	0	5,402	6,163	6,163	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	9	9	9	0	18	16	16	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>1,496</b>	<b>1,994</b>	<b>1,994</b>	<b>0</b>	<b>5,468</b>	<b>6,222</b>	<b>6,222</b>	<b>0</b>
<b>TOTAL</b>	<b>2,853</b>	<b>3,425</b>	<b>3,425</b>	<b>0</b>	<b>8,536</b>	<b>9,203</b>	<b>9,203</b>	<b>0</b>
FTE Authority	16.0	15.8	15.8	0.0	35.0	32.0	32.0	0.0

For additional detail, please see Attachment C.



### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HCA.

### *Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered a technical error within HCA that requires a shift of \$2,860 in local funds within comptroller object 409 from HCA service code 4300 to HCA service code 4600. Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead the Committee directs the Office of Budget and Planning to work with DHCF to make the technical adjustments required within the FY12 budget in order to properly align programmatic and operational activities.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HCA.

### Committee Policy Recommendations

The Committee makes no policy recommendations specific to HCA.

DHCF – HEALTH CARE FINANCE

The mission of the Health Care Finance (HCF) program is to support provider payments for the District’s Medicaid and Alliance programs.

As proposed, HCF will include the following activities for FY12: Medicaid Provider Payments; Public Provider Payments and HealthCare Alliance Provider Payments.

Below is a summary of the Committee’s recommendation for HCF’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF HCF – BY REVENUE TYPE

DHCF - HCF	FY12 Request	FY12 Committee	Variance
Local (100)	593,655	593,655	0
Dedicated Taxes (110)	50,541	50,300	-241
Federal Grant (200)	0	0	0
Federal Payment (250)	1,420,031	1,420,031	0
Private (400)	0	0	0
Special Purpose (600)	1,500	1,500	0
Intra District (700)	10,400	10,400	0
<b>Gross</b>	<b>2,076,127</b>	<b>2,075,886</b>	<b>-241</b>

DHCF HCF – BY CSG

DHCF - HCF Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	0	0	0	0	0	0	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	0	0	0	0	0	0	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0020 - Supplies and Materials	0	0	0	0	0	0	0	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	0	0	0	0	0	0	0
0041 - Contractual Services	0	0	0	0	2,360	2,463	2,463	0
0050 - Subsidies and Transfers	508,858	593,655	593,655	0	2,048,816	2,073,664	2,073,423	-241
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>508,858</b>	<b>593,655</b>	<b>593,655</b>	<b>0</b>	<b>2,051,176</b>	<b>2,076,126</b>	<b>2,075,885</b>	<b>-241</b>
<b>TOTAL</b>	<b>508,858</b>	<b>593,655</b>	<b>593,655</b>	<b>0</b>	<b>2,051,176</b>	<b>2,076,126</b>	<b>2,075,885</b>	<b>-241</b>
FTE Authority	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

For additional detail, please see Attachment C.

## Committee Adjustments to Operating Budget

### *DEDICATED TAXES*

#### *CSG50 (Subsidies and Transfers):*

The Committee recommends a decrease of \$241,000 in dedicated taxes for subsidies and transfers and directs these funds to the EPMI division to support the Committee's restoration of 4 FTEs that had been eliminated as part of the proposed FY 12 budget.

## Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HCF.

## Committee Policy Recommendations

The Committee makes the following policy recommendations as they relate to HCF:

- By October 1, 2011, DHCF shall report to the Council on actual and projected enrollment in the following: Medicaid managed care programs; Medicaid fee-for-Service programs; and the D.C. HealthCare Alliance. At a minimum, such analysis shall provide a breakdown of FY11 enrollment numbers by month, and projected enrollment for FY12.

## Committee Analysis and Comments

The FY12 DHCF budget, as proposed includes significant local adjustments related to projected enrollment in certain publicly-financed health programs, including:

- An increase of \$12,225,000 to support growth in participation in Home and Community-Based Waivers;
- An increase of \$10,599,000 to support a forecasted enrollment increase within the Medicaid fee-for-service population;
- An increase of \$1,445,000 for projected growth in the Medicaid managed care populations; and
- A decrease of \$11,700,000 to account for projected enrollment decreases within the Alliance program as the result of changes to the recertification requirements.

Though the Committee raised questions at the budget hearing about some of the enrollment data and assumptions relied upon, it is not recommending any changes to the budget as proposed. Instead the Committee is directing DHCF to provide the Council with a detailed enrollment analysis for each of the Medicaid and non-Medicaid programs so as to allow for more effective oversight over implementation of the FY12 budget.

Also included in the proposed budget for DHCF is a reduction of 4 FTEs within the EPMI division. The Committee believes that the loss of these positions will have a detrimental impact on the District's ability to fully implement federal health care reform. As such, the

Committee recommends shifting \$241,000 of the projected dedicated tax revenue to EPMI to support the local costs associated with the restoration of these positions. For more information on this issue, please see the EPMI section of this report.

DHCF – HEALTH CARE OPERATIONS

The mission of Health Care Operations (HCO) is to oversee claims payment and provider enrollment and to manage the Medicaid Management Information System and agency contracts, including the Non-Emergency Medical Transportation contract and the Administrative Services Organization contract.

As proposed, HCO will include the following activities for FY12: Medicaid Information Systems; Systems Operations; Administrative Contract Management and Health Care Operations Support Services.

