



Department of Health & Welfare

Indirect Support Services Base Review

Alex Williamson,
Budget & Policy Analyst

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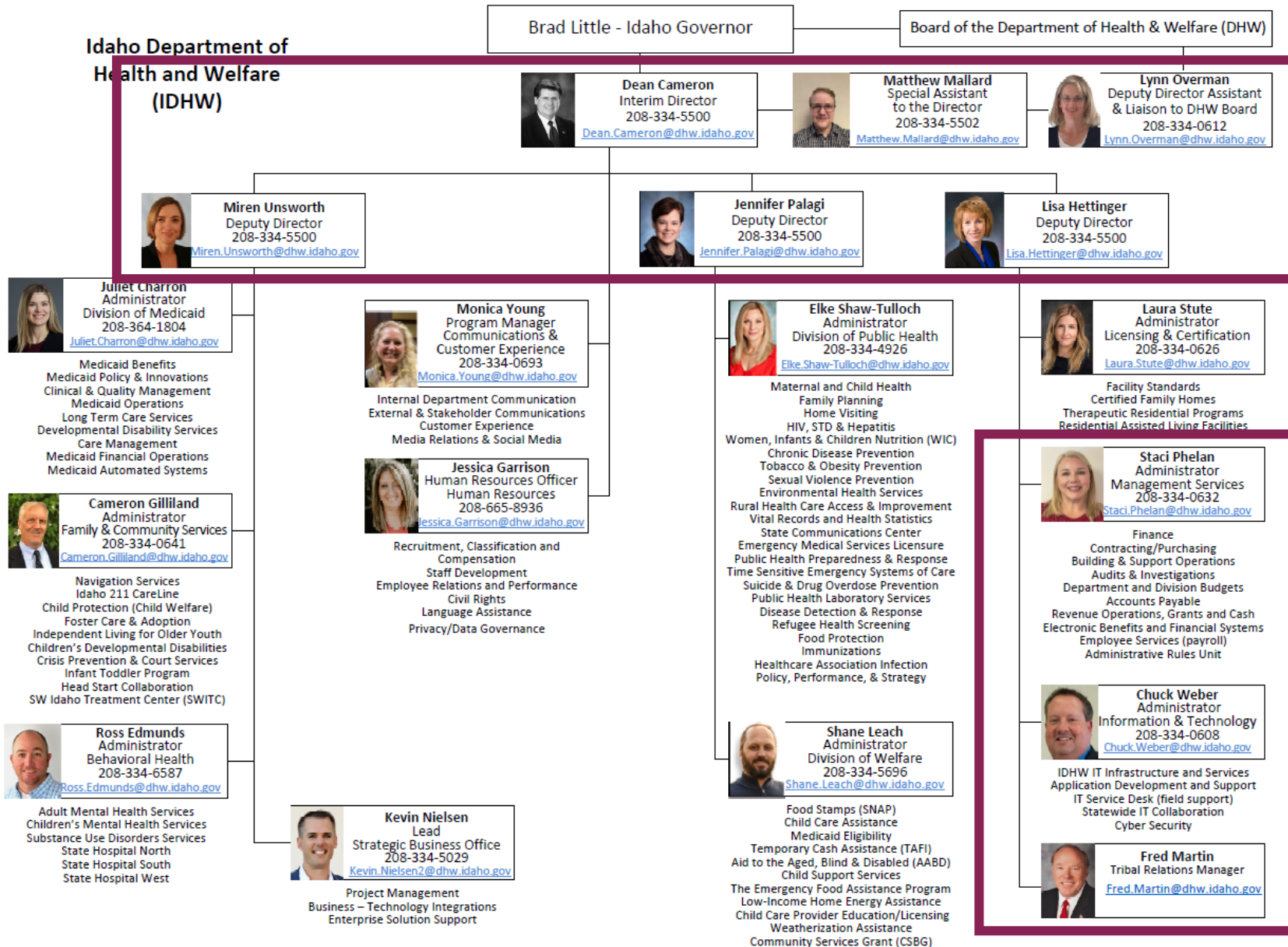
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Department of Health & Welfare

The Idaho Department of Health and Welfare provides services and regulatory programs in partnership with taxpayers, consumers, and providers to promote economic well-being, support vulnerable children and adults, enhance public health, and encourage self-sufficiency. [Chapter 10, Title 56, Idaho Code]

Indirect Support Services provides policy direction, administrative leadership, and management support necessary for the department to operate. Includes the Division of Management Services, Information Technology Services, Legal Services, the Office of the Director, Regional Administration, and communications.

