

**LEGISLATIVE
BUDGET
COMMISSION**

Denise Grimsley, Chair

J D Alexander, Vice-Chair

**MEETING PACKET
Friday, June 24, 2011
11:00 A.M.
412 Knott Building**

**(Please bring this packet to the committee meeting.
Duplicate materials will not be available.)**



LEGISLATIVE BUDGET COMMISSION AGENDA



Friday, June 24, 2011
11:00 A.M.
412 Knott Building

Members

Senator J D Alexander
Senator Don Gaetz
Senator Joe Negron
Senator Nan Rich
Senator Garrett Richter
Senator Gary Siplin
Senator Stephen` Wise

Representative Denise Grimsley
Representative Charles Chestnut
Representative Ed Hooper
Representative Mike Horner
Representative Matt Hudson
Representative Darryl Rouson
Representative Robert Schenck

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Department of Agriculture and Consumer Services

EOG Number: B2012-0040

Problem Statement:

Chapter 2011-56, Laws of Florida, requires the consolidation of the Division of Dairy Industry with the Division of Food Safety within the Department of Agriculture and Consumer Services effective July 1, 2011. The Division of Food Safety will assume responsibility for inspecting and testing as it relates to dairy farms, milk plants, milk product plants, and plants that manufacture and distribute frozen desserts and frozen dessert mixes.

Agency Request:

The department requests the transfer of \$1,401,656 from the General Revenue Fund, \$129,356 from the General Inspection Trust Fund, and 22 full-time equivalent positions and associated salary rate of 829,550 from the Division of Dairy Industry to the Division of Food Safety effective July 1, 2011.

Governor's Recommendation:

Recommend approval to transfer \$1,401,656 in General Revenue Funds, \$129,356 in the General Inspection Trust Fund, as well as 22.00 positions and 829,550 in associated salary rate, from the Division of Dairy Industry to the Division of Food Safety to consolidate the two divisions pursuant to chapter 2011-56, Laws of Florida.

Senate Committee: Subcommittee on General Government
Appropriations

Senate Analyst: Sandra Blizzard

House Committee: Agriculture & Natural Resources
Appropriations Subcommittee

House Analyst: Gail Lolley

*Budget Commission Meeting
June 24, 2011*

Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Appropriation	Appropriation	Appropriation	Appropriation		
	AGRICULTURE AND CONSUMER SERVICES , AND COMMISSIONER OF AGRICULTURE							
	Program: Food Safety And Quality Dairy Facilities Compliance And Enforcement							
	Salary Rate Positions		(829,550) (22)		(829,550) (22)			
1383	Salaries And Benefits From General Revenue Fund From General Inspection Trust Fund			(1,116,287) (108,836)		(1,116,287) (108,836)		
1384	Expenses From General Revenue Fund From General Inspection Trust Fund			(212,347) (20,520)		(212,347) (20,520)		
1385	Operating Capital Outlay From General Revenue Fund			(10,500)		(10,500)		
1386	Special Categories Contracted Services From General Revenue Fund			(24,960)		(24,960)		
1387	Special Categories							

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			Appropriation	Appropriation	Appropriation	Appropriation		
1388	Risk Management Insurance From General Revenue Fund		(29,444)	(29,444)				
	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From General Revenue Fund		(8,118)	(8,118)				
1389	<u>Food Safety Inspection And Enforcement</u>							
	<i>Salary Rate Positions</i>		829,550 22	829,550 22				
1391	Salaries And Benefits From General Revenue Fund		1,116,287	1,116,287				
	From General Inspection Trust Fund		108,836	108,836				
1392	Expenses From General Revenue Fund		212,347	212,347				
	From General Inspection Trust Fund		20,520	20,520				
1393	Operating Capital Outlay From General Revenue Fund		10,500	10,500				
	Special Categories Contracted Services From General Revenue Fund		24,960	24,960				

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			Appropriation	Appropriation	Appropriation
1394	Special Categories Risk Management Insurance From General Revenue Fund		29,444	29,444	
1395	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From General Revenue Fund		8,118	8,118	

Department of Agriculture and Consumer Services

EOG Number: B2012-0041

Problem Statement:

Chapter 2011-142, Laws of Florida, requires a type two transfer, as defined in s. 20.06(2), Florida Statutes, of the Florida Energy and Climate Commission within the Executive Office of the Governor to the Department of Agriculture and Consumer Services' Office of Energy effective July 1, 2011.