Below is a summary of the Committee’s recommendation for HCO’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF HCO – BY CSG

DHCF - HCO	FY12 Request	FY12 Committee	Variance
Local (100)	6,966	6,966	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	19,086	19,086	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>26,052</b>	<b>26,052</b>	<b>0</b>

DHCF HCO – BY REVENUE TYPE

DHCF - HCO Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	605	723	723	0	1,376	1,479	1,479	0
0012 - Other Pay	0	65	65	0	0	118	118	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	121	164	164	0	275	333	333	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>726</b>	<b>952</b>	<b>952</b>	<b>0</b>	<b>1,651</b>	<b>1,930</b>	<b>1,930</b>	<b>0</b>
0020 - Supplies and Materials	5	5	5	0	10	9	9	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	6	6	6	0	12	11	11	0
0041 - Contractual Services	6,098	5,998	5,998	0	23,604	24,093	24,093	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	5	5	5	0	10	9	9	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>6,114</b>	<b>6,014</b>	<b>6,014</b>	<b>0</b>	<b>23,636</b>	<b>24,122</b>	<b>24,122</b>	<b>0</b>
<b>TOTAL</b>	<b>6,840</b>	<b>6,966</b>	<b>6,966</b>	<b>0</b>	<b>25,287</b>	<b>26,052</b>	<b>26,052</b>	<b>0</b>
FTE Authority	8.5	10.1	10.1	0.0	19.0	20.0	20.0	0.0

For additional detail, please see Attachment C.

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for HCO. However, it is important to note that the Mayor's proposed budget includes approximately \$4.7 million in additional projected revenue associated with an assessment on Intermediate Care Facilities for the Developmentally Disabled. Given that DHCF could not definitively determine when such revenues would first be collected, the budget authority related to these funds has been placed under the Non-Departmental heading. Once revenue collection begins, the associated authority and funding will be re-allocated from Non-Departmental to HCO.

### *Special Note:*

After submission of the proposed FY12 budget to the Council, the Executive discovered a technical error that requires a shift of certain funds within HCO:

- \$432,849 in local funds within comptroller object 409 from service code 6300 to service code 6400; and
- \$1,298,546 in federal payments within comptroller object 409 from service code 6300 to service code 6400.

Though the Committee acknowledges this technical error, no adjustments have been made within the budgets to correct the issue. Instead the Committee directs the Office of Budget and Planning to work with DHCF to make the technical adjustments required within the FY12 budget in order to properly align programmatic and operational activities.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for HCO.

### Committee Policy Recommendations

The Committee makes the following policy recommendations for HCO:

- By October 1, 2011, the DHCF shall report to the Council on its work with an Administrative Services Organization (ASO) to implement and operate a Medicaid claims and management system.

### Committee Analysis and Comments

As part of ongoing efforts to maximize its federal reimbursements, DHCF has contracted with an ASO to perform billing, claims submittal and related administrative functions on behalf of the various District agencies that receive Medicaid reimbursement or who are responsible for operational functions of the Medicaid program. According to DHCF, the projected timeline is as follows:

- Spring/Summer 2011: DC Public Schools, Child and Family Services Agency, and the Office of the State Superintendent

- October 2011: Department of Disability Services, Department of Mental Health, Department of Health, and Fire and Emergency Medical Services

Once fully implemented the ASO project will allow the District to enhance its Medicaid billing, thereby saving the District millions of local dollars. It will also prevent against future audit finding and disallowances. So to ensure that implementation of this critical project moves forward as planned, the Committee is recommending that DHCf provide a progress report to the Council at the start of the fiscal year.

## DHCF – EMPLOYER AND PRIVATE MARKET INITIATIVES

The mission of Employer and Private Market Initiatives (EPMI) is to administer new health care initiatives that utilize private market insurance, including employer-sponsored coverage for publicly-funded enrollees.

As proposed, the new DHCF Employer and Private Market Initiatives division will include one activity for FY12: Healthy DC Management.

Below is a summary of the Committee’s recommendation for EPMI’s FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DHCF EPMI – BY REVENUE TYPE

DHCF - EPMI	FY12 Request	FY12 Committee	Variance
Local (100)	0	0	0
Dedicated Taxes (110)	73	314	241
Federal Grant (200)	1,650	1,650	0
Federal Payment (250)	59	256	197
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>1,782</b>	<b>2,220</b>	<b>438</b>

DHCF EPMI – BY REVENUE TYPE

DHCF - EPMI Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	0	0	0	308	109	471	362
0012 - Other Pay	0	0	0	0	26	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	0	0	0	62	23	99	76
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>396</b>	<b>132</b>	<b>570</b>	<b>438</b>
0020 - Supplies and Materials	0	0	0	0	0	0	0	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	0	0	0	9	0	0	0
0041 - Contractual Services	0	0	0	0	791	1,650	1,650	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>800</b>	<b>1,650</b>	<b>1,650</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,196</b>	<b>1,782</b>	<b>2,220</b>	<b>438</b>
FTE Authority	0.0	0.0	0.0	0.0	5.0	1.0	5.0	4.0

For additional detail, please see Attachment C.



## Committee Adjustments to Operating Budget

### *DEDICATED TAXES*

#### *CSG11 (Regular Pay):*

The Committee recommends an increase of \$199,000 in dedicated taxes for regular pay in order to reflect the District's share of the cost associated with the Committee's restoration of 4 FTEs within the EPMI division. Funds to support this increase have been redirected from the HCF program.

#### *CSG14 (Fringe Benefits):*

The Committee recommends an increase of \$42,000 in dedicated taxes for fringe benefits in order to reflect the District's share of the cost associated with the Committee's restoration of 4 FTEs within the EPMI division. Funds to support this increase have been redirected from the HCF program.