Organizational Structure – DHW



Divisions By Appropriation Bill

Family and Community Services (FACS)

- Child Welfare
 - Child Welfare Admin
 - Foster and Assistance Payments
- Services for the Developmentally Disabled
 - Community Developmental Disability Services
 - Southwest Idaho Treatment Center (SWITC)
 - Extended Employment Services*
- Service Integration

Welfare

Medicaid

Other Programs

- Indirect Support Services
- Licensing and Certification
- Independent Councils*
 - Developmental Disabilities Council*
 - Domestic Violence Council*

Public Health

- Physical Health Services
- Emergency Medical Services
- Laboratory Services
- Suicide Prevention and Awareness
- Healthcare Policy Initiatives

Behavioral Health

- Substance Abuse Treatment and Prevention
- Mental Health
 - Children's Mental Health
 - Adult Mental Health
- Psychiatric Hospitalization
 - Community Hospitalization
 - State Hospital North
 - State Hospital South
 - State Hospital West

Organizational Structure – Indirect Support Services

Department of Health and Welfare Indirect Support Services

262.60 FTP
27.60 Vacant
as of 2/1/24

Dean Cameron, Interim Agency Director

262.60 FTP

Director's Office

Public Information/Communications

Rules Unit

Management Services

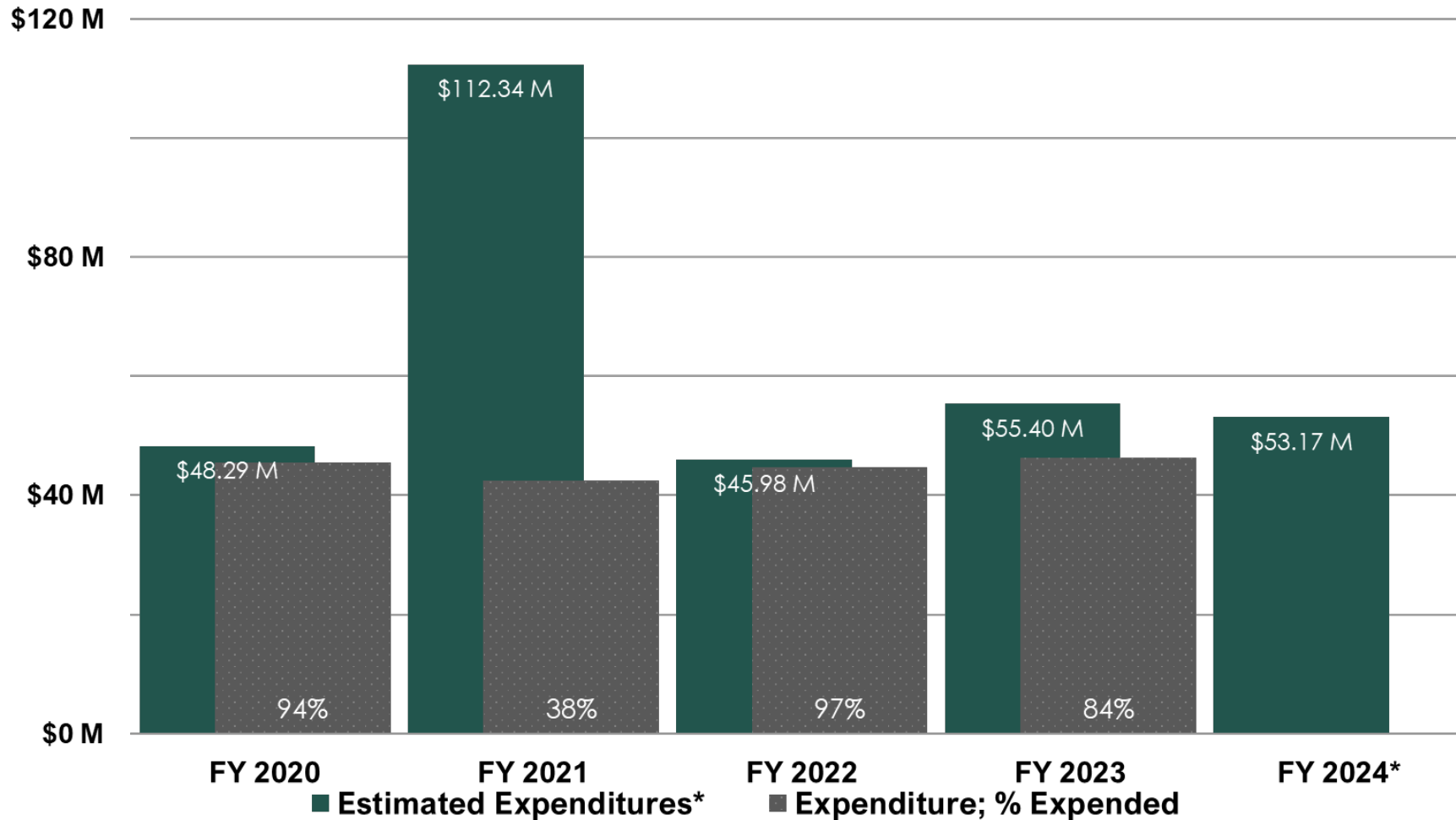
Financial Services

Compliance

IT Services

Five-Year Expenditures

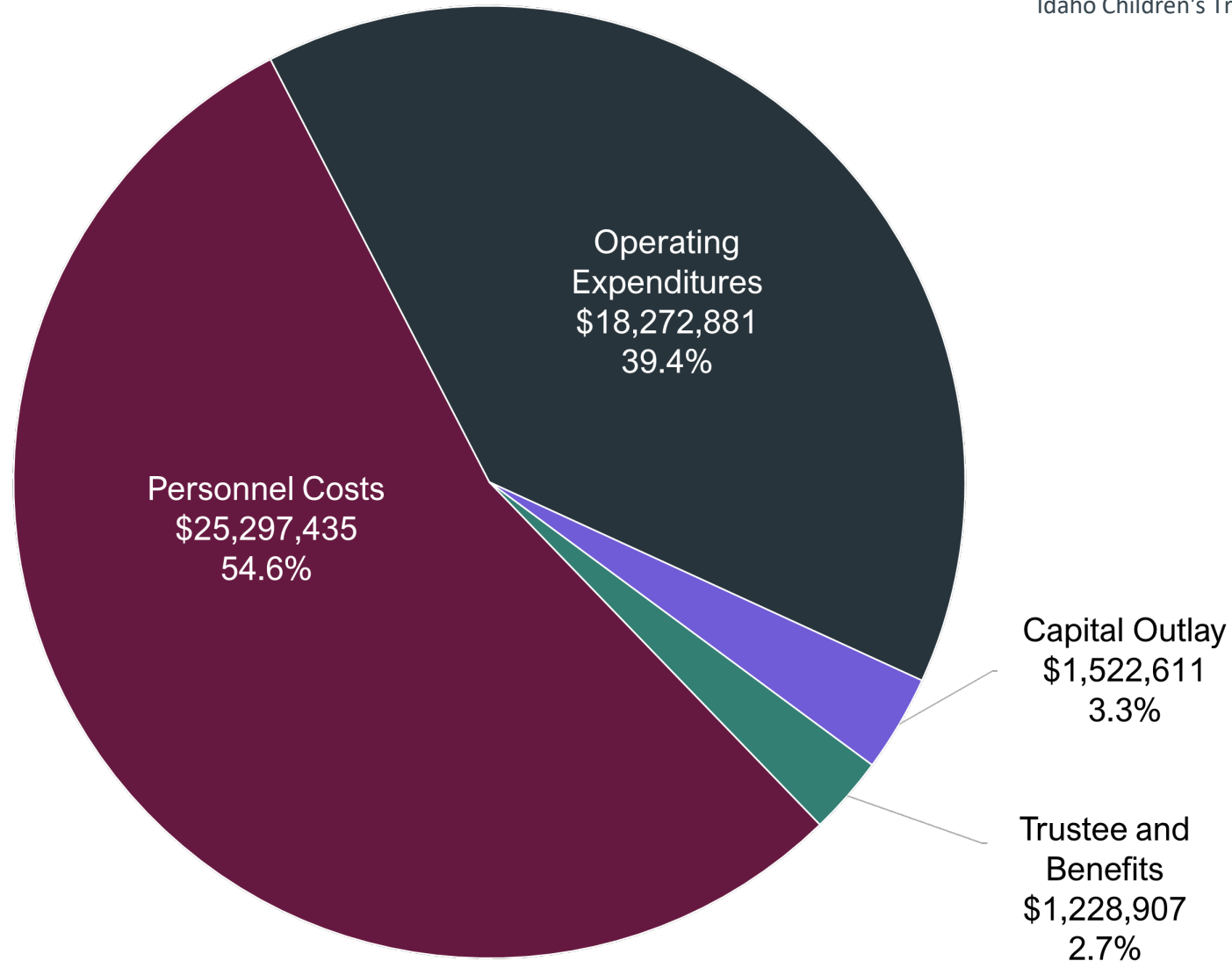
Estimated Expenditures vs Actual Expenditures



