

OKLAHOMA STATE DEPARTMENT OF HEALTH
SFY 2014 BUDGET AND EXPENDITURE FORECAST: AS OF 02/18/2014

SUMMARY

<u>Division</u>	<u>Current Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Forecasted Expenditures</u>	<u>Surplus/(Deficit)</u>	<u>Performance Rate</u>
Public Health Infrastructure	\$24,046,584	\$8,810,752	\$3,882,635	\$10,770,138	\$583,059	97.58%
Protective Health Services	\$65,548,338	\$27,313,886	\$7,195,244	\$29,280,974	\$1,758,235	97.32%
Prevention & Preparedness Services	\$58,393,107	\$22,201,425	\$23,447,553	\$13,236,744	(\$492,615)	100.84%
Information Technology	\$7,291,870	\$4,626,364	\$2,372,133	\$175,370	\$118,003	98.38%
Health Improvement Services	\$20,106,831	\$9,642,117	\$3,911,710	\$6,073,337	\$479,667	97.61%
Community & Family Health Services	\$250,671,812	\$97,900,427	\$30,447,759	\$121,202,178	\$1,121,447	99.55%
Totals:	\$426,058,542	\$170,494,971	\$71,257,034	\$180,738,741	\$3,567,796	99.16%
	< 90%	90% - 95%	95% - 102.5%	102.5% - 105%	>105%	

Expenditure Forecast Assumptions

- Expenditures and encumbrances shown as of February 18, 2014.
- Payroll expenses are forecasted through June 30, 2014 based on extrapolation of the first thirteen payrolls of SFY 2014.
- Other expenditure forecasts are limited to realistic amounts expected to spend out during the current budget period.
- Surplus/(Deficit) is projected as of June 30, 2014.
- Budgets are based on federal revenue projections and may have to be adjusted once the final FFY2014 grant awards are received.

Explanation of Notable Changes From Prior Report

- Protective Health Services
 - Decreased budgets for the licensure boards that were transferred to other agencies per 2013 legislation
 - Realign budget to revenue projections
- Community and Family Health Services
 - Increased payroll obligations

- The Oklahoma Legislature annually appropriates dollars to the OSDH to assist FQHCs with uncompensated care costs for providing primary health care services to the uninsured.
- This appropriation peaked in 2009 at \$3.84M and has remained stable at \$3.12M for the past three fiscal years.
- Of the 19 FQHCs, only 6 (with approximately 36 satellite sites) have consistently claimed uncompensated care costs over the past 5 years.
- In 2013, and for the first time since inception, the amount of state appropriations was inadequate to cover the full costs of FQHC claims for uncompensated care.
- The practice currently in place as a payment methodology is cost-based reporting for each FQHC.
- SFY2014 funds for FQHCs were 90% exhausted within the 1st trimester. According to the Oklahoma Primary Care Association (OKPCA) the increase in expenditures is due to health center expansion and successful outreach to uninsured patients.
- SFY 2014 appropriation and available carry forward (pending budget revision and approval by OMES) will provide sufficient funding to pay uncompensated care claims through November 2013 with a remaining fund balance of \$193,617.
- December 2013 invoices received to date total \$434,514 and will exhaust the fund balance. An allocation method will be used to disburse remaining funds among billing FQHCs in December.
- The number of health center grantees in Oklahoma has increased from 4 in 2003 to 19 in 2014.
- Oklahoma health centers have seen a 45% increase in total patients served from 101,954 in 2008 to 147,779 in 2012.
- Patient encounters have increased by 38% from 369,836 in 2008 to 509,727 in 2012.

Aggregate Costs & Encounters for Claiming Health Centers

(FY13 & FY14 - 16 Months)