### *FEDERAL FUNDS*

#### *CSG11 (Regular Pay):*

The Committee recommends an increase of \$163,000 in federal funds for regular pay in order to reflect the federal share of the cost associated with the Committee's restoration of 4 FTEs within the EPMI division.

#### *CSG14 (Fringe Benefits):*

The Committee recommends an increase of \$34,000 in federal funds for fringe benefits in order to reflect the federal share of the cost associated with the Committee's restoration of 4 FTEs within the EPMI division.

## Committee Adjustments to FTE Authority

### *DEDICATED TAXES*

The Committee recommends an increase of 4 FTEs within the EPMI division in order to restore those positions which were eliminated as part of the proposed FY12 budget.

## Committee Policy Recommendations

The Committee makes the following policy recommendation for EPMI:

- By October 1, 2011, DHCF shall report on its ongoing efforts to implement federal health care reform initiatives in the District.

## Committee Analysis and Comments

As stated above, the mission of the EPMI division is to administer new health care

initiatives that utilize private market insurance, including employer-sponsored coverage for publicly-funded enrollees. However, DHCF has indicated that for FY12 it will likely expand the focus of this division to include implementation of federal health care reform.

Unfortunately, the FY12 budget as proposed eliminated 4 of the 5 FTEs that had been dedicated to this division. This leaves only one full-time position to focus on what will be a substantial portfolio of issues as the District moves forward on a variety of health care reform initiatives. The Committee believes that this level of staffing is insufficient to meet the needs of the District and could result in lost opportunities to improve the health outcomes of District residents. In addition, limited staffing could substantially diminish the District's ability to seek and obtain increased federal funding as made available through the health care reform law.

In order to ensure that the District is prepared to take full advantage of both the potential for quality improvements and increased federal funding associated with health care reform, the Committee recommends restoring the 4 FTEs, which had been eliminated as part of the proposed FY12 budget. The Committee has redirected certain dedicated taxes from the Healthcare Finance division to support the local share of the costs associated with these positions.

Directly related to this issue is the Committee's recommendation to have DHCF report back to the Council on its health care reform implementation efforts. Such a report will allow both the Council and the public at-large to gain a better understanding of the health care reform initiatives that are currently underway in the District. This will also allow the Council to provide effective oversight over DHCF's work in this important area.

## E. NOT-FOR-PROFIT HOSPITAL CORPORATION

The mission of the Not-for-Profit Hospital Corporation (NPHC) is to manage and operate United Medical Center, the only full-service hospital located east of the Anacostia River. NPHC operates as an independent District instrumentality and generates its own revenue through inpatient, outpatient, psychiatric and emergency care, as well as skilled nursing services.

### Operating Budget & FTE Recommendations

Below is a summary of the Committee's recommendations for the NPHC FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee's recommendation for the agency's FY12 FTE authority.

NPHC - BY REVENUE TYPE

NPHC	FY12 Request	FY12 Committee	Variance
Local (100)	0	0	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	117,223	126,879	9,656
Intra District (700)	0	0	0
<b>Gross</b>	<b>117,223</b>	<b>126,879</b>	<b>9,656</b>

NPHC - BY CSG

NPHC Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	0	0	0	0	0	0	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	0	0	0	0	0	0	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0020 - Supplies and Materials	0	0	0	0	0	0	0	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	0	0	0	0	0	0	0
0041 - Contractual Services	0	0	0	0	0	0	0	0
0050 - Subsidies and Transfers	0	0	0	0	126,931	117,223	126,879	9,656
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>126,931</b>	<b>117,223</b>	<b>126,879</b>	<b>9,656</b>
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>126,931</b>	<b>117,223</b>	<b>126,879</b>	<b>9,656</b>
FTE Authority	0	0	0	0	0	0	0	0

### Committee Adjustments to Operating Budget

The Committee makes the following adjustment to the proposed operating budget for NPHC:

## *SPECIAL PURPOSE REVENUE*

### *CSG 50 (Other services and charges)*

The Committee recommends an increase of \$9,656,000 in special purpose revenue funds within other services and charges. This adjustment is necessary in order to accurately reflect projected FY12 revenue and ensure that NPHC has sufficient spending authority.

### Capital Budget Recommendations

The proposed FY12 capital budget does not include any funding for NPHC.

### Policy Recommendations

The Committee makes the following policy recommendation specific to NPHC:

- By October 1, 2011, NPHC shall report to the Council on its efforts to execute a lease with the joint partnership between Howard University College of Medicine and the National Institutes of Health to enhance the specialized HIV/AIDS services currently offered at United Medical Center. This report shall include a projected schedule for completion of renovations.

### Analysis and Comments

The District has continued to make enormous strides in the fight against the HIV/AIDS epidemic. Between 2004 and 2008 there was a 33.2% decrease in the number of newly reported AIDS cases in the District, while the percentage of people who progressed from HIV-positive status to an AIDS diagnosis within 12 months decreased from 47% in 2004 to 29.5% in 2007. In addition, the percentage of those seeking medical treatment within 3 months rose from 40% to 67.2%.

Despite these efforts, current estimates place the District's positive infection rate at 3% of the tested population, with some estimates as high as 5% or 6% of the entire population. And although blacks account for just over half (52.2%) of District residents over age of 12, they account for over three quarters (75.6%) of District residents living with HIV/AIDS. In addition, men account for less than half (46.7%) of District residents but 72% of living HIV/AIDS cases.