*FY 2024 is Original Appropriation

FY 2023 Expenditures - \$46,321,833

Includes \$1.1M continuously appropriated for the Idaho Children's Trust fund & Rural Physicians fund



Five-Year Base Snapshot

Fiscal Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024*
1. Total FTP	300.60	300.60	288.60	287.60	262.60
2. Current Year Base	45,387,400	46,814,700	47,009,800	47,581,600	49,697,400
3. Benefits Costs	57,600	(121,100)	80,700	157,700	247,300
4. Statewide Cost Allocation	668,600	172,800	187,100	400,100	484,200
5. CEC	701,100	523,300	482,100	1,558,000	872,200
6. Total Ongoing Maintenance Change	1,427,300	575,000	749,900	2,115,800	1,603,700
7. <i>% Chg from Current Year Base (line 6 / 2)</i>	<i>3.1%</i>	<i>1.2%</i>	<i>1.6%</i>	<i>4.4%</i>	<i>3.2%</i>
8. Ongoing Enhancements		(197,500)			(1,558,000)
9. Total Ongoing Enhancements Change	0	(197,500)	0	0	(1,558,000)
10. <i>% Chg from Current Year Base (line 9 / 2)</i>	<i>0.0%</i>	<i>(0.4%)</i>	<i>0.0%</i>	<i>0.0%</i>	<i>(3.1%)</i>
11. Ongoing Base Adjustments		(\$182,400)	(\$178,100)		-
12. Next Year Base (line 2 + 6 + 9 + 11)	46,814,700	47,009,800	47,581,600	49,697,400	49,743,100*
13. Total Base Change (line 12 - 2)	1,427,300	195,100	571,800	2,115,800	45,700
14. <i>% Chg from Current Year Base (line 13 / 2)</i>	<i>3.1%</i>	<i>0.4%</i>	<i>1.2%</i>	<i>4.4%</i>	<i>0.1%</i>

*Next Year Base not set. Ongoing Original Appropriation used instead.

2023 Budget Enhancements

No Ongoing Enhancements

2024 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
CHU Background Check System	Enhancement	\$112,500
Laserfiche Doc Management System	Enhancement	\$170,400
Tableau Data Analytics Platform	Enhancement	\$112,700
AvePoint Cloud Governance	Enhancement	\$31,500
Line Item	Enhancement	\$168,500
DHR Consolidation	Enhancement	(\$2,153,600)
Total Ongoing Base Change from Enhancements		(\$1,558,000)

Onetime Enhancement Name	Type	Amount
CHU Background Check System	Enhancement	\$223,000
Total Onetime Base Change from Enhancements		\$223,000

2025 Budget Request (Supplementals & Enhancements)

Onetime Supplemental	Type	Amount
Medicaid Program Integrity Unit (\$400,000 Ded to Gen)	Supplemental	\$0
Inflationary Items	Supplemental	\$1,305,200
Cost Allocation Plan Support	Supplemental	\$296,400
Non-AG Attorney Fees	Supplemental	\$700,000
Total Onetime Supplemental		\$2,301,600

