



**Governor's Budget Highlights  
Fiscal Year 2014-15**

**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 (CDPH) is to optimize the health and well-being of the people in California, primarily through population-based programs, strategies, and initiatives.

The CDPH'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. The CDPH 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.

CDPH is comprised of six Public Health Centers as well as the Emergency Preparedness Office, Administration, the Office of Public Affairs, the Office of Health Equity, and the Office of Quality Performance and Accreditation.

### GENERAL BUDGET OVERVIEW

The CDPH budget supports activities and services that reinforce the state's commitment to the health and well-being of all Californians. For Fiscal Year (FY) 2014-15, the Governor's Budget provides \$3 billion for the support of CDPH programs and services, a decrease of 11.35% from the 2013-14 Budget Act enacted on June 27, 2013. Of the amount approved, 23%, or \$683.3 million is for State Operations and 77%, or \$2.3 billion is for Local Assistance. The budget affirms CDPH's commitment to address the public health needs of Californians.

#### Total CDPH Budget

Dollars in thousands

Governor's Budget Fund Source	2013-14 Enacted Budget	2013-14 Revised Budget	2014-15 Proposed (Governor's Budget)	% Change from 2013-14 Enacted Budget
General Fund	114,499	115,182	110,629	-3.38%
Federal Funds	1,926,389	1,888,068	1,732,974	-10.04%
Special Funds & Reimbursements	1,355,850	1,480,387	1,167,562	-13.89%
<b>Total Funds</b>	<b>3,396,738</b>	<b>3,483,637</b>	<b>3,011,165</b>	<b>-11.35%</b>

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

**State Operations**

Dollars in thousands

<b>State Operations by Program</b>					
<b>Governor's Budget Program Title</b>	<b>Program</b>	<b>2013-14 Enacted Budget</b>	<b>2013-14 Revised Budget</b>	<b>2014-15 Proposed (Governor's Budget)</b>	<b>% Change from 2013-14 Enacted Budget</b>
Public Health Emergency Preparedness	10	37,107	37,291	36,874	-0.63%
Public and Environmental Health	20	464,212	483,960	440,375	-5.14%
Licensing & Certification Administration	30	200,705	202,879	206,044	2.66%
Administration	40.01	33,789	34,158	33,798	0.00%
Distributed Administration	40.02	-33,789	-34,158	-33,798	0.00%
<b>Total State Operations</b>		<b>702,024</b>	<b>724,130</b>	<b>683,293</b>	<b>-2.67%</b>

<b>State Operations by Fund Source</b>				
<b>Governor's Budget Fund Source</b>	<b>2013-14 Enacted Budget</b>	<b>2013-14 Revised Budget</b>	<b>2014-15 Proposed (Governor's Budget)</b>	<b>% Change from 2013-14 Enacted Budget</b>
General Fund	82,542	83,225	78,970	-4.33%
Federal Funds	264,105	266,064	254,728	-3.55%
Special Funds & Reimbursements	355,377	374,841	349,595	-1.63%
<b>Total State Operations</b>	<b>702,024</b>	<b>724,130</b>	<b>683,293</b>	<b>-2.67%</b>

## Local Assistance

Dollars in thousands

<b>Local Assistance by Program</b>					
<b>Governor's Budget Program Title</b>	<b>Program</b>	<b>2013-14 Enacted Budget</b>	<b>2013-14 Revised Budget</b>	<b>2014-15 Proposed (Governor's Budget)</b>	<b>% Change from 2013-14 Enacted Budget</b>
Public Health Emergency Preparedness	10	60,724	60,724	60,724	0.00%
Public and Environmental Health	20	2,633,990	2,698,783	2,267,148	-13.93%
<b>Total Local Assistance</b>		<b>2,694,714</b>	<b>2,759,507</b>	<b>2,327,872</b>	<b>-13.61%</b>

<b>Local Assistance by Fund Source</b>				
<b>Governor's Budget Fund Source</b>	<b>2013-14 Enacted Budget</b>	<b>2013-14 Revised Budget</b>	<b>2014-15 Proposed (Governor's Budget)</b>	<b>% Change from 2013-14 Enacted Budget</b>
General Fund	31,957	31,957	31,659	-0.93%
Federal Fund	1,662,284	1,622,004	1,478,246	-11.07%
Special Funds & Reimbursements	1,000,473	1,105,546	817,967	-18.24%
<b>Total Local Assistance</b>	<b>2,694,714</b>	<b>2,759,507</b>	<b>2,327,872</b>	<b>-13.61%</b>

## **PROGRAMMATIC ADJUSTMENTS**

The specific adjustments listed below reflect the major budgetary changes since the passage of the 2013 Budget Act. The major changes include Budget Change Proposals and November 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**

The Public Health Emergency Preparedness 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 CDPH emergency preparedness activities. There are no major budget adjustments.

