MEMORANDUM

TO: Governor Jack A. Markell
    Members of the General Assembly

FROM: Rita M. Landgraf, Secretary
       Department of Health and Social Services

DATE: November 21, 2016

SUBJECT: Delaware Health Fund Advisory Committee
          Fiscal Year 2018 Recommendations

On behalf of the Delaware Health Fund Advisory Committee (HFAC), I present you with our
Fiscal Year 2018 (FY18) Health Fund recommendations. The Committee’s final decisions
reflect several hours of discussion.

The State anticipates receiving $26,622.7 million (principal payment and interest) in Tobacco
Settlement Funds for FY18. The available Reserve balance is $4,242.8.

The FY18 recommendations of HFAC are as follows:

- A motion was made to earmark 1 million dollars from the Endowment Fund
  and set up an account with the Delaware Community Foundation to be used
  for smokeless tobacco and other tobacco products not covered by the Tobacco
  Master Settlement. This could accumulate additional funds from the
  foundation for the Health Fund. Motioned by Don Fulton and Seconded by
  Dr. Reinhardt. The motion passed.

- Representative Osienski made a motion to accept FY 18 requested increases.
  This motion was seconded by Don Fulton.

- Representative Osienski made a motion to accept the original motion of using
  the FY 18 Requests with 2 amendments: 1) Autism would go back to
  $500,000 and 2) Removing $500,000 from the Delaware Community
  Foundation. Motion seconded by Don Fulton. Motion passed.
During public comment periods, HFAC received testimony from many members of the public urging an increase in spending on Tobacco Prevention programs. Over the past several years, funding for Tobacco Prevention programs has been falling and these programs provide a documented role in reducing smoking rates. This work is at the heart of the Tobacco Master Settlement Agreement, which is the source of this revenue, and saves lives and money because fewer people will develop tobacco-related health problems. The HFAC members thus recommend increasing funding for Tobacco Prevention programs and using General Fund dollars for the Delaware Healthy Children Program.

The details of this recommendation are set forth more fully in the attached spreadsheet. The recommendation expends $29,758.3 million which can be done with spending $3,135.6 funds from the Reserve.

HFAC again recommends establishing an Innovation Fund at the Delaware Community Foundation for the purpose of funding health-related programs in concert with the intent of the Tobacco Master Settlement Health Fund in which revenue has been decreasing, due to the decline in cigarette sales, a main goal of the tobacco lawsuit and Master Settlement Agreement. HFAC is extremely concerned about the sustainability of funding for the important work currently funded by the Health Fund in light of the decreasing revenue and thus seeks to explore leveraging private resources to support this important work. This recommendation includes having HFAC serve as the governing body for the Innovation Fund.

As the Chair of the HFAC, I would like to commend the members for their dedication and contribution to the Health Fund process:

Senator Patricia Blevins           Representative Debra Heffernan
Senator David McBride             Representative Edward Osienski
Senator Bethany Hall-Long         Mr. Donald Fulton
Dr. Charles Reinhardt             Ms. Paula Roy
Ms. Laura Howard

Please contact me if you have any questions.

Enclosure

pc:  Health Fund Advisory Committee Members
     Brian Maxwell, Director, Office of Management and Budget
     Michael Morton, Office of the Controller General
     Kimberly Reinagel-Nietubicz, Office of the Controller General
## FY 2018 Health Fund Requests

### PROGRAMS

#### Cancer Programs
- **Cancer Consortium Recommendations (DHSS - DPH)**
  - FY '17 Budget: $7,875.6
  - FY '18 Request: $7,875.6
  - FY '18 Final HFAC Recommendations: $7,875.6
  - Consortium Sub-Grantees:
    - a) DE Breast Cancer Coalition
      - FY '17 Budget: $64.3
      - FY '18 Request: $100.0
      - FY '18 Final HFAC Recommendations: $100.0
    - b) Breast and Cervical Cancer Treatment (DHSS - DMMA)
      - FY '17 Budget: $335.0
      - FY '18 Request: $175.0
      - FY '18 Final HFAC Recommendations: $175.0
    - c) Cancer Care Connection
      - FY '17 Budget: $169.4
      - FY '18 Request: $169.4
      - FY '18 Final HFAC Recommendations: $169.4
    - d) Cancer Support Community (Formerly The Wellness Community)
      - FY '17 Budget: $120.5
      - FY '18 Request: $120.5
      - FY '18 Final HFAC Recommendations: $120.5

