



**Senate Bill 826
(Chapter 23, Statutes of 2016)
Budget Act Highlights
Fiscal Year 2016-17**

California Department of Public Health

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CALIFORNIA DEPARTMENT OF PUBLIC HEALTH PROGRAM OVERVIEW

The mission of the California Department of Public Health (Public Health), a nationally-accredited public health department, is to optimize the health and well-being of the people in California, primarily through population-based programs, strategies, and initiatives.

Public Health's goals are to achieve health equity and eliminate health disparities; eliminate preventable disease, disability, injury, and premature death; promote social and physical environments that support good health for all; prepare for, respond to, and recover from emerging public health threats and emergencies; improve the quality of the workforce and workplace; and promote and maintain an efficient and effective organization. Public Health is working toward these goals through its programmatic and operational support activities and in collaboration with local health departments and other organizations throughout the State.

The Department is comprised of six Centers, which are: the Center for Chronic Disease Prevention and Health Promotion, the Center for Infectious Diseases, the Center for Family Health, the Center for Environmental Health, the Center for Health Care Quality, and the Center for Health Statistics and Informatics. In addition, the Department has the Emergency Preparedness Office, the Office of Public Affairs, the Office of Health Equity, the Office of Quality Performance and Accreditation, the Office of State Public Health Laboratory, and the Administration Division.

GENERAL BUDGET OVERVIEW

Public Health's budget supports activities and services that reinforce the State's commitment to the health and well-being of all Californians. For Fiscal Year (FY) 2016-17, the Budget Act provides \$3.005 billion for the support of Public Health programs and services, a decrease of 3.4 percent from the 2015 Budget Act. Of the amount approved, \$809 million is for State Operations and \$2.192 billion is for Local Assistance. The budget affirms the Department's commitment to address the public health needs of Californians.

Total Department Budget

Dollars in thousands*

Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
General Fund**	\$131,593	\$133,969	\$151,211	14.9%
Federal Funds	\$1,767,969	\$1,685,024	1,714,868	-3.0%
Special Funds & Reimbursements	\$1,211,973	\$1,148,356	1,138,638	-6.1%
Total Funds	\$3,111,547	\$2,967,349	\$3,004,717	-3.4%

*Numbers may not add or match to other statements due to rounding of budget detail.

**2016-17 3-YR Expenditures and Positions display totals in the Governor's Budget and Enactment Galleys do not include \$3.8 million General Fund for Capital Outlay.

The charts below and the narrative that follows describe the specific budget adjustments.

State Operations

Dollars in thousands*

State Operations by Program					
Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
Public Health Emergency Preparedness	4040	\$41,470	\$21,787	\$25,649	-38.2%
Public and Environmental Health	4045	\$509,899	\$497,183	\$503,867	-1.2%
Licensing & Certification	4050	\$260,219	\$276,944	\$279,073	7.2%
Administration	9900100	\$35,980	\$43,568	\$43,568	21.1%
Distributed Administration	9900200	-\$35,980	-\$43,568	-\$43,568	21.1%
Total State Operations		\$811,588	\$795,914	\$808,588	-0.4%

State Operations by Fund Source				
Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
General Fund	\$86,443	\$84,968	\$87,430	1.1%
Federal Fund	\$289,013	\$272,671	\$276,530	-4.3%
Special Funds & Reimbursements	\$436,132	\$438,275	\$444,628	1.9%
Total State Operations	\$811,588	\$795,914	\$808,588	-0.4%

*Numbers may not add or match to other statements due to rounding of budget detail.

Local Assistance

Dollars in thousands*

Local Assistance by Program					
Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
Public Health Emergency Preparedness		\$72,314	\$50,519	\$61,859	-14.5%
Public and Environmental Health		\$2,227,626	\$2,116,499	\$2,129,853	-4.4%
Licensing and Certification		\$0	\$618	\$618	-
Total Local Assistance		\$2,299,940	\$2,167,636	\$2,192,330	-4.7%

Local Assistance by Fund Source				
Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
General Fund	\$45,143	\$45,202	\$59,982	32.9%
Federal Fund	\$1,478,956	\$1,412,353	\$1,438,338	-2.7%
Special Funds & Reimbursements	\$775,841	\$710,081	\$694,010	-10.5%
Total Local Assistance	\$2,299,940	\$2,167,636	\$2,192,330	-4.7%

*Numbers may not add or match to other statements due to rounding of budget detail.

