



**FY2010 BUDGET RECOMMENDATION
AND OVERVIEW MATERIALS**

Presented to Joint Appropriations Committee
January 26, 2009

DEPARTMENT OF HEALTH MISSION STATEMENT

The mission of the South Dakota Department of Health is to:

- Reduce the incidence of preventable disease and premature death by promoting healthy behaviors in state residents.**
- Provide access to necessary, high quality health care to all state residents; and,**
- Efficiently manage resources necessary to administer public health programs.**

SOUTH DAKOTA DEPARTMENT OF HEALTH

SECRETARY
Doneen B. Hollingsworth

SPECIAL PROJECTS DIRECTOR
Dr. Gail Gray

STATE EPIDEMIOLOGIST
Dr. Lon Kightlinger

DIVISION OF ADMINISTRATION
Laurie Gill

PROFESSIONAL AND OCCUPATIONAL BOARDS

DIVISION OF HEALTH AND MEDICAL SERVICES
Colleen Winter

DIVISION OF HEALTH SYSTEMS DEV. AND REGULATION
Tom Martinec

DATA, STATISTICS,
AND VITAL RECORDS

CHIROPRACTIC EXAMINERS

DISEASE PREVENTION

LICENSURE AND CERTIFICATION

PUBLIC HEALTH LABORATORY

DENTISTRY

FAMILY HEALTH

HEALTH PROTECTION

FINANCIAL MANAGEMENT
Kari Weisbeck

HEARING AID DISPENSERS

FUNERAL SERVICE

COMMUNITY HEALTH SERVICES

RURAL HEALTH

PROGRAM SERVICES

MEDICAL AND OSTEO EXAM.

NURSING

HEALTH PROMOTION

PUBLIC HEALTH PREPAREDNESS AND RESPONSE

CORRECTIONAL HEALTH

NURSING HOME ADMIN.

OPTOMETRY

PHARMACY

PODIATRY EXAMINERS

MESSAGE THERAPISTS

Department of Health 2010 Initiative



Guiding Principles
 Encourage Use of Technology
 Emphasize Customer Service
 Reduce Health Disparities
 Work in Partnership

Improve Birth Outcomes and Health of Infants, Children and Adolescents in South Dakota

- ❖ Promote early and regular prenatal care for South Dakota mothers
- ❖ Improve South Dakota's age-appropriate immunization rate
- ❖ Reduce risky behaviors among children and adolescents

Key Performance Measures

- O - Reduce the infant mortality rate from 6.6 per 1,000 births in 2003 to 6 by 2010 (6.5 per 1,000 births in 2007)
- O - Increase the percent of two-year olds who are age-appropriately immunized from 83.4% in 2003 to 90% by 2010 (85.8% of 19-35 month olds were age-appropriately immunized in 2007)
- B - Reverse the trend and reduce the percent of school-age children & adolescents who are overweight or obese from 17% in 2003 to 15% by 2010 (16.3% of 5-19 year olds were overweight or obese in 2007-08 school year)
- B - Reduce the teen pregnancy rate from 19 per 1,000 teens age 15-17 in 2003 to 15 by 2010 (18.0 pregnancies per 1,000 teens age 15-17 in 2006)
- O - Reduce the number of youth in grades 9-12 who currently smoke from 28% in 2005 to 23% by 2010 (25% of youth in grades 9-12 reported smoking in the past 30 days in 2007)

Strengthen the Health Care Delivery System in South Dakota

- ❖ Sustain a competent workforce
- ❖ Provide effective oversight and assistance to assure quality health facilities, professionals and services
- ❖ Sustain essential healthcare services in rural and underserved areas
- ❖ Coordinate development and use of technology for the provision of healthcare services