As the District develops its HIV/AIDS strategy for FY12, immediate access to medical care should be a top priority. Not only will this improve individual health outcomes for people living with HIV/AIDS, but timely access to care can also be an effective prevention tool in the fight against the epidemic's spread. To this end, United Medical Center, in partnership with Howard University College of Medicine and the National Institutes of Health, is looking to renovate space to provide enhanced medical services for individuals living with HIV/AIDS. To ensure continued progress on this critical initiative, the Committee recommends that NPHC report to the Council by the start of the fiscal year on its efforts to finalize those facility renovations necessary in order to best accommodate the medical needs of people living with HIV/AIDS.

## E. DEPUTY MAYOR FOR HEALTH AND HUMAN SERVICES

The mission of the Office of the Deputy Mayor for Health and Human Services (DMHHS) is to support the Mayor in coordinating a comprehensive system of benefits, goods, and services across multiple agencies that serve children, youth and adults so that they can lead healthy and productive lives. Specifically the Office is tasked with developing and supporting policies and programs to improve the delivery of services by government agencies and contracted providers; coordinating interagency initiatives; identifying opportunities for reducing redundancies, leveraging resources and creating economies of scale; and ensuring compliance with local and federal mandates.

As proposed for FY12, the District agencies under the purview of the DMHSS include:

- Department of Health
- Department of Mental Health
- Department of Health Care Finance
- Child and Family Services Agency
- Department of Disability Services
- Department of Human Services
- Department of Parks and Recreation;
- Department of Youth Rehabilitation Services;
- Office of Disability Rights
- Office on Aging

The DMHHS is new for FY12 and has two proposed activities: Human Support Services and Agency Management Support.

### Operating Budget & FTE Recommendations

Below is a summary of the Committee's recommendations for the DMHHS FY12 operating budget, including a breakdown by revenue type, comptroller source group, and program. Also included is the Committee's recommendation for the agency's FY12 FTE authority.

DMHHS OPERATING BUDGET - BY REVENUE TYPE

DMHHS	FY12 Request	FY12 Committee	Variance
Local (100)	698	698	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>698</b>	<b>698</b>	<b>0</b>

DMHHS OPERATING BUDGET - BY PROGRAM

DMHHS Program	FY12 Request (Gross)	FY12 Committee (Gross)	Variance
AMS	660	660	0
HHS	38	38	0
<b>DMHHS</b>	<b>698</b>	<b>698</b>	<b>0</b>

DMHHS OPERATING BUDGET – BY CSG

DMHHS Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	544	544	0	0	544	544	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	110	110	0	0	110	110	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>654</b>	<b>654</b>	<b>0</b>	<b>0</b>	<b>654</b>	<b>654</b>	<b>0</b>
0020 - Supplies and Materials	0	6	6	0	0	6	6	0
0030 - Utilities	0	2	2	0	0	2	2	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	30	30	0	0	30	30	0
0041 - Contractual Services	0	0	0	0	0	0	0	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	6	6	0	0	6	6	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>0</b>	<b>44</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>44</b>	<b>44</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>698</b>	<b>698</b>	<b>0</b>	<b>0</b>	<b>698</b>	<b>698</b>	<b>0</b>

DMHHS FTE AUTHORITY – BY REVENUE TYPE

	FY12 Request	FY12 Committee	Variance
Local (100)	5.0	5.0	0.0
Dedicated Taxes (110)	0.0	0.0	0.0
Federal Funds (200& 250)	0.0	0.0	0.0
Private (400)	0.0	0.0	0.0
Special Purpose (600)	0.0	0.0	0.0
Intra District (700)	0.0	0.0	0.0
<b>DMHHS</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

Capital Budget Recommendations

The proposed FY12 capital budget does not include any funding for the DMHSS.

Policy Recommendations

The Committee recommends that the DMHSS report back to the Council on maximization of federal Medicaid revenue, implementation of federal health care reform, and the status of all consent decrees and court orders that impact health and human services agencies.

Below is additional information regarding the Committee’s recommendations for the FY12 DMHSS budget, presented by program:

## DMHSS – AGENCY MANAGEMENT SUPPORT

Agency Management Support (AMS) provides for administrative support to achieve operational and programmatic results.

As proposed, AMS will include one activity for FY12: Performance Management.

Below is a summary of the Committee’s recommendation for the AMS FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMHSS - AMS	FY12 Request	FY12 Committee	Variance
Local (100)	660	660	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>660</b>	<b>660</b>	<b>0</b>

DMHSS - AMS	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
Comptroller Source Group								
Object Class								
0011 - Regular Pay	0	544	544	0	0	544	544	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	110	110	0	0	110	110	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>654</b>	<b>654</b>	<b>0</b>	<b>0</b>	<b>654</b>	<b>654</b>	<b>0</b>
0020 - Supplies and Materials	0	6	6	0	0	6	6	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	0	0	0	0	0	0	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	0	0	0	0	0	0	0
0041 - Contractual Services	0	0	0	0	0	0	0	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	0	0	0	0	0	0	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>660</b>	<b>660</b>	<b>0</b>	<b>0</b>	<b>660</b>	<b>660</b>	<b>0</b>
FTE Authority	0	5	5	0	0	5	5	0

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for AMS.

### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for AMS.

### Committee Policy Recommendations

The Committee makes no policy recommendations specific to AMS.

## DMHSS – HUMAN SUPPORT SERVICES

The Human Support Services program provides leadership for policy and planning, government relations, and community outreach and coordination for the agencies under the purview of the Deputy Mayor for Health and Human Services.