Additional budget authority is also needed for various grants, including the Fixed Capital Outlay--U.S. Department of Energy Special Projects (\$850,000), Energy Efficiency Conservation Block Grant--American Recovery and Reinvestment Act of 2009 (\$821,341), and Enhancing State Government Energy Assurances and Smart Grid Resiliency Grant--American Recovery and Reinvestment Act of 2009 (\$1,160,000).

Agency Request:

The department requests the transfer of \$2,149,516 and 15 full-time equivalent positions from the Florida Energy and Climate Commission within the Executive Office of the Governor to the Department of Agriculture and Consumer Services' Office of Energy effective July 1, 2011. The department also requests associated salary rate of 837,758 and \$2,831,341 in additional budget authority for various energy grants.

Governor's Recommendation:

Recommend approval to transfer 15.00 positions and budget authority in the amount of \$2,149,516 in the Grants and Donations Trust Fund from the Executive Office of the Governor to the Department of Agriculture and Consumer Services' Federal Grants Trust Fund as part of the type two transfer of the Florida Energy and Climate Commission pursuant to chapter 2011-142, Laws of Florida; as well as recommend approval to establish salary rate in the amount of 837,758 and increase budget authority by \$2,831,341 in the Federal Grants Trust Fund for three new energy grants, one of which is fixed capital outlay.

Senate Committee: Subcommittee on General Government

Appropriations

Senate Analyst: Sandra Blizzard

House Committee: Agriculture & Natural Resources

Appropriations Subcommittee

House Analyst: Gail Lolley

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
	GOVERNOR, EXECUTIVE OFFICE OF THE							
	Program: General Office <u>Florida Energy And Climate Commission</u>							
	<i>Salary Rate Positions</i>		(15)		(15)			
2435	Salaries And Benefits From Grants And Donations Trust Fund		(1,358,069)		(1,358,069)			
2436	Lump Sum Executive Office Of The Governor - Florida Energy And Climate Commission From Grants And Donations Trust Fund		(785,187)		(785,187)		(785,187)	
2437	Special Categories Risk Management Insurance From Grants And Donations Trust Fund		(2,510)		(2,510)			

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			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
2438	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From Grants And Donations Trust Fund		(3,750)		(3,750)			
	AGRICULTURE AND CONSUMER SERVICES , AND COMMISSIONER OF AGRICULTURE							
	Program: Office Of The Commissioner And Administration <u>Office Of Energy</u>							
	Salary Rate Positions		837,758 15		837,758 15			
N/A	Salaries And Benefits From Federal Grants Trust Fund		1,358,069		1,358,069			
	Other Personal Services							

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			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
	From Federal Grants Trust Fund		350,000		350,000			
	Expenses From Federal Grants Trust Fund		380,000		380,000			
	Operating Capital Outlay From Federal Grants Trust Fund		2,500		2,500			
	Special Categories Contracted Services From Federal Grants Trust Fund		52,687		52,687			
	Special Categories Risk Management Insurance From Federal Grants Trust Fund		2,510		2,510			
	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From Federal Grants Trust Fund		3,750		3,750			

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			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
	Grants And Aids To Local Governments And Nonstate Entities - Fixed Capital Outlay United States Department Of Energy Special Projects From Federal Grants Trust Fund		850,000		850,000			
	Special Categories Grants And Aids - Energy Efficiency Conservation Block Grant - American Recovery And Reinvestment Act Of 2009 From Federal Grants Trust Fund		821,341		821,341			
	Special Categories Smart Grid Technologies - American Recovery And Reinvestment Act Of 2009 From Federal Grants Trust Fund		1,160,000		1,160,000			

Department of Juvenile Justice

EOG Number: B2012-0027

Problem Statement:

The Department of Juvenile Justice (DJJ) receives federal grant funding from the U. S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP) to fund subgrants/contracts in the Delinquency Prevention and Diversion budget entity for delinquency prevention programs. DJJ received a notice of award from the OJJDP on May 13, 2011. The OJJDP has awarded DJJ a total of \$3,755,720 in grant funding for Fiscal Year 2011 as follows:

2011 Title II Part B Formula Grant	\$2,103,966
2011 Title V Incentive Grant	\$ 50,000
2011 Juvenile Accountability Block Grant (JABG)	\$1,601,754

In order for the department to expend the grant funding next fiscal year, additional budget authority is required. Without sufficient budget authority the department will not be able to award subgrants to communities for delinquency and prevention programs.