Key Performance Measures

- O - Decrease the percent of vacancies for health professionals from 4.9% in 2005 to 4% by 2010 (percent of budgeted vacancies 4.2% in 2007)
- O - Increase the percent of South Dakota nursing facilities that participate in resident-directed or person-centered care to 50% (40.9% of nursing facilities participated in resident-directed/ person-centered care as of September 2008)
- O - Maintain a closure rate of zero for rural hospitals determined to be "access critical" (no access critical hospitals closed in 2008)
- A - At least 20% of all South Dakota hospitals use electronic medical records (32% of hospitals currently have ability to retrieve data at location of patient care in 2007)

Performance Measures: A – Ahead O – On schedule B – Behind C – Completed

Improve the Health Behaviors of South Dakotans to Reduce Chronic Disease (i.e., heart disease, cancer, stroke, diabetes)

- ❖ Enhance data collection systems to assess the chronic disease burden in South Dakota
- ❖ Strengthen our ability to promote healthy behaviors to prevent and control chronic disease
- ❖ Promote the *Healthy South Dakota Initiative* to help South Dakotans be physically active, eat healthy and live healthier lives

Key Performance Measures

- B - Reduce the percent of adults who are overweight or obese from 60% in 2003 to 55% by 2010 (65.5% of adults reported being overweight or obese in 2007)
- A - Increase the percent of adults who are physically active on a regular basis from 45% in 2003 to 50% by 2010 (52.2% of adults reported moderate physical activity in 2007)
- B - Increase the percent of adults who eat 5 fruits & vegetables a day from 19% in 2003 to 25% by 2010 (18.6% of adults reported eating 5 fruits & vegetables a day in 2007)
- O - Reduce percent of adults who smoke cigarettes from 22.7% in 2003 to 18% by 2010 (19.8% of adults reported smoking in 2007)

Advance South Dakota's Response to Emerging Public Health Threats

- ❖ Develop and maintain a standardized system for assessment and response of emerging public health threats
- ❖ Enhance the state's capacity to effectively manage emerging public health threats and emergencies
- ❖ Strengthen the department's capacity to respond to environmental health issues

Key Performance Measures

- O - Increase the percent of reportable diseases that are reported to the DOH within required time frames to 90% (75% (non-STD cases) in January through September 2008)
- O - Increase the number of public health and medical response partners connected to the Global Secure Response Management System by 100% per year (baseline – 107 connections at start of 2006) (1,052 connections as of December 2008)
- O - Increase the percent of health care facilities that are able to perform key response activities to 100% (100% of hospitals meet 3 of 6 key response activities; 98% meet 4 of 6 key response activities, 89% meet 5 of 6 key response activities, and 80% meet all key response activities)

Improve Birth Outcomes and Health of Infants, Children and Adolescents in South Dakota

- ❖Promote early and regular prenatal care for South Dakota mothers (*Darlene Bergeleen*)
 - Increase public and provider awareness of the importance of early and regular prenatal care
 - Strengthen links between public programs serving pregnant mothers and primary care providers to improve birth outcomes
 - Enhance activities and increase public awareness regarding the dangers of tobacco use by pregnant women and exposure to secondhand smoke
- ❖Improve South Dakota's age-appropriate immunization rate (*Bonnie Jameson*)
 - Educate providers and the public about the importance of immunizations
 - Enhance the immunization registry to allow for real-time access to immunization data for all public and private immunization providers in the state
 - Utilize non-traditional avenues for providing childhood immunizations
- ❖Reduce risky behaviors among children and adolescents (*Kayla Tinker*)
 - Promote activities directed at reducing the incidence of childhood obesity
 - Enhance activities designed to reduce teen pregnancy and the rate of sexually transmitted diseases among adolescents
 - Enhance activities and increase public awareness to reduce the use of tobacco products among children and adolescents

Improve the health behaviors of South Dakotans to reduce chronic disease (i.e., heart disease, cancer, stroke, diabetes)