Capital Outlay

Dollars in thousands

Capital Outlay by Program					
Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
Capital Outlay	4060	\$4,333	\$3,799	\$3,799	-12.3%
Total Capital Outlay		\$4,333	\$3,799	\$3,799	-12.3%

Capital Outlay by Fund Source				
Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 Enacted Budget	% Change from 2015-16 Enacted Budget
General Fund	\$4,333	\$3,799	\$3,799	-12.3%
Total Capital Outlay	\$4,333	\$3,799	\$3,799	-12.3%

PROGRAMMATIC ADJUSTMENTS

The specific adjustments listed below reflect the major budgetary changes since the release of the 2016-17 Governor’s Budget. The major changes include May Revision Letters, Estimates, and additions by the Legislature.

References to “GF” are to the General Fund; “OF” refers to Other Funds including Special Funds, Federal Funds, and Reimbursements; and “TF” represents Total Funds.

I. Public Health Emergency Preparedness Program

This program coordinates preparedness and response activities for all public health emergencies, including natural disasters, acts of terrorism, and pandemic diseases. The program plans and supports surge capacity in the medical and public health systems to meet needs during emergencies. The program also administers federal and state funds that support the Department’s emergency preparedness activities. There are no major adjustments.

II. Center for Chronic Disease Prevention and Health Promotion

This Center works to prevent and control chronic diseases such as cancer, cardiovascular diseases, asthma, adverse pregnancy outcomes, and diabetes; to reduce the prevalence of obesity; to reduce tobacco use; to provide training programs for the public health workforce; to prevent and control injuries, violence, deaths, and diseases related to behavioral, environmental, and occupational factors; to promote and support safe and healthy environments in all communities and workplaces; and to prevent and treat problem gambling. This Center includes the Division of Chronic Disease and Injury Control, the Division of Environmental and Occupational Disease Control, and the Office of Problem Gambling. Major budget adjustments include:

2016-17 Budget Adjustments

Childhood Lead Poisoning Prevention Mapping

\$180,000 TF
\$180,000 OF

The Budget Act reflects an increase of \$180,000 in Childhood Lead Poisoning Prevention Fund (Fund 0080) expenditure authority in State Operations. This increase will allow for the Geographic Information System mapping of children with elevated lead levels, which can assist in describing the locations of lead exposure. This information resides in the Response and Surveillance System for Childhood Lead Exposures, which tracks the lead poisoning prevention and lead poisoning case management activities statewide.

Proposition 99 Health Education Account

\$2,100,000 TF
\$2,100,000 OF

The Budget Act reflects an increase of \$2.1 million in Proposition 99 Health Education Account (Fund 0231) as a result of updated Proposition 99 revenue projections. This includes increases for Media Campaign of \$1,360,000, Competitive Grants (Support and Local Assistance) of \$190,000, and Evaluation of \$550,000. The funds will be used for statewide and community education efforts aimed at preventing and reducing tobacco use, and to conduct surveillance and evaluation that assess the impact of the California Tobacco Control Program. The one-time augmentation for the Media Campaign will be used to develop and conduct an education and outreach campaign focused on the 2016 Special Session Tobacco Bills (SB X2-5 and SB X2-7).

Proposition 99 Research Account

\$226,000 TF
\$226,000 OF

The Budget Act reflects an increase of \$226,000 in Proposition 99 Research Account (Fund 0234) in State Operations. This includes a \$113,000 increase to the Chronic Disease Surveillance and Research Branch and a \$113,000 increase to the Environmental Health Investigations Branch. The funds will be used to continue improving cancer data production and quality assurance through automation, and conducting community-based research activities related to exposure and health effects from electronic cigarettes.

Proposition 99 Unallocated Account

\$119,000 TF
\$119,000 OF

The Budget Act reflects an increase of \$119,000 in Proposition 99 Unallocated Account (Fund 0236) in State Operations in the Center for Health Statistics and Informatics. The funds will be used to continue supporting the California Health Interview Survey (CHIS), a collaboration between the University of California, Los Angeles, Public Health, Department of Health Care Services (DHCS), and the Public Health Institute. CHIS is a large, biennial, population-based general health survey that interviews Californians on a variety of health issues and behaviors. It is the nation's largest state health survey and is a critical source of data on Californians. Of particular importance is that CHIS is a critical source of data on the state's various racial and ethnic populations.