Agency Request:

The Department of Juvenile Justice requests \$3,755,720 in additional budget authority in the Grants and Aids - Contracted Services category in the Federal Grant Trust Fund in the Delinquency Prevention and Diversion budget entity. The additional budget authority will support the department's federal revenue dollars received from the U. S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention for designated subgrants/contracts.

Governor's Recommendation:

Recommend approval to increase budget authority by \$3,755,720 in the Federal Grants Trust Fund, within Delinquency Prevention and Diversion, to support the department's federal revenue dollars received from the Office of Juvenile Justice and Delinquency Prevention (OJJDP) for designated subgrants/contracts.

Senate Committee: Subcommittee on Criminal and Civil Justice

Senate Analyst: Tim Sadberry

House Committee: Justice Appropriations Subcommittee

House Analyst: Sarah Toms

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
			Appropriation	Appropriation	Appropriation
1144	JUVENILE JUSTICE Program: Prevention And Victim Services <u>Delinquency Prevention And Diversion</u> Special Categories Grants And Aids - Contracted Services From Federal Grants Trust Fund		3,755,720	3,755,720	3,755,720

Department of Community Affairs

EOG Number: B2012-0030

Problem Statement:

On April 21, 2010, an explosion occurred on the mobile drilling platform, Deepwater Horizon, which is located 130 miles southeast of New Orleans, Louisiana. As a result of the explosion, fire and sinking of the rig, the well was releasing oil into the Gulf of Mexico. The Deepwater Horizon well ceased discharging on July 15, 2010, and no additional oil is expected to be released into the Gulf of Mexico.

The responsible party, BP, has provided funding to the State of Florida to cover costs incurred as a result of the state's preparedness and response activities. The Division of Emergency Management is the disbursing entity for these funds. However, the division does not have budget authority in the Deepwater Horizon appropriation category in order to continue to process reimbursement requests for state agency preparedness and response costs and for tourism marketing efforts in Fiscal Year 2011-12.

Agency Request:

The Division of Emergency Management (DEM) requests budget authority in the amount of \$3,829,777 in the Deepwater Horizon Pass Through Category in the Grants and Donations Trust Fund for costs incurred from the Deepwater Horizon Oil Spill Event. This request is based on the following projected expenditures for FY 2011-12:

\$3,705,782.37	State Agency Reimbursements for Preparedness and Response
\$ 123,994.48	Reimbursements for Tourism Activities

\$3,829,776.85	Expected Reimbursements

If this request is not approved, DEM will be unable to expend and appropriately account for incurred costs against the correct appropriation category, which could jeopardize tracking of these disbursements for reimbursement purposes from the funds provided by the responsible party.

Governor's Recommendation:

Recommend approval to increase budget authority by \$3,829,777 in the Grants and Donations Trust Fund in the Grants and Aids - Deepwater Horizon Pass Through Category to reimburse agencies for activities associated with the Deepwater Horizon response.

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<p>Senate Committee: Subcommittee on Transportation, Tourism and Economic Development Appropriations Senate Analyst: Skip Martin</p>	<p>House Committee: Transportation & Economic Development Appropriations Subcommittee House Analyst: Scott Fennell</p>
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			Appropriation	Appropriation	Appropriation
N/A	COMMUNITY AFFAIRS Program: Emergency Management <u>Emergency Management</u> Special Categories Grants And Aids - Deepwater Horizon - Pass Through Of State And Federal Funds To Local Governments From Grants And Donations Trust Fund		3,829,777	3,829,777	3,829,777

Department of Management Services

EOG Number: B2012-0026

Problem Statement:

In the Fiscal Year 2011-12 General Appropriations Act, the Department of Management Services was provided department-wide salary rate of 781,800 and Salaries and Benefits budget of \$1,245,986 to restore critical positions in several divisions due to the veto of HB 5611 as part of the 2010 legislative session. Proviso in the department's budget provides that this salary rate and Salaries and Benefits budget be placed in reserve contingent upon the department submitting a budget amendment for release upon review and approval by the Legislative Budget Commission. The proviso specifies that a detailed plan of how the salary rate and budget will be used, including, but not limited to, title, position number, pay plan, amount of salary rate, organizational placement, and the role and responsibilities for each position be included as part of the budget amendment.