- ❖Enhance data collection systems to assess the chronic disease burden in South Dakota (*Anthony Nelson*)
 - Work with partners to improve collection and timely access to disease/illness information
 - Enhance DOH data collection systems to improve the quality and timeliness of data
 - Improve accessibility and usability of DOH data and analysis
- ❖Strengthen our ability to promote healthy behaviors to prevent and control chronic disease (*Linda Ahrendt*)
 - Work with partners to implement statewide plans to reduce the burden of chronic disease (i.e., cancer, diabetes, tobacco, nutrition/physical activity) including the development and implementation of policies and environmental changes to support health behaviors and manage chronic disease
 - Enhance efforts to provide technical assistance and resources for individuals, families, communities, schools, employers, and health care providers to promote healthy behaviors and prevent chronic disease
 - Increase public awareness of the importance of chronic disease screening (i.e., mammograms, pap smears, colorectal screening, diabetes, cholesterol, hypertension, etc.)
- ❖Promote the *Healthy South Dakota Initiative* to help South Dakotans across the lifespan to be physically active, eat healthy and live healthier lives (*Kristin Biskeborn*)
 - Market and enhance the *Healthy South Dakota* website
 - Promote ongoing public education to support the *Healthy South Dakota Initiative*
 - Utilize state government as a model for workplace wellness programs and activities

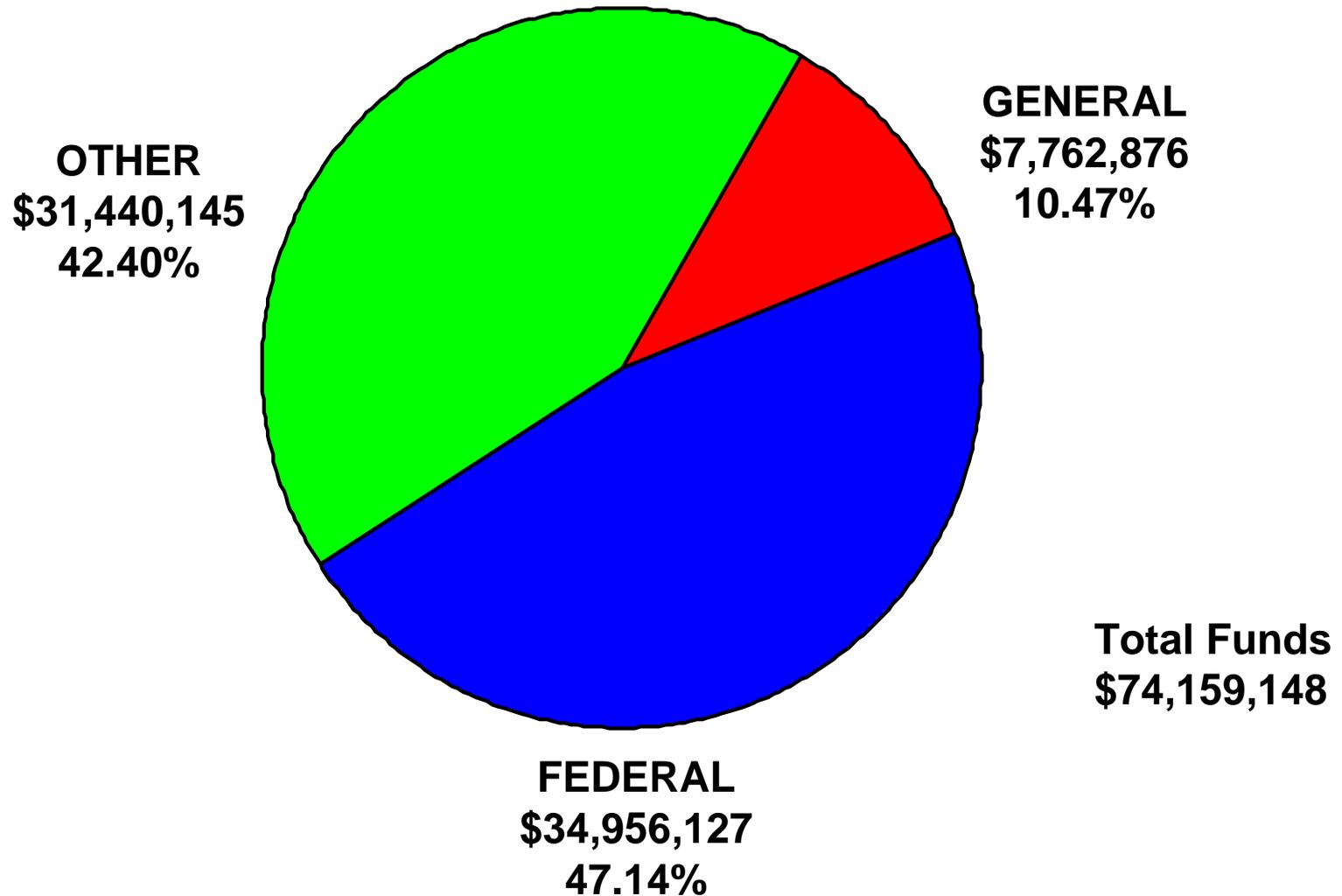
Strengthen the health care delivery system in South Dakota