School-Based Health Centers

2.0 Positions
\$600,000 TF
\$600,000 OF

The Budget Act reflects an increase of 2.0 positions and \$600,000 in Tobacco Settlement Fund (Fund 3020) expenditure authority in State Operations for two years. This increase will provide technical assistance for the development and expansion of school-based health centers.

Children’s Dental Disease Prevention Program

\$3,200,000 TF
\$3,200,000 GF

The Budget Act reflects an increase of \$3.2 million in General Fund (Fund 0001) expenditure authority. This increase includes \$320,000 in State Operations and \$2.88 million in Local Assistance to provide state operated school-based oral health prevention services to low-income children. The activities may include fluoride supplementation, dental sealants, and oral health education.

Alzheimer’s Early Detection

\$2,500,000 TF
\$2,500,000 GF

The Budget Act reflects an increase of \$2.5 million in General Fund (Fund 0001) expenditure authority in Local Assistance. This one-time increase will help determine the standard of care in early and accurate diagnosis of Alzheimer’s disease, provide professional outreach and education, and evaluate the educational effectiveness of these efforts.

Biomonitoring Program

\$600,000 TF
\$600,000 GF

The Budget Act reflects an increase of \$600,000 in General Fund (Fund 0001) expenditure authority in State Operations. This one-time increase will be used to conduct one to two studies specific to environmental impacts on the health of vulnerable populations in California.

Drug Overdose Prevention (Naloxone) Program

\$3,000,000 TF
\$3,000,000 GF

The Budget Act reflects an increase of \$3 million in General Fund (Fund 0001) expenditure authority. This one-time increase includes \$300,000 in State Operations and \$2.7 million in Local Assistance to establish a grant program for local agencies and community-based organizations to reduce the rate of fatal drug overdose caused by prescription analgesics and other drugs.

II. Center for Infectious Diseases

This Center works to prevent and control infectious diseases such as HIV/AIDS, viral hepatitis, influenza and other vaccine preventable illnesses, tuberculosis, emerging infections, vector-borne disease, sexually transmitted diseases, infant botulism, and foodborne illnesses. This Center includes the Division of Communicable Disease Control, the Office of AIDS, the Office of Binational Border Health, and the Office of Refugee Health. Major budget adjustments include:

AIDS Drug Assistance Program (ADAP) May 2016 Estimate

-\$6,285,000 TF
-\$6,285,000 OF

The Budget Act reflects a net decrease of \$6.3 million in ADAP expenditure authority. This includes a decrease of \$39.2 million in the ADAP Rebate Fund (Fund 3080) and an increase of \$32.9 million in the Federal Trust Fund (Fund 0890). This decrease is largely due to clients being able to access public or private health insurance coverage through the implementation of the Affordable Care Act in FY 2015-16. The Office of AIDS expects the number of clients leaving ADAP for Medi-Cal expansion to stabilize in FY 2016-17.

ADAP Policy Changes: Establishment of HIV Pre-Exposure Prophylaxis (PrEP) Affordability Program, Elimination of ADAP Share of Cost, and Expanded ADAP Coverage of Insurance Premiums, Copays, Coinsurance, and Deductibles

\$9,600,000 TF
\$9,600,000 OF

The Budget Act reflects an increase of 4.0 permanent positions and \$9.6 million in ADAP Rebate Fund (Fund 3080) expenditure authority. This increase includes \$470,000 in State Operations and \$9.13 million in Local Assistance. Of the \$9.6 million total, \$1.0 million is to develop a Pre-Exposure Prophylaxis (PrEP) Affordability Program to cover PrEP-related copays, coinsurance, and deductibles incurred by all individuals accessing PrEP in California, and

\$8.6 million is to cover premiums, copays, coinsurance, and deductibles incurred by all eligible people living with HIV/AIDS.

Hepatitis Initiatives

\$1,400,000 TF
\$1,400,000 GF

The Budget Act reflects an increase of \$1.4 million in General Fund (Fund 0001) expenditure authority. This one-time increase includes \$200,000 in State Operations to provide technical assistance to local governments and community-based organizations to increase the number of syringe exchange and disposal programs and the number of jurisdictions in which syringe exchange and disposal programs are authorized. This increase also includes Local Assistance funding to do the following: \$500,000 to certify non-medical personnel to perform rapid hepatitis C virus and HIV testing in community-based settings, \$100,000 to purchase and distribute hepatitis B vaccines to local health jurisdictions, and \$600,000 to purchase hepatitis C rapid test kits to distribute to community-based testing programs.