This budget amendment satisfies the proviso requirements and position information, and requests the release of the salary rate and Salaries and Benefits budget to be available July 1, 2011.

Agency Request:

The Department of Management Services requests the release of 781,800 in salary rate and \$1,245,986 in the Salaries and Benefits appropriation category within the Executive Direction, Facilities Management, Motor Vehicle and Watercraft Management, Insurance Benefits Administration, and Purchasing Oversight budget entities to implement the restoration of position funding as provided in the Fiscal Year 2011-12 General Appropriations Act.

Governor's Recommendation:

Recommend approval of \$1,245,986 in the Salaries and Benefits appropriation category and 781,800 in salary rate within the Executive Direction, Facilities Management, Motor Vehicle and Watercraft Management, Insurance Benefits Administration, and Purchasing Oversight budget entities to implement the restoration of position funding as provided in the Fiscal Year 2011-12 General Appropriations Act.

Senate Committee: Subcommittee on General Government
Appropriations

Senate Analyst: Gino Betta

House Committee: Government Operations Appropriations
Subcommittee

House Analyst: Jeff Dykes

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY			RECOMMENDED BY GOVERNOR			APPROVED BY THE LEGISLATIVE BUDGET COMMISSION			
			Appropriation	Reserve	Release	Appropriation	Reserve	Release	Appropriation	Reserve	Release	
2574	MANAGEMENT SERVICES											
	Program: Administration Program Executive Direction And Support Services											
	Salary Rate Positions		526,752	(526,752)		526,752	(526,752)					
	Salaries And Benefits From Administrative Trust Fund			(684,567)	684,567		(684,567)	684,567				
	Program: Facilities Program <u>Facilities Management</u>											
	Salary Rate Positions		28,766	(28,766)		28,766	(28,766)					

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			Appropriation	Reserve	Release	Appropriation	Reserve	Release	Appropriation	Reserve	Release	
2587	LASPBS Account Number Salaries And Benefits From Supervision Trust Fund Program: Support Program <u>Motor Vehicle And Watercraft Management</u>			(314,365)	314,365		(314,365)	314,365				
2616	<u>Salary Rate Positions</u> Salaries And Benefits From Operating Trust Fund Workforce Programs Program: <u>Insurance Benefits Administration</u>		58,455	(58,455)		58,455	(58,455)		(9,599)	9,599		
2654	Salaries And											

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			Appropriation	Reserve	Release	Appropriation	Reserve	Release	Appropriation	Reserve	Release
2623	Benefits From State Employees Health Insurance Trust Fund Program: Support Program Purchasing Oversight Salary Rate Positions Salaries And Benefits From Operating Trust Fund		163,272	(13,817)	13,817	163,272	(13,817)	13,817			
				(223,638)	223,638		(223,638)	223,638			

Department of Management Services

EOG Number: B2012-0034

Problem Statement:

Section 110.12301(2), Florida Statutes, directs the Department of Management Services to competitively procure a contingency-based contract for dependent eligibility verification services for the state group insurance program. Vendor compensation is based on an agreed upon methodology to calculate estimated health cost savings attributed to an ineligible dependent identified by the vendor and confirmed by the department. The statute further specifies that compensation under the contract may not exceed historical claim costs for the prior 12 months for the dependent populations disenrolled as a result of the vendor's services.

The department is in the final stages of the competitive procurement process which indicates that the expected compensation for the verification services will not exceed \$801,400. The department expects to finalize the contracting process by August and services will begin at that time.

Agency Request:

The Department of Management Services requests an increase of \$801,400 in the Dependent Eligibility Verification Services appropriation category from the State Employees' Health Insurance Trust Fund within the Insurance Benefits Administration budget entity to support an upcoming contract for dependent eligibility verification services as directed in Section 110.12301(2), Florida Statutes.