As proposed, HSS will include only one activity for FY12: Agency Oversight and Support.

Below is a summary of the Committee’s recommendation for the HSS FY12 operating budget, including a breakdown by revenue type and comptroller source group. Also included is the Committee’s recommendation for the program’s FY12 FTE authority.

DMHSS - HSS	FY12 Request	FY12 Committee	Variance
Local (100)	38	38	0
Dedicated Taxes (110)	0	0	0
Federal Grant (200)	0	0	0
Federal Payment (250)	0	0	0
Private (400)	0	0	0
Special Purpose (600)	0	0	0
Intra District (700)	0	0	0
<b>Gross</b>	<b>38</b>	<b>38</b>	<b>0</b>

DMHSS--HSS Comptroller Source Group Object Class	Local Funds				Gross Funds			
	FY11 Approved	FY12 Request	FY12 Committee	Variance	FY11 Approved	FY12 Request	FY12 Committee	Variance
0011 - Regular Pay	0	0	0	0	0	0	0	0
0012 - Other Pay	0	0	0	0	0	0	0	0
0013 - Additional Gross Pay	0	0	0	0	0	0	0	0
0014 - Fringe Benefits	0	0	0	0	0	0	0	0
0015 - Overtime Pay	0	0	0	0	0	0	0	0
<b>Personal Services Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0020 - Supplies and Materials	0	0	0	0	0	0	0	0
0030 - Utilities	0	0	0	0	0	0	0	0
0031 - Communications	0	2	2	0	0	2	2	0
0032 - Rent	0	0	0	0	0	0	0	0
0033 - Janitorial	0	0	0	0	0	0	0	0
0034 - Security	0	0	0	0	0	0	0	0
0035 - Occupancy	0	0	0	0	0	0	0	0
0040 - Other Services and Charges	0	30	30	0	0	30	30	0
0041 - Contractual Services	0	0	0	0	0	0	0	0
0050 - Subsidies and Transfers	0	0	0	0	0	0	0	0
0060 - Land and Building	0	0	0	0	0	0	0	0
0070 - Equipment	0	6	6	0	0	6	6	0
0080 - Debt Service	0	0	0	0	0	0	0	0
0091 - Expense Not Budgeted	0	0	0	0	0	0	0	0
<b>Non-Personal Services Subtotal</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>
FTE Authority	0	0	0	0	0	0	0	0

### Committee Adjustments to Operating Budget

The Committee makes no adjustments to the proposed operating budget for Human Support Services.



### Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FTE authority for Human Support Services.

### Committee Policy Recommendations

The Committee makes the following policy recommendations specific to HHS:

- By October 1, 2011, the DMHSS shall report to the Council on efforts to maximize available federal Medicaid revenue within the agencies under the purview of the DMHSS.
- By October 1, 2011, the DMHSS shall report to the Council on implementation of federal health care reform as it related to all agencies under the purview of the DMHSS.
- By October 1, 2011, the DMHSS shall provide a report to the Council on all consent decrees/court orders that have an impact on agencies under the purview of the DMHSS

### Committee Analysis and Comments

Though the Committee is not making any changes to the budget as proposed for DMHSS, it is recommending that the Deputy Mayor report back to the Council on certain issues that have a direct impact on the budgets under the purview of her office. Specifically, the Committee recommends that the Deputy Mayor provide a report to the Council on efforts to maximize Medicaid revenue, the implementation of federal health care reform, and compliance with judicial court orders and consent decrees. Each one of these will have a direct and immediate impact on FY12 expenditures of the agencies under the purview of the DMHSS and therefore require additional oversight by the Council.

### III. FY12 BUDGET REQUEST ACT RECOMMENDATIONS

On April 1, 2011, Chairman Brown introduced on behalf of the Mayor the Fiscal Year 2012 Budget Request Act of 2011 (Bill 19-202). The Committee recommends the following changes to Bill 19-202:

#### TITLE III--DISTRICT OF COLUMBIA FUNDS – DIVISION OF EXPENSES OPERATING EXPENSES

##### Human Support Services

Fund shall remain available until expended; to be allocated as follows;

...

(3) Department of Mental Health. –\$164,592,000 (including \$153,884,000 from local funds, \$1,706,000 from Federal grant funds, \$4,916,000 from Medicaid payments, and \$4,086,000 from other funds); in addition to the funds otherwise appropriated under this Act, the Department of Mental Health may expend any funds that are or were paid by the United States Virgin Islands to the District in fiscal year 2011 or fiscal year 2012 to compensate the District for care previously provided by the District to patients at the St. Elizabeths hospital and are not otherwise appropriated under this act, provided further, that the funds shall be expended in a manner determined by the Director of the Department of Mental Health;

(4) Department of Health. –~~\$227,582,000~~ \$227,853,000 (including \$78,172,000 from local funds, \$136,706,000 from Federal grant funds, ~~\$7,490,000~~ \$7,761,000 from other funds, \$214,000 from private funds, and \$5,000,000 from funds previously appropriated in this Act under the heading –Federal Payment for HIV/AIDS Prevention||); provided further, that any funds deposited into the Health Professional Recruitment Fund, established by section 16a of the District of Columbia Health Professionals Recruitment Program Act of 2005, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 7-751.15a), including unspent funds from prior fiscal years, shall remain available until expended;

...