### **II. Center for Chronic Disease Prevention and Health Promotion**

This program 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 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 program includes Chronic Disease and Injury Control, Environmental and Occupational Disease Control, and the Office of Problem Gambling. Major budget adjustments include:

#### **2014-15 Budget Adjustments**

##### **Nutrition Education and Obesity Prevention Program Contract Conversion**

45 Positions  
\$0 TF  
\$0 OF

The Governor’s Budget reflects a conversion of contract staff to 45 state staff in the Nutrition Education and Obesity Prevention (NEOP) Branch. The personal services contract expires on September 30, 2014 and is federally funded by the United States Department of Agriculture through a reimbursement contract with the California Department of Social Services. NEOP Branch will continue to be one of the most successful nutrition

education programs in the country, and the contract conversion will develop and enhance state institutional capacity.

**Proposition 99 Health Education Account (HEA)**

- \$2,708,000 TF  
- \$2,708,000 OF

The Governor's Budget reflects a decrease of \$2.7 million in Proposition 99 Health Education Account (Fund 0231) funding to the California Tobacco Control Program due to reduced revenues. This includes a decrease to State Operations appropriations for Media Campaign of \$1.4 million and Competitive Grants of \$1.3 million.

**III. Center for Infectious Diseases**

This program works to prevent and control infectious diseases such as HIV/AIDS, viral hepatitis, influenza and other vaccine preventable illnesses, tuberculosis, emerging infections, and foodborne illnesses. This program includes Communicable Disease Control, the Office of AIDS (OA), and the Office of Bi-national Border Health. Major budget adjustments include:

**2013-14 Budget Adjustments**

**AIDS Drug Assistance Program (ADAP) November Estimate**

\$12,746,000 TF  
\$12,746,000 OF

The November Estimate reflects a current year net increase in ADAP funding authority of \$12.7 million compared to the 2013 Budget Act. This comprises an increase of \$46.4 million in the ADAP Rebate Fund (Fund 3080), an increase of \$24.3 million in the Federal Trust Fund, and a decrease of \$58.0 million in Reimbursements. The Center for Infectious Diseases' OA receives funds through the Ryan White Part B grant to support ADAP. This Local Assistance funding is a major source for direct prescription dispensing activities that will allow ADAP to adequately address the serious health needs of a vulnerable population of HIV-infected individuals throughout California, a population whose numbers continue to climb.

## **2014-15 Budget Adjustments**

### **ADAP November Estimate**

\$3,333,000 TF  
\$3,333,000 OF

The November Estimate reflects a budget year net increase in ADAP funding authority of \$3.3 million. This comprises a decrease of \$1.0 million in the ADAP Rebate Fund (Fund 3080), an increase of \$19.5 million in the Federal Trust Fund, and a decrease of \$15.2 million in Reimbursements.

### **Division of Communicable Disease Control (DCDC) Contract Conversion**

2 Positions  
-\$46,000 TF  
-\$46,000 OF

The Governor's Budget reflects a conversion of 2 contract staff to state staff in DCDC for a savings of \$46,000 in State Operations. The savings will be in the Infant Botulism Treatment and Prevention Fund (Fund 0272). This conversion will reduce reliance on contracting for essential program services.

### **Infant Botulism Treatment & Prevention Program**

\$3,000,000 TF  
\$3,000,000 OF

The Governor's Budget reflects an increase of \$3 million in the Infant Botulism Treatment and Prevention Fund (Fund 0272) in State Operations for the Center for Infectious Diseases. This appropriation will allow the Infant Botulism Treatment and Prevention Program to sustain BabyBIG® production, distribution, regulatory compliance, and other activities needed.

## **IV. Center for Family Health**

This program works to improve health outcomes and reduce disparities in access to health care for low-income families, including women of reproductive age, pregnant and breastfeeding women, and infants, children, and adolescents and their families. This program is comprised of the Genetic Disease Screening Program (GDSP), the Maternal, Child and Adolescent Health Program, and the Women, Infants, and Children Supplemental Nutrition Program (WIC). Major budget adjustments include:

## **2013-14 Budget Adjustments**

### **WIC November Estimate**

- \$76,637,000 TF  
- \$76,637,000 OF

The November Estimate reflects a decrease in current year Local Assistance expenditure authority of \$76.6 million for WIC compared to the 2013 Budget Act. Of this amount, \$64.6 million is from the Federal Trust Fund and \$12 million from the WIC Manufacturer Rebate Fund (Fund 3023). Federal Trust Fund decreases are due to lower reimbursement rates for small stores in accordance with USDA directive and lower participation. The WIC Manufacturer Rebate Fund (Fund 3023) decreases are due to a reduction in use of infant formula.