Onetime Enhancement	Type	Amount
Replacement Items (facility remodels, IT equipment, vehicles)	Enhancement (OT)	\$6,039,800
Total Onetime Enhancements		\$6,039,800

Ongoing Enhancement	Type	Amount
MMIS Operational Data Personnel	Enhancement	\$779,400
Total Ongoing Base Change from Enhancements		\$779,400

2025 Governor's Recommendation

Onetime Supplemental	Type	Amount
Medicaid Program Integrity Unit (\$400,000 PC to OE)	Supplemental	\$0
Inflationary Items (\$1,305,200 PC to OE)	Supplemental	\$0
Cost Allocation Plan Support	Supplemental	\$296,400
Non-AG Attorney Fees (pending outcome of court ruling)	Supplemental	\$0
Total Onetime Supplemental		\$296,400

Onetime Enhancement	Type	Amount
Replacement Items (facility remodels, IT equipment, vehicles)	Enhancement (OT)	\$6,039,800
Total Onetime Enhancements		\$6,039,800

Ongoing Enhancement	Type	Amount
MMIS Operational Data Personnel	Enhancement	\$779,400
Total Ongoing Base Change from Enhancements		\$779,400

Please feel free to contact me with any questions at (208)334-4742 or awilliamson@lso.idaho.gov

Key Indicators (from performance report)

Cases Managed and/or Key Services Provided	FY 2020	FY 2021	FY 2022	FY 2023
DIVISION OF MANAGEMENT SERVICES				
Financial Services – Electronic Payment System				
Child support electronic payments	\$192,360,381	\$190,013,319	\$186,947,489	\$183,176,223
Bureau of Compliance				
Fingerprints processed	28,557	29,883 ²⁸	32,455	33,050 ²⁹
Medicaid Program Integrity: Identified overpayments and cost savings	\$3,200,000	\$3,900,000	\$3,900,000	\$6,000,000 ³⁰
Internal Audit reports issued	2	2	7	3 ³¹

²⁸ FY 2021 data updated to correct an error in reporting

²⁹ The Background Check Unit disqualified 655 applicants in fiscal year 2023.

³⁰ The Medicaid Program Integrity Unit overpayments confirmed were \$3.3 million, penalties were \$403K and cost savings were \$2.3 million.

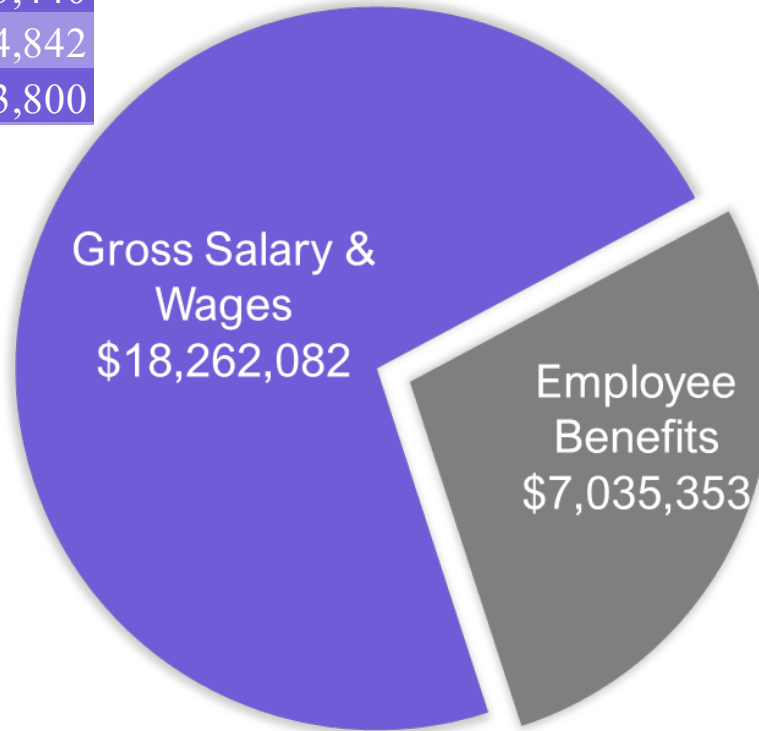
³¹ Internal Audit also evaluated 188 external reports (single audit reports, service organization reports, and indirect cost rate plans) and conducted 252 grant risk assessments in FY 2023.