  - **Subtotal**: $8,564.8

#### Disability Programs
- Medical Coverage for SSI Transition (DHSS - DMMA)
  - FY '17 Budget: $3,120.0
  - FY '18 Request: $1,891.0
  - FY '18 Final HFAC Recommendations: $1,891.0
- Attendant Care/HB 30 (DHSS - DDDS)
  - FY '17 Budget: $55.9
  - FY '18 Request: $55.9
  - FY '18 Final HFAC Recommendations: $55.9
- Attendant Care/HB 30 (DHSS - DSAAPD)
  - FY '17 Budget: $568.5
  - FY '18 Request: $568.5
  - FY '18 Final HFAC Recommendations: $568.5
- SSI Supplement (DHSS - DSS)
  - FY '17 Budget: $888.2
  - FY '18 Request: $935.0
  - FY '18 Final HFAC Recommendations: $935.0
- Money Follows the Person (DHSS - DMMA)
  - FY '17 Budget: $832.0
  - FY '18 Request: $545.0
  - FY '18 Final HFAC Recommendations: $545.0

  - **Subtotal**: $5,464.6

#### Tobacco Prevention and Control Programs
- Tobacco Prevention - Department of Justice
  - FY '17 Budget: $223.4
  - FY '18 Request: $246.1
  - FY '18 Final HFAC Recommendations: $246.1
- Tobacco Prevention - Department of Services for Children, Youth & Their Families
  - FY '17 Budget: $37.6
  - FY '18 Request: $45.0
  - FY '18 Final HFAC Recommendations: $45.0
- Tobacco Prevention - Div. of Alcohol and Tobacco Enforcement
  - FY '17 Budget: $391.9
  - FY '18 Request: $561.6
  - FY '18 Final HFAC Recommendations: $561.6
- Tobacco Prevention (DHSS - DPH)
  - FY '17 Budget: $1,638.3
  - FY '18 Request: $3,720.7
  - FY '18 Final HFAC Recommendations: $3,720.7
- Mammography Van (Delaware Breast Cancer Coalition)
  - FY '17 Budget: $276.9
  - FY '18 Request: $398.2
  - FY '18 Final HFAC Recommendations: $398.2

  - **Subtotal**: $2,568.1

#### Delaware Prescription Assistance Program (DHSS - DMMA)
- FY '17 Budget: $2,500.0
- FY '18 Request: $2,500.0
- FY '18 Final HFAC Recommendations: $2,500.0

  - **Subtotal**: $2,500.0

#### Workforce Development Programs
- New Nurse Formation Programs - Del Tech
  - FY '17 Budget: $2,145.5
  - FY '18 Request: $2,611.1
  - FY '18 Final HFAC Recommendations: $2,611.1
- Nursing Program - Wesley College
  - FY '17 Budget: $0.0
  - FY '18 Request: $0.0
  - FY '18 Final HFAC Recommendations: $0.0
- Nursing Program - Polytech Adult Education
  - FY '17 Budget: $70.0
  - FY '18 Request: $70.0
  - FY '18 Final HFAC Recommendations: $70.0
- Delaware State University - Nursing Program
  - FY '17 Budget: $95.6
  - FY '18 Request: $95.6
  - FY '18 Final HFAC Recommendations: $95.6

  - **Subtotal**: $2,311.1

#### Behavioral Health Programs
- Heroin Residential Program - Gaudenzia, Inc.
  - FY '17 Budget: $271.1
  - FY '18 Request: $287.9
  - FY '18 Final HFAC Recommendations: $287.9
- Substance Abuse Transitional Housing
  - FY '17 Budget: $132.5
  - FY '18 Request: $132.5
  - FY '18 Final HFAC Recommendations: $132.5
- Limen House
  - FY '17 Budget: $48.1
  - FY '18 Request: $48.1
  - FY '18 Final HFAC Recommendations: $48.1
- Delaware Schools ATODA Survey - University of Delaware
  - FY '17 Budget: $18.3
  - FY '18 Request: $18.3
  - FY '18 Final HFAC Recommendations: $18.3
- Project Renewal Program - Brandywine Counseling
  - FY '17 Budget: $106.4
  - FY '18 Request: $147.9
  - FY '18 Final HFAC Recommendations: $147.9

  - **Subtotal**: $576.4

### Subtotal:
- $8,440.5
- $3,955.4
- $4,971.6
- $2,500.0
- $2,500.0
- $2,776.7
- $634.7
### FY 2018 Health Fund Requests

#### PROGRAMS

**Consumer Education Programs**
- Nurse Family Partnership - Children & Families First  
  - **FY '17 Budget**: $149.5  
  - **FY '18 Request**: $149.5  
  - **FY '18 Final HFAC Recommendations**: $149.5

**Subtotal**  
- **FY '17 Budget**: $149.5  
- **FY '18 Request**: $149.5  
- **FY '18 Final HFAC Recommendations**: $149.5

