



**May Revision Highlights
Fiscal Year 2016-17**

California Department of Public Health

**Edmund G. Brown Jr.
Governor
State of California**

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Secretary
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CALIFORNIA DEPARTMENT OF PUBLIC HEALTH PROGRAM OVERVIEW

The mission of the California Department of 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 equities 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, 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 May Revision provides \$2.978 billion for the support of Public Health programs and services, an increase of 0.4 percent from the 2016-17 Governor’s Budget. Of the amount approved, \$805 million is for State Operations and \$2.169 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*

Governor’s Budget Fund Source	2015-16 Enacted Budget	2016-17 Governor’s Budget**	2016-17 May Revision	% Change from 2016-17 Governor’s Budget
General Fund	\$131,593	\$133,969	\$134,469	0.4%
Federal Funds	\$1,767,969	\$1,685,024	\$1,714,863	1.8%
Special Funds & Reimbursements	\$1,211,973	\$1,148,356	\$1,128,397	-1.7%
Total Funds	\$3,111,547	\$2,967,349	\$2,977,729	0.4%

*Numbers may not add or match to other statements due to rounding of budget detail. **2016-17 Governor’s Budget 3-YR Expenditures and Positions display totals 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					
Governor's Budget Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
Public Health Emergency Preparedness	4040	\$41,470	\$21,787	\$25,647	17.7%
Public and Environmental Health	4045	\$509,899	\$497,183	\$500,290	0.6%
Licensing & Certification	4050	\$260,219	\$276,944	\$279,073	0.8%
Administration	9900100	\$35,980	\$43,568	\$43,568	0.0%
Distributed Administration	9900200	-\$35,980	-\$43,568	-\$43,568	0.0%
Total State Operations		\$811,588	\$795,914	\$805,010	1.1%

State Operations by Fund Source				
Governor's Budget Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
General Fund	\$86,443	\$84,968	\$84,968	0.0%
Federal Fund	\$289,013	\$272,671	\$276,525	1.4%
Special Funds & Reimbursements	\$436,132	\$438,275	\$443,517	1.2%
Total State Operations	\$811,588	\$795,914	\$805,010	1.1%

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

Local Assistance

Dollars in thousands*

Local Assistance by Program					
Governor's Budget Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
Public Health Emergency Preparedness	4040	\$72,314	\$50,519	\$61,859	22.4%
Public and Environmental Health	4045	\$2,227,626	\$2,116,499	\$2,106,443	-0.5%
Licensing and Certification	4050	\$0	\$618	\$618	0.0%
Total Local Assistance		\$2,299,940	\$2,167,636	\$2,168,920	0.1%

Local Assistance by Fund Source				
Governor's Budget Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
General Fund	\$45,143	\$45,202	\$45,702	1.1%
Federal Fund	\$1,478,956	\$1,412,353	\$1,438,338	1.8%
Special Funds & Reimbursements	\$775,841	\$710,081	\$684,880	-3.5%
Total Local Assistance	\$2,299,940	\$2,167,636	\$2,168,920	0.1%

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

Capital Outlay

Dollars in thousands

Capital Outlay by Program					
Governor's Budget Program Title	Program	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
Capital Outlay	4060	\$4,333	\$3,799	\$3,799	0.0%
Total Capital Outlay		\$4,333	\$3,799	\$3,799	0.0%

Capital Outlay by Fund Source				
Governor's Budget Fund Source	2015-16 Enacted Budget	2016-17 Governor's Budget	2016-17 May Revision	% Change from 2016-17 Governor's Budget
General Fund	\$4,333	\$3,799	\$3,799	0.0%
Total Capital Outlay	\$4,333	\$3,799	\$3,799	0.0%

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 and Estimates.

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 care 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 Chronic Disease and Injury Control, 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 May Revision reflects an increase in expenditure authority of \$180,000 from the Childhood Lead Poisoning Prevention Fund (Fund 0080). 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 May Revision reflects an increase of \$2.1 million in the Proposition 99 Health Education Account (Fund 0231) as a result of updated Proposition 99 revenue projections. This includes an increase to State Operations appropriations for Media Campaign of \$360,000, Competitive Grants (Support and Local Assistance) of \$190,000, and Evaluation of \$1.5 million. The funds will be used for statewide and community education and media efforts aimed at preventing and reducing tobacco use, and to conduct surveillance and evaluation that assess the impact of the California Tobacco Control Program.

Proposition 99 Research Account

\$198,000 TF
\$198,000 OF

The May Revision reflects an increase of \$198,000 in Proposition 99 Research Account (Fund 0234) for State Operations. This includes a \$99,000 increase to the Chronic Disease Surveillance and Research Branch and a \$99,000 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 May Revision reflects an increase of \$119,000 in Proposition 99 Unallocated Account (Fund 0236) for State Operations in the Center for Health Statistics and Informatics. The funds will be used to continue supporting 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 critical source of data on Californians, as well as providing data on the state's various racial and ethnic populations.

III. 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:

2015-16 Budget Adjustments

AIDS Drug Assistance Program (ADAP) May 2016 Estimate

-\$11,430,000 TF

-\$11,430,000 OF

The May Revision Estimate reflects a current year decrease of \$11.4 million in ADAP expenditure authority. This includes a decrease of \$5.5 million in the ADAP Rebate Fund (Fund 3080) and a decrease of \$5.9 million in the Federal Trust Fund (Fund 0890). This decrease is largely due to clients continuing to transition to public or private health insurance coverage through the implementation of the Affordable Care Act.

2016-17 Budget Adjustments

ADAP May 2016 Estimate

-\$6,285,000 TF

-\$6,285,000 OF

The May Revision Estimate reflects a budget year 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.

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, and 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:

2015-16 Budget Adjustments

GDSP May Estimate

\$3,970,000 TF

\$3,970,000 OF

The May Revision Estimate reflects a current year increase of \$3.97 million in Local Assistance expenditure authority for the Genetic Disease Testing Fund (Fund 0203). This increase is attributed to an increased cost in the contract for

Operational Support for maintenance and operations (M&O) for the Screening Information System (SIS) and Accounts Receivable (AR) system, lockbox services, and specimen shipping cost from collection sites to the labs.

WIC Nutrition Program May Estimate

-\$20,194,000 TF
-\$20,194,000 OF

The May Revision Estimate reflects a current year decrease of \$20.2 million in expenditure authority for the WIC Nutrition Program. This includes a decrease of \$17.2 million in the Federal Trust Fund (Fund 0890) for Local Assistance expenditures and a decrease of \$3.02 million in the WIC Manufacturer Rebate Fund (Fund 3023). These decreases are due to lower than projected participation levels, similar to participation trends experienced nationwide.

2016-17 Budget Adjustments

GDSP May Estimate

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

The May Revision Estimate reflects a budget year increase of \$15.2 million in expenditure authority for the Genetic Disease Testing Fund (Fund 0203). This increase is due to an increase of cost in the contract for Operational Support for the M&O of SIS, transition of SIS from DHCS to Public Health, and the M&O of the AR system.

WIC Nutrition Program May Estimate

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

The May Revision Estimate reflects a budget year 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 decrease is due to a decrease in participation for current year and revised future birth rate projections as reported by the 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 Environmental Management, Drinking Water and Radiation Laboratory, and Food, Drug, and Radiation Safety. A major budget adjustment includes:

2016-17 Budget Adjustments

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

\$500,000 TF

\$500,000 OF

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

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:

2016-17 Budget Adjustments

Center for Health Care Quality May Estimate

\$2,134,000 TF

\$2,134,000 OF

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