FY 2023 Expenditures – Personnel Costs

54.6% of Total Expenditures

Gross Salary and Wages: \$18,262,082

Employees	\$18,073,440
Temporary Employees	\$184,842
Board/Commission Members	\$3,800



Employee Benefits: \$7,035,353

Group Health Insurance	\$3,304,603
Employer Retirement Contribution	\$2,161,762
Social Security and Medicare	\$1,335,433
Life Insurance	\$129,680
Workers Compensation	\$52,631
DHR	\$50,790
Prior Year PERSI Contribution	\$452
Employment Security	\$2

A Total of \$25,297,435 Was Expended on Personnel Costs

FY 2023 Expenditures - Operating Expenditures

39.4% of Total Expenditures

Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% of Total
Professional Services	\$5,515,852	\$5,647,476	\$5,706,410	\$6,133,949	\$6,441,400	35.3%
Repair & Maintenance Services	\$4,971,266	\$3,045,772	\$3,160,102	\$3,859,933	\$3,628,079	19.9%
Computer Supplies	\$1,618,827	\$1,745,880	\$1,666,573	\$1,979,728	\$3,294,235	18.0%
Computer Services	\$361,828	\$2,016,309	\$1,867,644	\$2,599,226	\$2,258,043	12.4%
Miscellaneous Expenditures	\$1,688,242	\$2,078,991	\$2,165,032	\$2,428,798	\$2,216,801	12.1%
Communication Costs	\$1,116,799	\$1,248,166	\$1,283,212	\$1,445,909	\$1,520,932	8.3%
Employee Travel Costs	\$207,913	\$145,682	\$22,479	\$73,555	\$181,117	1.0%
Employee Development Costs	\$237,351	\$317,142	\$256,948	\$115,638	\$149,028	0.8%
General Services	(\$140,368)	\$44,143	(\$183,886)	(\$636,854)	(\$333,703)	(1.8%)
Insurance	\$118,718	\$233,577	\$263,846	\$58,221	\$45,657	0.2%
Repair & Maintenance Supplies	\$59,199	\$48,098	\$17,296	\$35,057	\$35,575	0.2%
Administrative Services	\$27,253	\$22,389	\$8,091	\$42,224	\$14,433	0.1%
Specific Use Supplies	\$11,833	\$47,412	\$2,953	\$8,939	\$12,153	0.1%
Utility Charges	\$11,766	\$8,401	\$5,898	\$3,058	\$11,916	0.1%
Rentals & Operating Leases	\$1,509,006	\$2,687,365	\$2,755,169	\$1,909,245	(\$846,734)	(4.6%)
Institutional & Residential Supplies	\$1,085	\$717	\$594	\$1,526	\$1,218	0.0%
Administrative Supplies	\$65,453	\$57,304	(\$15,888)	\$5,104	(\$689)	(0.0%)
Fuel & Lubricant Costs	-450874.8	(\$448,305)	(\$195,650)	(\$252,333)	(\$356,579)	(2.0%)
Total	\$16,931,148	\$18,946,518	\$18,786,823	\$19,810,923	\$18,272,881	-

FY 2023 Expenditures – Capital Outlay

3.3% of Total Expenditures

Expenditure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	% of Total
Computer Equipment	\$1,858,428	\$709,471	\$514,676	\$535,090	\$1,500,673	98.6%
Office Equipment					\$41,338	2.7%
Motorized/Non-Motorized Equipment	\$590,932	\$473,107	\$108,165	(\$3,395)	(\$19,400)	(1.3%)
Building & Improvements			\$64,281			-
Total	\$2,449,361	\$1,182,578	\$687,122	\$531,695	\$1,522,611	-