- ❖Sustain a competent workforce (*Halley Lee*)
 - Enhance and utilized healthcare workforce projections and plan for future healthcare workforce needs
 - Promote healthcare careers to school-aged children and young adults
 - Promote health profession recruitment and retention programs
- ❖Provide effective oversight and assistance to assure quality health facilities, professionals and services (*Bob Stahl*)
 - Assure healthcare facilities meet minimum standards for quality
 - Enhance technical assistance, training, and resources for healthcare facilities and providers to meet identified needs
 - Assure information regarding health care facilities, providers, and services is available to the public in a coordinated, understandable, and easily accessible manner
- ❖Sustain essential healthcare services in rural areas and underserved areas (*Sandi Durick*)
 - Promote and support health care planning at the community level to assure an integrated approach to healthcare
 - Assist communities identify resources for operation, maintenance and replacement of essential healthcare services
- ❖Coordinate development and use of technology for the provision of health services (*Ken Doppenberg/Kevin DeWald*)
 - Support increased utilization of technology throughout the healthcare industry
 - Support continued development and enhancement of telemedicine for the provision of healthcare services
 - Support development and use of distance education for the healthcare workforce

Advance South Dakota's Response to Emerging Public Health Threats

- ❖Develop and maintain a standardized system for assessment and evaluation of emerging public health threats (*Lon Kightlinger*)
 - Enhance the existing disease surveillance system for the rapid collection, analysis and identification of health threats and the timely dissemination of information
 - Develop and exercise state/local public health response plans
 - Routinely evaluate state/local response to disease outbreaks and other health threats
 - Clearly identify roles and responsibilities in the event of new and emerging health threats and disasters
- ❖Enhance the state's capacity to effectively manage emerging public health threats and emergencies (*Bill Chalcraft*)
 - Assess and improve the safety and security of healthcare facilities
 - Provide education and training regarding new and emerging diseases
 - Identify, coordinate and train the state, local, private, and volunteer public health workforce
 - Identify state, local and regional healthcare facility capacity and essential equipment for response to a public health emergency
- ❖Strengthen the department's capacity to respond to environmental health issues (*Clark Hepper/Mike Smith*)
 - Identify resources to support an environmental health capacity within the DOH
 - Clearly identify roles and responsibilities to address environmental health issues
 - Work with other organizations and state agencies addressing environmental health issues