## **2014-15 Budget Adjustments**

### **GDSP November Estimate**

\$907,000 TF  
\$907,000 OF

The November Estimate reflects an increase of \$907,000 in Local Assistance expenditure authority in the Genetic Disease Testing Fund (Fund 0203). The increase in Local Assistance expenditure authority is attributable to a \$45 fee increase effective July 1, 2014 to the Prenatal Screening Program. The fee increase will bring the total fee to \$207. The fee covers a blood test for participating women and follow-up services offered to women with positive screening results. Although participation in the Prenatal Screening Program is voluntary, providers are required to offer screening to all women in California. The fee increase is necessary to correct for the historic overstatement of caseload and inadequate fee revenue in recent years to cover costs.

### **WIC November Estimate**

- \$67,418,000 TF  
- \$67,418,000 OF

The November Estimate reflects a decrease in budget year Local Assistance expenditure authority of \$67.4 million for WIC compared to the 2013 Budget Act. Of this amount, \$55.5 million is from the Federal Trust Fund and \$11.9 million is from the WIC Manufacturer Rebate Fund (Fund 3023). Federal Trust Fund decreases are due to lower reimbursement rates for small stores in accordance with USDA directive and lower participation. The WIC Manufacturer Rebate Fund (Fund 3023) decreases are due to a reduction in the use of infant formula.

## **V. Center for Health Statistics and Informatics**

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

## **VI. Center for Environmental Health**

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

### **2014-15 Budget Adjustments**

#### **Drinking Water Program (DWP) Reorganization**

-291.2 Positions  
-\$200,346,000 TF  
-\$4,895,000 GF  
-\$195,451,000 OF

The Governor's Budget reflects the transfer of 291.2 positions and \$200.3 million in expenditure authority to the State Water Resources Control Board (SWRCB) for the DWP and Environmental Laboratory Accreditation Program. Of the \$200.3 million reduction, \$45.2 million is for State Operations and \$155.1 million is for Local Assistance. This reorganization will align the state's drinking water and water quality programs in an integrated organizational structure.

## **VII. Center for Health Care Quality**

This program regulates the quality of care in approximately 8,000 public and private health facilities, clinics, and agencies throughout the state; licenses Nursing Home Administrators, and certifies Nurse Assistants, Home Health Aides, Hemodialysis Technicians, and other direct care staff. Major budget adjustments include:

**2014-15 Budget Adjustments**

**Licensing and Certification Program (L&C) November Estimate**

\$1,852,000 TF  
\$1,852,000 OF

The L&C November Estimate reflects a total increase in State Operations expenditure authority of \$1.9 million. This increase is associated with the Major Assumptions proposed in the FY 2014-15 November Estimate as follows: \$1.4 million from the Internal Departmental Quality Improvement Account (IDQIA) for L&C Program Evaluation; \$251,000 from the L&C Special Fund for transfer of the Medical Privacy Breach Enforcement Program from the California Office of Health Information Integrity to CDPH; and \$201,000 from the IDQIA to implement Senate Bill 534 (Chapter 722, Statutes of 2013) – State Licensing Standards for Chronic Dialysis Clinics, Rehabilitation Clinics, and Surgical Clinics.

**VIII. Additional CDPH Issues**

**2013-14 Budget Adjustments**

**Section 1.50 Item 4265-001-0001**

\$9,353,000 TF  
\$9,353,000 OF

The Governor's Budget reflects a current year increase of \$9.4 million in Reimbursement authority in State Operations compared to the 2013 Budget Act. The majority of the increase in Reimbursement authority is for the NEOP Branch as part of a realignment of the multi-year agreement to develop and maintain the Supplemental Nutrition Assistance Program (SNAP) Education (SNAP-Ed) Program with the California Department of Social Services. The remainder of the reimbursements consists of various contracts with other agencies.

**2014-15 Budget Adjustments**

**Health in All Policies Task Force**

4 Positions  
\$458,000 TF  
\$458,000 OF

The Governor's Budget reflects an increase of 4 positions and \$458,000 in State Operations expenditure authority for the Office of Health Equity to support the Health in All Policies Task Force. This will be funded by Departmental Administration.