(16) Department of Healthcare Finance. – ~~\$2,144,049,000~~ \$2,144,246,000 (including \$667,713,000 from local funds (including \$50,613,000 from dedicated taxes), \$15,399,000 from Federal grant funds, ~~\$1,458,913,000~~ \$1,459,110,000 from Medicaid payments, and \$2,024,000 from other funds); provided, that any funds deposited into the Healthy DC Fund, established by section 15b of the Hospital and Medical Services Corporation Regulatory Act of 1996, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02), including unspent funds from prior fiscal years, shall remain available until expended; provided further, that any funds deposited into the Nursing Facility Quality of Care Fund, established by D.C. Official Code § 47-1262, including unspent funds from prior fiscal years, shall remain available until expended; and

(17) Deputy Mayor for Health and Human Service. - \$698,000 from local funds.

### **ENTERPRISE AND OTHER FUNDS**

#### **Not-For-Profit Hospital Corporation**

For the Not-For-Profit Hospital Corporation, ~~\$117,223,000~~ \$126,879,000 from other funds.

## IV. FY12 BUDGET SUPPORT ACT RECOMMENDATIONS

On April 1, 2011, Chairman Brown introduced on behalf of the Mayor Bill 19-203, the Fiscal Year 2012 Budget Support Act of 2011. The bill as introduced did not contain any subtitles that directly impact the proposed budgets of the agencies under the purview of the Committee. As such, the Committee was not referred any subtitles for review and comment. The Committee does, however, recommend that the following new subtitles be included in the measure moving forward:

- A. MHRS Eligibility
- B. Medicaid State Plan
- C. Mental Health Services

### A. MHRS ELIGIBILITY

The Committee recommends the following subtitle, which will direct DMH to issue regulations regarding eligibility for the locally-funded mental health rehabilitation services program.

*Long Title:*

To require the Department of Mental Health to issue regulations regarding eligibility for locally-funded mental health rehabilitation services;

*BSA Language:*

Sec. 5XXX. Short title.

This subtitle may be cited as the “Mental Health Services Eligibility Act of 2011”.

Sec. 5XXX. Mental health eligibility requirements.

By October 1, 2011, the Department of Mental Health shall issue rules governing eligibility for locally-funded mental health rehabilitation services. At a minimum, such rules shall limit eligibility to:

- (1) District residents;
- (2) Individuals who are not eligible for Medicaid or Medicare or are not enrolled in any other third-party insurance program; provided, that eligibility or enrollment in the D.C. HealthCare Alliance shall not preclude eligibility for locally-funded mental health rehabilitation services;
- (3) Individuals who live in households with a countable income of less than 200 percent of the Federal Poverty Level; and
- (4) Individuals who meet the definition of “children and youth with mental health problems” and “adults with mental illness” as set forth in D.C. Official Code § 7-1131.02.

*Section-by-Section Analysis:*

Sec. 5XXX. States the short title of this subtitle.

Sec. 5XXX. Requires the Department of Mental Health to issue regulations regarding eligibility for locally-funded MHRS services.

*Impact on Existing Law:*

None.

*Rationale:*

A recent analysis of the DMH's locally-funded mental health rehabilitation services program revealed that the District is currently paying 100 percent of the cost of care for hundreds of individuals who are actually enrolled in or eligible for Medicaid or Medicare. In addition, a number of local MHRS enrollees were identified as having private insurance or having incomes greater than the current limits for other publicly financed programs. Placing certain eligibility restrictions on who can access these locally-funded services will ensure that the District is spending its limited local funds on those individuals for whom the services are most needed.

## B. MEDICAID STATE PLAN

The Committee recommends the following subtitle, which will provide for Council approval of a Medicaid state plan amendment regarding the formula used for pharmaceutical reimbursements.

*Long Title:*

To amend An Act to enable the District of Columbia to receive federal assistance under title XIX of the Social Security Act for a medical assistance program and for other purposes to authorize the Mayor to submit medical assistance plans to the Secretary of the United States Department of Health and Human Services;

*BSA Language:*

Sec. 5XXX. Short title.

This subtitle may be cited as the "Medical Assistance Program Amendment Act of 2011".

Sec. 5XXX. State plan approval.

Section 1(a) of An Act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program and for other purposes, approved December 27, 1967 (81 Stat. 744; D.C. Official Code § 1-307.02(a)), is amended by adding a new paragraph (5) to read as follows:

"(5) Review and approval by the Council of the Fiscal Year 2012 Budget and Financial Plan shall constitute the Council review and approval required by paragraph 2 of this subsection of any modification or waiver to the state plan required to change the methodology used for the reimbursement for single source brand name drugs from the average wholesale price minus 10% to wholesale acquisition cost plus 3%."

*Section-by-Section Analysis:*

Sec. 5XXX. States the short title of this subtitle.

Sec. 5XXX. Provides for Council approval of a Medicaid state plan amendment regarding the formula used for pharmaceutical reimbursements.

*Impact on Existing Law:*

Amends section 1(a) of An Act to enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program and for other purposes, approved December 27, 1967 (81 Stat. 744; D.C. Official Code § 1-307.02(a)), by adding a new paragraph 5.

*Rationale:*

Included in the DHCF FY12 budget is \$1.266 million in local savings to be achieved by changing certain pharmaceutical reimbursement methodologies. Specifically, the Department of Health Care Finance has proposed to utilize the wholesale acquisition cost rather than the average wholesale cost when determining the reimbursement for certain pharmaceuticals. Making such a change, however, will require an amendment to the District's Medicaid state plan which must come to the Council for a 30-day review period before it can be approved by the federal government.