**Other Programs**
- Public Access Defibrillation (DHSS - DPH)  
  - **FY '17 Budget**: $59.9  
  - **FY '18 Request**: $75.0  
  - **FY '18 Final HFAC Recommendations**: $75.0
- Health Care Connection (DHSS - DPH) formerly CHAP  
  - **FY '17 Budget**: $396.3  
  - **FY '18 Request**: $396.3  
  - **FY '18 Final HFAC Recommendations**: $396.3
- Chronic Disease Program [Diabetes] (DHSS - DPH)  
  - **FY '17 Budget**: $267.4  
  - **FY '18 Request**: $370.0  
  - **FY '18 Final HFAC Recommendations**: $370.0
- Caregiver Program - Delaware Ecumenical Council on Children & Families  
  - **FY '17 Budget**: $133.2  
  - **FY '18 Request**: $133.2  
  - **FY '18 Final HFAC Recommendations**: $133.2
- Medicaid Increase for Pregnant Women (DHSS - DMMA)  
  - **FY '17 Budget**: $667.0  
  - **FY '18 Request**: $667.0  
  - **FY '18 Final HFAC Recommendations**: $667.0
- Family Planning Services - Planned Parenthood of Delaware  
  - **FY '17 Budget**: $86.2  
  - **FY '18 Request**: $125.0  
  - **FY '18 Final HFAC Recommendations**: $125.0
- Neonatal Intensive Care Unit Family Support Project - March of Dimes  
  - **FY '17 Budget**: $19.3  
  - **FY '18 Request**: $19.3  
  - **FY '18 Final HFAC Recommendations**: $19.3
- Delaware Hospice - Programmatic Support  
  - **FY '17 Budget**: $79.9  
  - **FY '18 Request**: $100.0  
  - **FY '18 Final HFAC Recommendations**: $100.0
- St. Francis Hospital - Operating Funds  
  - **FY '17 Budget**: $80.1  
  - **FY '18 Request**: $100.0  
  - **FY '18 Final HFAC Recommendations**: $100.0
- American Lung Association of Mid-Atlantic - Asthma Project  
  - **FY '17 Budget**: $41.9  
  - **FY '18 Request**: $41.9  
  - **FY '18 Final HFAC Recommendations**: $41.9
- Easter Seals - Respite Care Services  
  - **FY '17 Budget**: $16.0  
  - **FY '18 Request**: $25.0  
  - **FY '18 Final HFAC Recommendations**: $25.0
- AIDS Delaware  
  - **FY '17 Budget**: $8.0  
  - **FY '18 Request**: $10.0  
  - **FY '18 Final HFAC Recommendations**: $10.0
- Autism Supports  
  - **FY '17 Budget**: $500.0  
  - **FY '18 Request**: $866.7  
  - **FY '18 Final HFAC Recommendations**: $500.0
- Paramedic Instructional Program Expansion  
  - **FY '17 Budget**: $350.0  
  - **FY '18 Request**: $350.0  
  - **FY '18 Final HFAC Recommendations**: $350.0

**Subtotal**  
- **FY '17 Budget**: $2,705.2  
- **FY '18 Request**: $3,279.4  
- **FY '18 Final HFAC Recommendations**: $2,912.7

**"Switch Funded" Program**
- Delaware Healthy Children Program (DHSS - DMMA)  
  - **FY '17 Budget**: $1,936.3  
  - **FY '18 Request**: $1,936.3  
  - **FY '18 Final HFAC Recommendations**: $1,936.3
- Non-Public School Nursing  
  - **FY '17 Budget**: $539.5  
  - **FY '18 Request**: $539.5  
  - **FY '18 Final HFAC Recommendations**: $539.5
- School Based Health Center  
  - **FY '17 Budget**: $386.9  
  - **FY '18 Request**: $401.4  
  - **FY '18 Final HFAC Recommendations**: $401.4

**Subtotal**  
- **FY '17 Budget**: $2,862.7  
- **FY '18 Request**: $2,877.2  
- **FY '18 Final HFAC Recommendations**: $2,877.2

**New Programs**
- Create Innovation Fund using Endowment Balance  
  - **FY '17 Budget**: $0.0  
  - **FY '18 Request**: $0.0  
  - **FY '18 Final HFAC Recommendations**: $500.0

**Subtotal**  
- **FY '17 Budget**: $0.0  
- **FY '18 Request**: $0.0  
- **FY '18 Final HFAC Recommendations**: $500.0

**GRAND TOTAL**  
- **FY '17 Budget**: $27,702.4  
- **FY '18 Request**: $29,625.0  
- **FY '18 Final HFAC Recommendations**: $29,758.3
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