FY 2023 Expenditures – Trustee & Benefit Payments

2.7% of Total Expenditures

Non Federal Payments To Subgrantees	\$724,786	\$774,448	\$1,012,462	\$975,279	\$901,119	73.3%
Miscellaneous Payments As Agent					\$327,788	26.7%
Awards Contr & Claims		\$405				-
Total	\$724,786	\$774,853	\$1,012,462	\$975,279	\$1,228,907	-

2020 Budget Enhancements

Total Ongoing Base Change from Enhancements **\$0**

Onetime Enhancement Name	Type	Amount
Workplace Safety Improvements	Enhancement	\$345,200
Total Onetime Base Change from Enhancements		\$345,200

2021 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Regional Office Relocation	Enhancement	\$147,600
OITS 1 - Operating Costs	Enhancement	\$39,800
OITS 4 - Agency Billings	Enhancement	\$1,300
2% General Fund Reduction & Exemptions	Enhancement	(\$386,200)
Total Ongoing Base Change from Enhancements		(\$197,500)

Onetime Enhancement Name	Type	Amount
OITS 2 - Servers and Licensing	Enhancement	\$3,300
Total Onetime Base Change from Enhancements		\$3,300

2022 Budget Enhancements

No Ongoing Enhancements

Agency Funds – Sources and Uses

Fund: Technology Infrastructure Stabilization (0128-00 Ded)

Sources: The Technology Infrastructure Stabilization Fund shall consist of moneys that may be provided by legislative appropriation. The state treasurer shall invest the idle moneys of the fund, and the interest earned on such investments shall be retained by the fund. For FY 2019, the Legislature appropriated and transferred \$22,000,000 from the General Fund to the Technology Infrastructure Stabilization Fund for various IT needs within eight different agencies (Section 67-3532, Idaho Code).

Uses: Subject to appropriation by the legislature, moneys in the technology infrastructure stabilization fund shall be used solely for: (a) Technology projects requested, recommended, or funded through the annual state budget process including, but not limited to, software development and computer hardware or equipment; and (b) The legislative services office to evaluate and provide analysis and recommendations regarding the requirements, merit, necessity, cost, compatibility, and monitoring of technology projects that may be requested, recommended, or funded through the annual state budget process, as well as other state technology projects, needs, or issues (Section 67-3532, Idaho Code). For FY 2019, through H695, the Legislature appropriated \$719,200 from this fund for three different projects: 1) \$200,000 for MMIS independent verification; 2) \$230,000 for provider software improvements; and 3) \$289,200 provider enrollment changes. In total, the Legislature appropriated \$7,445,000 from all funds, with the other \$6,725,800 being appropriated from federal funds.

Agency Funds – Sources and Uses

Fund: Cooperative Welfare (0220-00 Ded)

Sources: Appropriations from the General Fund (§56-404, Idaho Code). For budgeting purposes, fund detail 0220-03 is used to describe appropriations from the General Fund for deposit into the Cooperative Welfare Fund (§56-404, Idaho Code). Federal grants-in-aid made to the state of Idaho by all federal agencies (§56-402, Idaho Code). For budgeting purposes, fund detail 0220-02 is used to describe the appropriation of federal funds for deposit into the Cooperative Welfare Fund (§56-404, Idaho Code). Receives a transfer of \$650,000 annually from the liquor account (§23-404 (1)(b)(v), Idaho Code). Appropriations from other fund sources as authorized by the Legislature including funding from the Court Services Fund as provided for in legislative intent language for Mental Health Services. Proceeds of the receipts to appropriations, funds from the sale of surplus property, and all other miscellaneous income generated by the service delivery of health and welfare services. For budgeting purposes, fund detail 0220-05 is used to describe the appropriations of other sources of funds for deposit into the Cooperative Welfare Fund (§56-404, Idaho Code).

Uses: This fund is used for public health and welfare programs and services, including personnel costs, operating expenditures and capital outlay for administering public assistance, medical care, foster care and other expenses classified under relief, pensions, and refunds. Financial payments are made to eligible (aged, dependent children, blind, and disabled) Idaho citizens directly. Medical payments are made directly to providers of medical services.