Given that the savings associated with implementation of this change have been included in the budget as proposed for DHCF, the failure to obtain timely implementation would result in a spending pressure within DHCF. As such, this subtitle will provide for the necessary Council approval to ensure that the state plan amendment can be submitted to the federal

government for approval as soon as possible and that DHCF can obtain the full \$1.266 in local savings.

## C. MENTAL HEALTH SERVICES

The Committee recommends the following subtitle, which will clarify certain duties of the Department of Mental Health in the delivery of mental health services.

### *Long Title:*

To amend the Department of Mental Health Establishment Act of 2001 to clarify the duties of the Department of Mental Health in the delivery of mental health services;

### *BSA Language:*

Sec. 5XXX. Short title.

This subtitle may be cited as the "Department of Mental Health Establishment Act Amendment Act of 2011".

Sec. 5XXX. Mental health services.

Section 103(e) of the Department of Mental Health Establishment Act of 2001, effective December 18, 2001 (D.C. Law 14-56; D.C. Official Code 7-1131.03(e)), is amended by striking the period at the end of the sentence and inserting the following in its place: “; provided, that nothing in this section precludes the Department from establishing by regulation a mental health benefit program or plan based upon eligibility of non-eligibility for Medicaid, Medicare or private insurance coverage.”

### *Section-by-Section Analysis:*

Sec. 5XXX. States the short title of this subtitle.

Sec. 5XXX. Clarifies that the Department has the authority to establish criteria for accessing certain mental health services based upon eligibility or non-eligibility for Medicaid, Medicare or other third-party insurance.

### *Impact on Existing Law:*

Amends section 103(e) of the Department of Mental Health Establishment Act of 2001, approved December 18, 2001 (D.C. Law 14-56; D.C. Official Code 7-1131.03(e)).

*Rationale:*

Inclusion of this language is necessary to clarify that the Department of Mental Health has the necessary authority to develop and operate a locally-funded safety net mental health services program for eligible individuals.



## **V. COMMITTEE ACTION AND VOTE**

On Thursday, May 12, 2011 at 1:00 p.m., the Committee met in the Council Chamber (Room 500) of the John A. Wilson Building to consider and vote on the Committee's proposed FY12 operating and capital budgets for the Departments of Health, the Department of Mental Health, the Department of Health Care Finance, the Not-for-Profit Hospital Corporation and the Deputy Mayor for Health and Human Services, recommendations for the FY12 Budget Request and Support Acts, and the Committee's FY10 performance oversight report. Committee Chairperson Catania first determined the presence of a quorum consisting of himself and Councilmembers Tommy Wells, Marion Barry, Yvette Alexander, and Mary Cheh.

Before providing a brief overview of the recommendations as contained in the draft report, Committee Chairperson Catania stated for the record that, while he believed the budgets as proposed for the agencies under the Committee's purview offered an appropriate balance between identifying cost-savings and ensuring the availability of health care services to District residents, he believed certain aspects of the proposal to be short-sighted and could end up costing the District more money in the long run. Chairperson Catania explained that, when possible, the Committee sought to restore these proposed reductions so that the District could continue our progress in developing the most robust public health care system in the nation.

Committee Chairperson Catania then provided the Committee with a brief overview of the FY12 recommendations for the Department of Health. He stated that the Mayor's FY12 budget proposal included approximately \$246 million in gross operating funds for the Department of Health and that the Committee recommends increasing the gross budget by \$271,000 in order to correctly reflect costs associated with the management and oversight of the District's Medical Marijuana program. Committee Chairperson Catania explained that as transmitted by the Mayor, the proposed FY12 budget mistakenly included these funds – and the associated FTEs – within the Alcoholic Beverage and Regulation Administration and not within the Department of Health and that the Committee worked with the Committee on Human Services to rectify this error.

Committee Chairperson Catania then offered a brief explanation regarding the Committee's recommendation to shift \$270,000 in local funds from the Department's Agency Management Program to the Health Regulation and Licensing Administration. He explained that certain overhead costs as proposed for FY12 were not based on actual Department usage and that those funds would be better used supporting health care programs rather than bloated fixed costs. He continued by explaining how these savings should be used, including the restoration of certain enforcement positions eliminated as part of the proposed budget and to fully fund the District's Pharmaceutical Academic Detailing Program.

Committee Chairperson Catania then provided an overview of some of the Committee's policy recommendations with respect to the Department of Health, including requirements

that the Department report back to the Council on a variety of health care issues as they relate to the FY12 budget.

The next item for discussion was the proposed FY12 budget for the Department of Mental Health. Committee Chairperson Catania stated that the Mayor's FY12 budget proposal included \$172.9 million in gross operating funds for this Department and that the Committee recommends an increase of \$300,000. He explained that these additional funds are the result of the Committee's work with the Department to identify programs and services that have under-performed with respect to Medicaid billing. Specifically, this increase recognizes the Department's adjusted projections related to federal Medicaid revenue for the Comprehensive Psychiatric Emergency Program. He continued by recommending that the Committee use the local savings associated with this additional federal revenue and restore a proposed \$300,000 reduction to the Court Assessment Center. Committee Chairperson Catania stated that the failure to fully fund the Assessment Center will result in hundreds of District youth going without needed mental health services. Not only will this put the health and safety of District youth at risk, but will inevitably cost the District more in the long run. He explained that unmet mental health needs can lead to academic failure, delinquency, crime, truancy, and ultimately incarceration and any reduction in the services designed to prevent these very outcomes is only putting off costs until a later date.

Committee Chairperson Catania then spoke to the Committee's policy recommendations for the Department of Mental Health, including requirements that the Department report to the Council on efforts to meet the targets set forth in the *Dixon* Consent Decree and efforts to collaborate with the University of the District of Columbia to implement a remote nurse education program.