Sexually Transmitted Disease (STD) Prevention Program

\$5,000,000 TF
\$5,000,000 GF

The Budget Act reflects an increase of \$5.0 million in General Fund (Fund 0001) Local Assistance expenditure authority. This one-time increase will be distributed to local health jurisdictions under the current funding formula and will target areas of the state that have higher rates of STDs.

IV. Center for Family Health

The Center for Family Health focuses on improving health and birth outcomes and reducing health disparities for families, including women of reproductive age, pregnant and breastfeeding women, infants, children, and adolescents. This Center includes the Genetic Disease Screening Program (GDSP), the Maternal, Child and Adolescent Health Program (MCAH), and the Women, Infants, and Children Special Supplemental Nutrition Program (WIC). Major budget adjustments include:

GDSP May Estimate

\$15,170,000 TF
\$15,170,000 OF

The Budget Act reflects an increase of \$15.2 million in expenditure authority for the Genetic Disease Testing Fund (Fund 0203). This increase is due to a cost increase in the contract for operational support for the maintenance and operation of the Screening Information System (SIS), transition of SIS from the

DHCS to Public Health, and the maintenance and operation of the accounts receivable system.

WIC Nutrition Program May Estimate

-\$17,931,000 TF
-\$17,931,000 OF

The Budget Act reflects a net decrease of \$17.9 million in Local Assistance expenditure authority for WIC. This includes a decrease of \$18.3 million in the Federal Trust Fund (Fund 0890) and an increase of \$345,000 in the WIC Manufacturer Rebate Fund (Fund 3023). This change is due to a decrease in participation for the current year and revised future birth rate projections as reported by the Department of Finance’s Demographic Research Unit.

V. Center for Health Statistics and Informatics

This Center works to improve public health by developing data systems and facilitating the collection, validation, analysis, and dissemination of health information and demographic information on the California population. This Center includes Vital Records and Public Health Informatics. There are no major budget adjustments.

VI. Center for Environmental Health

This Center works to protect and improve the health of all California residents by ensuring the safety of food, drugs, and medical devices; conducting environmental management programs; and overseeing the use of radiation through investigation, inspection, laboratory testing, and regulatory activities. This Center includes the Division of Food, Drug, and Radiation Safety, the Environmental Management Branch, the Drinking Water Radiation Laboratory Branch, and the Office of Medical Cannabis. Major budget adjustments include:

Centers for Disease Control and Prevention Foundation, Institute of Medicine: Health Consequences of Marijuana Study

\$500,000 TF
\$500,000 GF

The Budget Act reflects an increase of \$500,000 in General Fund (Fund 0001) expenditure authority in Local Assistance. This one-time increase is to support a study analyzing the health risks associated with the use of marijuana for medical and/or recreational purposes.

2016 Special Session Tobacco Bills (SB X2-5 and SB X2-7)

10.0 Positions
\$1,042,000 TF
\$1,042,000 GF

The Budget Act reflects an increase of 10.0 permanent positions and \$1.0 million in General Fund (Fund 0001) expenditure authority in State Operations. This increase includes \$985,000 for the support of undercover inspections to ensure compliance with the federal STAKE Act for both electronic cigarettes and the increase in the legal smoking age. It also includes \$57,000 for the STAKE Act regulations update, required by SB X2-7 and SB X2-5, which specifies how compliance checks are to be conducted.

VII. Center for Health Care Quality

This Center regulates the quality of care in approximately 7,500 public and private health facilities, clinics, and agencies throughout the state; licenses nursing home administrators, and certifies nurse assistants, home health aides, and hemodialysis technicians. A major budget adjustment includes:

Licensing and Certification - Los Angeles County Contract

\$2,134,000 TF
\$2,134,000 OF

The Budget Act reflects an increase of \$2.1 million in State Department of Public Health Licensing and Certification Program Fund (Fund 3098) expenditure authority in State Operations. This increase will fund the Los Angeles County contract for union-negotiated salary increases, a revised employee benefit rate, and an updated indirect cost rate. With the additional resources requested in this proposal, Los Angeles County will be able to fill all contractually authorized positions.