Agency Funds – Sources and Uses

Fund: Rural Physician Incentive (0349-20 Ded)

Sources: The State Board of Education may assess a fee to students preparing to be physicians in the fields of medicine or osteopathic medicine who are supported by the state pursuant to an interstate compact for a professional education program in those fields, as those fields are defined by the compact. The fee may not exceed an amount equal to four percent (4%) of the annual average medicine support fee paid by the state. The fee must be assessed by the board and deposited in the Rural Physician Incentive Fund established in Section 39-5902, Idaho Code, to be administered by the Department of Health and Welfare. Moneys are also payable into the fund from state appropriations, private contributions, gifts and grants and other sources. Income and earnings on the fund shall be returned to the fund. The expenses of administering the physician incentive fund portion of the fund shall not exceed ten percent (10%) of the annual fees assessed pursuant to this section (§33-2723, Idaho Code). H472 (2018) provided that the Legislature, subject to appropriation, shall contribute to the Rural Physician Incentive Fund at a rate of two state dollars for every one student dollar. Funds in the program are used for paying down medical education loans for physicians who take on hard to fill rural positions. The Legislature appropriated \$640,000 from the General Fund ongoing in the Physical Health Services Program to be transferred each year to the Rural Physician Incentive Fund. Language is added each year in the appropriation bill for the transfer of funds. In 2012 with passage of H393a, the administration of this fund was moved from the Office of the State Board of Education to the Department of Health and Welfare to begin in FY 2013.

Uses: Moneys in this fund are continuously appropriated and are to be used for the payment of: (a) The educational debts of rural physicians who practice primary care medicine in medically underserved areas of the state that demonstrate a need for assistance in physician recruitment; and (b) The expenses of administering the rural physician incentive program. The expenses of administering the program shall not exceed ten percent (10%) of the annual fees assessed pursuant to Section 33-3723, Idaho Code.

Agency Funds – Sources and Uses

Fund: Children's Trust (0483-00 Ded)

Sources: There is hereby created a fund in the agency asset fund in the state treasury to be designated the Children's Trust Fund (§39-6007, Idaho Code). The fund shall consist of: 1) Moneys appropriated to the fund; 2) Moneys as provided in §63-3067A, Idaho Code; 3) Donations, gifts and grants from any source; and 4) Any other moneys which may hereafter be provided by law.

Uses: The Children's Trust Fund Advisory Board is authorized to expend up to fifty percent (50%) of the moneys generated annually pursuant to §63-3067A, Idaho Code. Interest earned on the investment of idle money in the Children's Trust Fund shall be returned to the Children's Trust Fund (§39-6007, Idaho Code). Disbursements of moneys from the fund shall be authorized by the Children's Trust Fund Board or duly authorized representative of the Board. H353 was approved in the 2014 legislative session allowing the board to hire a full-time executive director and part-time staff, along with the ability to purchase or rent office space, equipment and supplies (§39-6002(5), Idaho Code). After a balance total of two million five hundred thousand dollars (\$2,500,000) has been distributed to the Children's Trust Fund, the fund shall be abolished, and no further collections shall be received by the State Tax Commission, and all references to the fund shall be deleted from income tax forms.

Agency Funds – Sources and Uses

Fund: ARPA State Fiscal Recovery (0344-30 Fed)

Sources: The American Rescue Plan Act (ARPA) was passed by Congress and signed into law on March 11th, 2021 (Public Law No. 117-2). As part of ARPA, a State Fiscal Recovery Fund (SFRF) was created for all states to address the impacts of the COVID-19 health emergency; Idaho received an SFRF allocation of \$1,094,018,353. Funds can be expended for testing, supplies, premium pay for workers, lost tax revenue, and for sewer, water, or broadband infrastructure projects. These funds must be obligated for expenditure by December 31, 2024, and expended by December 31, 2026. Pursuant to S1204 of 2021, all moneys from this fund are subject to Legislative appropriation.

Uses: A total of \$22,230,500 was appropriated from this fund to the Department of Health and Welfare in FY 2023, including: \$1,000,000 for home visiting grants; \$2,500,000 for ambulance grants; \$2,330,500 for technology replacement items; \$6,000,000 for three community behavioral health clinics; \$4,400,000 to standup the new national 988 number for behavioral health crisis; and \$6,000,000 for bridge funding for the Council for Domestic Violence while federal allocations are reworked nationally.