DEPARTMENT OF HEALTH FY10 FUNDING SOURCES



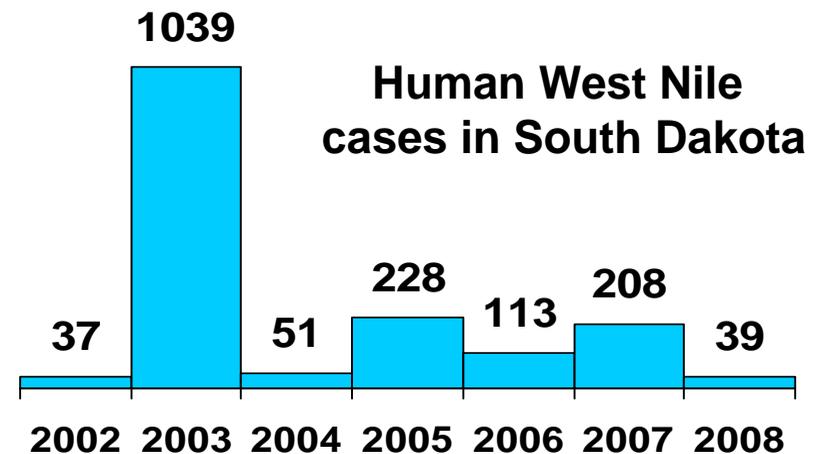
DEPARTMENT OF HEALTH FY2010 GOVERNOR RECOMMENDED BUDGET

	<u>FTE</u>	<u>General</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>
FY2009 Budget Base	403.2	\$7,816,726	\$34,956,127	\$31,285,244	\$74,058,097
Expansion/Reduction					
<i>Increase/Decrease</i>					
Health Administration	1.0	(125,468)		386,203	260,735
Health Systems Development and Regulation		132,835		125,468	258,303
Health and Medical Services		(61,217)		500,000	438,783
Laboratory Services					
Correctional Health	1.0			(1,032,357)	(1,032,357)
Tobacco Prevention and Control					
Informational Budgets for DOH Boards				175,587	175,587
Inflation/Expansion-Reduction Total	2.0	(53,850)	0	154,901	101,051
Total FY2010 Recommended Budget	405.2	7,762,876	34,956,127	31,440,145	74,159,148

West Nile, SD 2002-2008

Data as of 31 December 2008

- West Nile now endemic in South Dakota, transmission continues for foreseeable future.
- Since 2002: 1,716 cases, 323 meningo-encephalitis, 26 deaths.
- The Great Plains states have the highest West Nile incidence in the USA.
- Mosquitoes will NOT be eradicated.
- Over 30 other mosquito-borne diseases could enter North America.



Childhood Immunizations

South Dakota Immunization Program Public/Private Partnership

- DOH purchases vaccine
- Public clinics provide 10% of childhood vaccinations
- Private Sector: Provides 90% of vaccinations given in South Dakota
- As a result of this public/private partnership, South Dakota has one of the highest immunizations rates in the nation

Diseases Prevented:

- Diphtheria
- Tetanus
- Whooping Cough
- Polio
- Measles
- Mumps
- German measles
- Chicken Pox
- Influenza
- Hepatitis A and B
- Haemophilus influenza type b
- Pneumonia
- Meningitis
- Rotavirus
- HPV



Childhood Immunizations

Vaccine Funding Issues

- More babies born annually in South Dakota
 - 12,253 births in 2007 vs. 10,346 in 2000
- More vaccines available to protect children from infectious diseases
- Increased immunization rates in South Dakota
 - 86% in 2007 vs. 78% in 2000
- Increased cost of vaccines
 - \$1,214 for series in 2007 vs. \$282 in 2000
- Decrease in federal funding and support
 - Change in federal formula for determination of VFC program eligibility (98,681 children in 2009 vs. 135,371 children in 2008)
 - Reduction in Section 317 federal funding used to purchase some vaccines for children not eligible for VFC program (\$1,796,470 in 2009 vs. \$2,446,241 in 2008)

Childhood Immunizations

FY10 Governor Recommendation

\$438,783 total increase will allow the DOH to continue to provide vaccines for all children in South Dakota (except for pneumococcal pneumonia and HPV)

- (\$61,217) – General fund decrease
- \$500,000 – Other fund authority increase (one-time use of the Tobacco Trust Fund interest)

Correctional Healthcare

FY10 Governor Recommendation

FY09 Base Budget

\$15,609,567

Personal Services

- An increase of 1.0 FTE and \$53,730 is recommended for the Meth unit at the women's prison.