Governor's Recommendation:

Recommend approval to increase budget authority by \$801,400 from the State Employees' Health Insurance Trust Fund in the Dependent Eligibility Verification Services appropriation category to complete the current procurement for dependent eligibility verification services as directed by Section 110.12301, Florida Statutes.

Senate Committee: Subcommittee on General Government
Appropriations

Senate Analyst: Gino Betta

House Committee: Government Operations Appropriations
Subcommittee

House Analyst: Jeff Dykes

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			Appropriation	Appropriation	Appropriation
MANAGEMENT SERVICES					
N/A	Workforce Programs <u>Program: Insurance Benefits Administration</u> Special Categories Dependent Eligibility Verification Services From State Employees Health Insurance Trust Fund		801,400	801,400	801,400

Department of Management Services

EOG Number: B2012-0035

Problem Statement:

Chapter 2011-50, Laws of Florida, provides that the Northwood Shared Resource Center be transferred by a type one transfer, as defined in s. 20.06 (1), Florida Statutes, from the Department of Children and Family Services to the Department of Management Services. The law further provides that the Northwood Shared Resource Center is an agency established within the Department of Management Services as a primary data center and is a separate budget entity that is not subject to control, supervision, or direction of the department in any manner, including, but not limited to, purchasing, transactions involving real or personal property, personnel, or budgetary matters.

Agency Request:

The Department of Management Services requests the transfer of 94.00 positions, salary rate of 5,101,761 and budget authority of \$27,334,196 appropriated to the Northwood Shared Resource Center (NSRC) from the Working Capital Trust Fund within the Department of Children and Families to the Department of Management Services, as directed in Chapter 2011-50, Laws of Florida.

Governor's Recommendation:

Recommend approval to transfer budget authority in the amount of \$27,334,196 in the Working Capital Trust Fund, as well as 94.00 positions and 5,101,761 in associated salary rate, for the Northwood Shared Resource Center (NSRC) as a type one transfer from the Department of Children and Families to the Department of Management Services, as directed in Chapter 2011-50, Laws of Florida

Senate Committee: Subcommittee on General Government Appropriations

Senate Analyst: Gino Betta

House Committee: Government Operations Appropriations Subcommittee

House Analyst: Jeff Dykes

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			Appropriation	Appropriation	Appropriation
	CHILDREN AND FAMILY SERVICES				
	Program: Support Services <u>Northwood Shared Resource Center (Nsirc)</u>				
	<i>Salary Rate Positions</i>	(5,101,761) (94)	(5,101,761) (94)		
282	Salaries And Benefits From Working Capital Trust Fund		(6,746,579)	(6,746,579)	
283	Other Personal Services From Working Capital Trust Fund		(198,571)	(198,571)	
284	Expenses From Working Capital Trust Fund		(2,273,824)	(2,273,824)	
285	Operating Capital Outlay From Working Capital Trust Fund		(24,084)	(24,084)	
286	Special Categories Computer Related Expenses From Working Capital Trust Fund		(16,859,029)	(16,859,029)	
286A	Special Categories				

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			Appropriation	Appropriation	Appropriation	Appropriation		
287	Agriculture Interdiction Station From Working Capital Trust Fund		(22,000)	(22,000)	(22,000)	(22,000)		
288	Special Categories Contracted Services From Working Capital Trust Fund		(428,828)	(428,828)	(428,828)	(428,828)		
289	Special Categories Risk Management Insurance From Working Capital Trust Fund		(9,424)	(9,424)	(9,424)	(9,424)		
289A	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From Working Capital Trust Fund		(1,972)	(1,972)	(1,972)	(1,972)		
290	Data Processing Services Children And Families Data Center From Working Capital Trust Fund		(200,851)	(200,851)	(200,851)	(200,851)		
	Data Processing Services Northwood Shared Resource Center (Nsrc) Depreciation Federal Share Billings From Working Capital Trust Fund		(569,034)	(569,034)	(569,034)	(569,034)		
MANAGEMENT SERVICES								