Committee Chairperson Catania continued his remarks by providing an overview of the Committee's recommendations with respect to the Department of Health Care Finance. He explained that the Mayor's FY12 budget proposal included \$2.15 billion in gross operating funds for the Department – almost 20 percent of the District's total \$10.8 billion budget – and that the Committee recommends increasing the gross operating budget by \$197,000 to reflect increased projected federal reimbursement due to the Committee's restoration of certain FTEs that had been eliminated in the proposed FY12 budget. Specifically, the Committee recommends restoring 4 of the FTEs within the Department's division responsible for implementing federal health care reform. Committee Chairperson Catania explained that as proposed by the Mayor, this division would be left with just one full-time position to focus on what will be a substantial portfolio of issues as the District moves forward on a variety of health care reform initiatives. He stated that level of staffing is insufficient to meet the needs of the District and could result in lost opportunities to improve the health outcomes of District residents. In addition, limited staffing could substantially diminish the District's ability to seek and obtain increased federal funding as made available through the health care reform law.

Committee Chairperson Catania then spoke briefly about the proposed budget for the Not-for-Profit Hospital Corporation. He explained that there were no local funds associated

with the Hospital and that the FY12 budget as proposed represented just the authority to spend \$117.2 million in projected special purpose revenue. He continued by explaining the Committee's recommendation to increase the proposed spending authority to \$126.9 in order to accurately reflect projected FY12 revenue and ensure that the facility has sufficient spending authority to meet its obligations.

Committee Chairperson Catania also explained that the Committee was making no changes to the proposed FY12 budget of \$698,000 for the Deputy Mayor for Health and Human Services but instead is recommending that the Deputy Mayor report back to the Council on certain items that will have a substantial impact on actual implementation of the FY12 budget, including efforts to maximize federal Medicaid revenue and implementation of federal health care reform.

Committee Chairperson Catania then spoke briefly about the Committee's recommendations with respect to the FY12 Budget Request Act and the FY12 Budget Support Act. Committee Chairperson Catania explained that the Committee was recommending inclusion of three new subtitles for the Budget Support Act, two of which addressed management of the Department of Mental Health's locally-funded mental health safety net system. The third provided the necessary Council approval of a state plan amendment related to the reimbursement methodology for pharmaceutical costs under Medicaid. He also provided a quick statement regarding the Committee's FY10 Performance Oversight Report and his belief that all Committee's should undergo such a review at the conclusion of the performance oversight season.

Before moving the measures for a vote, Committee Chairperson Catania thanked each of the agency directors and their staffs for their work on the budget. He also thanked the staff of the Committee for their efforts. Committee Chairperson Catania then moved each of the measures in block and asked for any discussion.

Councilmember Barry thanked Committee Chairperson Catania for his hard work and dedication to health issues in the District. He spoke about the need to ensure improvements in the health outcomes and how he was pleased to see the Department of Health focus on certain chronic disease issues that plague District residents. Councilmember Alexander also thanked the Committee Chairperson for his work on the budget and for taking the time to attend community meetings in Ward 7 in order to discuss health issues with local residents. She also asked Committee Chairperson Catania if the budget as proposed made any specific recommendations regarding the management of a school-based health center located in Ward 7. Committee Chairperson Catania explained that it did not, but that he would be happy to work with her prior to first reading of the budget if additional language was necessary.

Hearing no more discussion Committee Chairperson Catania moved the measures which were unanimously approved with a 5-0 vote. However, prior to adjourning the meeting Councilmember Barry asked an additional question about the budget as proposed for the Department of Mental Health and its support of certain community residential facilities. Committee Chairperson Catania explained that the Committee has been working with the

Department on issues related to community residential facilities and while no specific funds have been identified for FY12 he would support inserting an additional reporting requirement on the Department regarding management of these homes. Councilmember Barry stated that he believed this to be a good response to his concerns and thanked Committee Chairperson Catania for his responsiveness.

Committee Chairperson Catania made a motion to reconsider the previous vote so that the new reporting requirement could be incorporated into the report. All members voted in support of the motion to reconsider, allowing Committee Chairperson Catania to make an oral amendment that would allow staff to include the previously discussed language in the final report as filed. Hearing no opposition, Committee Chairperson Catania then moved the following items in block:

- FY12 Operating and Capital Budgets for the Department of Health, the Department of Mental Health, the Department of Health Care Finance, the Not-for-Profit Hospital Corporation, and the Deputy Mayor for Health and Human Services
- Committee recommendations for the FY12 Budget Request Act
- Committee recommendations for the FY12 Budget Support Act
- FY10 Performance Oversight Report for the Department of Health, Department of Mental Health and the Department of Health Care Finance

Members in favor:	Committee Chairperson Catania, Councilmembers Wells, Barry, Alexander and Cheh
Members opposed:	None
Members abstaining:	None
Members absent:	None

The Committee's recommendations were unanimously adopted by a 5-0 vote.

Committee Chairperson Catania asked if there was any additional business before the Committee. Hearing none, the meeting was adjourned at 1:40 p.m.

## **VI. ATTACHMENTS**

- A. Department of Health FY12 Recommendations – Additional Detail
- B. Department of Mental Health FY12 Recommendations – Additional Detail
- C. Department of Health Care Finance FY12 Recommendations – Additional Detail
- D. Committee FY12 Budget Hearings' Witness Lists and Testimony
- E. Committee FY10 Performance Oversight Report