\$ 53,730

Medical Services

- A decrease of \$286,087 is recommended in the area of outsourced services.
- A decrease of \$800,000 is recommended, which would eliminate the catastrophic fund.

\$ (1,086,087)

FY10 Recommended Other Funds Decrease/FTE Increase

\$(1,032,357)/1.0 FTE

Total FY10 Recommended Budget

\$14,577,210

Top 25 Inmates Expenses using Out-Sourced Services July 1, 2007 – June 30, 2008

	Grand Total	Diagnosis
1	\$ 122,531.34	Hepatitis with liver involvement; lesions and abscess of the liver
2	\$ 92,314.05	Kidney failure
3	\$ 70,917.14	Pneumonia with complications
4	\$ 70,074.16	Insulin dependent, complications of diabetes
5	\$ 61,978.20	Open heart surgery, triple bypass
6	\$ 59,194.87	Lumbar fusion
7	\$ 57,414.02	Coronary heart bypass
8	\$ 57,156.01	Spinal fusion and discectomy
9	\$ 54,558.87	Back Surgery
10	\$ 46,017.74	Lung mass removal
11	\$ 45,043.36	Chronic obstructive pulmonary disease, asthma, diabetes
12	\$ 44,543.82	Kidney failure
13	\$ 44,128.09	Perforated duodenal ulcer
14	\$ 43,783.68	MRSA of a total knee arthroplasty
15	\$ 43,247.12	Angioplasty
16	\$ 40,623.18	HIV
17	\$ 38,504.54	Cervical fusion
18	\$ 37,612.29	Mouth and facial trauma - surgical repair
19	\$ 37,350.39	Fractured ankle; cataract surgery
20	\$ 35,794.55	Heart attack
21	\$ 35,749.58	Prostate cancer with metastasis to hip joint
22	\$ 34,803.03	Bilateral cataract surgery
23	\$ 34,502.16	Seizure disorder
24	\$ 33,548.66	Kidney disease
25	\$ 33,542.34	Acid peptic disorder
Grand Total	\$ 1,274,933.19	

Health Protection Inspections

FY10 Governor Recommendation

- \$132,835 – General fund increase for inspections performed by the Department of Public Safety.
- Types of Inspections Performed
 - Restaurant
 - Temporary Food
 - Lodging
 - Campground
 - Change of Ownership/Complaint
- General Funds have not increased since FY2000.
- The recommended general funds, as well as the existing general funds dedicated to this program, will be offset by fee increases. (HB1040)

Health Information Technology

FY10 Governor Recommendation

FY10 Governor recommendation includes 1.0 FTE and \$386,203 other fund authority.

The Health Information Technology program will coordinate technology initiatives, activities, and policies across the public and private healthcare sectors.

Advancement of the statewide health IT initiative will enable improvements in healthcare quality, efficiency, and safety for all South Dakotans.

Programs and policies will establish the health IT infrastructure and capacity to support adoption of interoperable technology.

The Department of Health brings a balanced and broad view to the table as it works with partners across the state to provide focused leadership to the Electronic Health Information Exchange process.

Fee Increases

- Vital Records Fee increase completed via Rules
 - Estimated fee revenue increase: \$561,545
 - \$304,056 to General fund; \$118,395 to VR fee account; \$139,094 to County general fund
- SB 36 revises certain drug registration fees and license fees related to health care facilities.
 - Estimated fee revenue increase to general fund: \$272,481
- HB1040 revises certain license, registration, and inspection fees related to food service establishments, lodging establishments, and campgrounds.
 - Estimated fee revenue increase to general fund: \$449,160
- Total Increased Revenue to the General Fund:
\$1,025,697

Where the spending cuts are for FY2010 in DOH

(In Addition to December Proposal)

- Catastrophic Correctional Health Care - \$800,000
- Mosquito Control Program - \$300,000
- HPV Vaccination Program - \$276,995



Protecting the Public Health

