



Department of Health  
2021-23 Regular Budget Session  
Policy Level - PD - Reduce Public Health Spending

## Agency Recommendation Summary

The Department of Health (DOH) submits various budget reduction options, in compliance with the 2021-23 biennium budget instructions from the Office of Financial Management (OFM). These reductions represent 15 percent of the agency's General Fund-State appropriations that carried forward from the current 2019-21 biennium.

## Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
<b>Staffing</b>						
FTEs	-8.6	-8.6	-8.6	-8.6	-8.6	-8.6
<b>Operating Expenditures</b>						
Fund 001 - 1	(\$10,224)	(\$10,224)	(\$20,448)	(\$10,224)	(\$10,224)	(\$20,448)
Fund 315 - 1	(\$1,311)	(\$1,311)	(\$2,622)	(\$1,311)	(\$1,311)	(\$2,622)
Total Expenditures	(\$11,535)	(\$11,535)	(\$23,070)	(\$11,535)	(\$11,535)	(\$23,070)

## Decision Package Description

### Problem

The ongoing COVID-19 pandemic induced one of the more severe economic downturns since the Great Depression. As a result, state revenue collections have dropped and the state is projected to face a multi-billion dollar shortfall heading into the 2021-23 biennium. In response, OFM issued budget instructions asking state agencies to submit budget reduction options equal to 15 percent of their Near-General Fund-State maintenance level budgets.

### Background

Only about 12 percent of \$158.9 million of DOH's 2021-23 carry forward biennial budget comes from General Fund-State. Most funding comes from federal grants, local revenue, and fee-based dedicated accounts.

In fiscal year 2021, the programs with the largest state fiscal year 2021 appropriations are the Family Planning Program (\$13.6 million), the HIV Client Services Program (\$7.9 million), and the Drug User Health Program (\$3.4 million). The remaining state funds were broadly distributed among 74 other programs. This made it difficult to compile a 15 percent savings proposal without harming core public health programs unless a variety of programs are targeted.

DOH respectfully submits this list of reduction options, however, it views reductions to public health spending to be counterproductive while in the midst of a public health crisis.

## Assumptions and Calculations

### **Expansion, Reduction, Elimination or Alteration of a current program or service:**

This submittal identifies budget reduction options, in compliance with budget instructions provided by OFM.

### **Detailed Assumptions and Calculations:**

The list of reduction options include:

Descriptions of Reduction Options	\$ in thousands	
	2021-2023 Biennium (FY2022 & FY2023)	
	Dollars (GF-State)	FTE
Reduce HIV prevention and other client services	\$6,751	0.0
Reduce family planning funding	\$4,228	0.0
Reduce marijuana prevention and education media campaign (Dedicated Marijuana Acct)	\$2,622	0.0
Merge tobacco-vape and marijuana prevention units	\$1,932	5.0
Eliminate funding for neurodevelopmental centers	\$1,304	0.0
Reduce 30% of GF-S expenditures for Office of Drinking Water. Replace with fee revenue	\$1,301	0.0
Reduce administrative costs	\$970	0.1
End opioid/overdose prevention Spanish radio/outreach campaign	\$801	0.0
Reduce agency travel	\$600	0.0
Reduce Washington Poison Control GF-S expenditures	\$424	0.0
Eliminate the metabolic treatment program Medicaid subsidy	\$324	0.0
Eliminate funding for the maxillofacial review board	\$313	0.0
Eliminate funding for formative research and development regarding dementia	\$300	1.0
Eliminate the trauma registry program and database	\$283	1.0
Eliminate the miscarriage management program	\$196	0.0
Reduce excess public disclosure funding	\$181	0.0
Reduce administrative support for the emergency and trauma care system	\$126	0.7
Reduce licensing/training contracts for emergency medical/trauma regional councils	\$122	0.0
Eliminates funding for the Public School Concussion Reporting System	\$110	0.4
Reduce the Area Health Education Centers contracts	\$84	0.0
Reduce planning and reporting for Medicaid rural populations	\$43	0.2
Reduce Washington Emergency Medical Services Information System	\$24	0.2
Eliminate Answers for Special Kids hotline	\$20	0.0
Reduce charity care administration	\$10	0.0
<b>Total Proposed Reduction Options</b>	<b>\$23,070</b>	<b>8.6</b>

More details regarding how these reductions might be achieved can be found in the supporting document titled, “2021-23 PL-PD Reduce Public Health Spending - Options”.

### **Workforce Assumptions:**

Many of the options identified in this submittal involve contract reductions. The sum of the staff reduced in these options is 8.6 FTE.

### **How is your proposal impacting equity in the state?**

Many of the programs administered at DOH actually help to promote equity in health and wellbeing in the state's communities. These reductions, if taken, would harm the agency's efforts to promote such equity.

## Strategic and Performance Outcomes

### **Strategic Framework:**

Many of these reductions would actually impede the agency’s ability to meet strategic and performance outcomes. If taken, many of the options would hinder the agency's efforts to support the Governor's Results Washington Goal 4, which is to promote healthy and safe communities.

**Performance Outcomes:**

This submittal will not improve the performance outcomes of the agency. Many of these reductions will actually impede the agency’s ability to meet its core mission.

**Other Collateral Connections**

**State Workforce Impacts:**

Not applicable

**Intergovernmental:**

The negative impacts to tribal, regional, county or city governments depend on the reduction options taken. Even if the reductions don’t directly impact these governmental entities, they will feel the indirect impacts of less healthy communities.

**State Facilities Impacts:**

Not applicable

**Changes from Current Law:**

Some of the reductions options are associated with budget provisos in the existing 2019-21 biennium budget. This may require existing provisos to be removed in order for the agency to implement them.

**Puget Sound Recovery:**

Not applicable

**Legal or Administrative Mandates:**

These reduction options are submitted in compliance with the 2021-23 budget instructions memorandum dated June 15, 2020 from OFM.

**Stakeholder Response:**

DOH already presented this list of reduction options to stakeholders in an external stakeholder webinar on August 26, 2020. This webinar involved state, local and tribal governmental entities, contractual partners, and other community public health leaders. DOH expects stakeholders to advocate against these options.

**Reference Documents**

[2021-23 PL-PD Reduce Public Health Funding - Options.pdf](#)

**IT Addendum**

**Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?**

No

**Objects of Expenditure**

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
Obj. A	(\$724)	(\$724)	(\$1,448)	(\$724)	(\$724)	(\$1,448)
Obj. B	(\$253)	(\$253)	(\$506)	(\$253)	(\$253)	(\$506)
Obj. E	(\$8,846)	(\$8,846)	(\$17,692)	(\$8,846)	(\$8,846)	(\$17,692)
Obj. G	(\$269)	(\$269)	(\$538)	(\$269)	(\$269)	(\$538)
Obj. T	(\$1,443)	(\$1,443)	(\$2,886)	(\$1,443)	(\$1,443)	(\$2,886)

## Agency Contact Information

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