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			Appropriation	Appropriation	Appropriation	Appropriation		
	LASPBS Account Number							
	Program: Northwood Shared Resource Center <u>Northwood Shared Resource Center</u>							
	<i>Salary Rate Positions</i>		5,101,761 94	5,101,761 94				
N/A	Salaries And Benefits From Working Capital Trust Fund		6,746,579	6,746,579				
	Other Personal Services From Working Capital Trust Fund		198,571	198,571				
	Expenses From Working Capital Trust Fund		2,273,824	2,273,824				
	Operating Capital Outlay From Working Capital Trust Fund		24,084	24,084				
	Special Categories Computer Related Expenses From Working Capital Trust Fund		16,859,029	16,859,029				
	Special Categories Agriculture Interdiction Station From Working Capital Trust Fund		22,000	22,000				
	Special Categories							

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			Appropriation	Appropriation	Appropriation
	LASPBS Account Number				
	Contracted Services From Working Capital Trust Fund		428,828	428,828	
	Special Categories Risk Management Insurance From Working Capital Trust Fund		9,424	9,424	
	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From Working Capital Trust Fund		1,972	1,972	
	Data Processing Services Children And Families Data Center From Working Capital Trust Fund		200,851	200,851	
	Data Processing Services Northwood Shared Resource Center (Nsrc) Depreciation Federal Share Billings From Working Capital Trust Fund		569,034	569,034	

Department of Management Services

EOG Number: B2012-0038

Problem Statement:

Chapter 2010-150, Laws of Florida, directed the Department of Management Services to evaluate fully insured and self-insured Health Maintenance Organization (HMO) plan designs for the 2012 Plan Year as part of the department's competitive procurement process for HMO contracts. The law further states that prior to contracting, the department is to provide a report to the Legislature with a recommendation of the best value to the state relating to the plan designs. Based on analysis completed by the department's contracted actuary, dated January 29, 2011, and provided to the Legislature, the department recommended a self-insured plan design.

Currently, all HMO administrative and claims costs are budgeted in a nonoperating appropriation category based on premiums paid to the HMOs. Self-insured HMO claim costs will continue to be budgeted in a nonoperating appropriation category. However, in order for the department to have sufficient operating budget authority to contract with HMOs under a self-insured plan design similar to that of the State's Preferred Provider Organization self-insurance plan, the department needs to increase budget authority in various appropriation categories to support contractual fees associated with HMO administrative services, banking services, independent audit services, and temporary staff. All contracts to be entered into with the HMOs as part of the current procurement process are effective January 1, 2012.

Agency Request:

The Department of Management Services requests an overall increase in budget authority of \$19,685,000 in the Other Personal Services, Contracted Services, Contracted Bank Services, and Administrative Services Only Contract for Health Insurance appropriation categories from the State Employees' Health Insurance Trust Fund within the Insurance Benefits Administration budget entity. The increased budget authority will allow the department to use a self-insured funding model for Health Maintenance Organization coverage when it produces the best value for the state. The requested budget authority will be placed in reserve.

Specifically, the following budgetary changes are requested:

1. Other Personal Services - \$100,000
Increased budget authority for two Other Personal Services (OPS) positions to provide oversight of the self-insured HMO program. One position will evaluate, analyze, and monitor the financial integrity of processes established by the HMO administrator(s). The second position will perform contract monitoring and oversight duties.

<p>2. Contracted Services - \$450,000 Increased budget authority to perform readiness assessments for the new self-insured HMO contracts (up to 6 vendors). The readiness assessments will appraise the adherence and compliance of vendors to the terms and conditions of the contracts. The department estimates that each audit will cost approximately \$75,000.</p>	<p>3. Administrative Services Only Contract for Health Insurance - \$19.1 million Increased budget authority to remit payments for administrative oversight to the new self-insured HMO vendor(s). As with the current administrative services contract for Preferred Provider Organization (PPO) offerings, the HMO vendor(s) will be compensated on a per enrollee, per month basis.</p>	<p>4. Contracted Bank Services - \$35,000 Increased budget authority to support bank charges for an account that will be used to process claims payments to the HMOs. Governor's Recommendation: Recommend approval to increase budget authority by \$19,685,000 in the State Employee Health Insurance Trust Fund, with it being placed in unbudgeted reserve within the Insurance Benefits Administration budget entity, to allow the department to use a self-insured model for Health Maintenance Organization coverage when it produces the best value for the state.</p>
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<p>Senate Committee: Subcommittee on General Government Appropriations Senate Analyst: Gino Betta</p>	<p>House Committee: Government Operations Appropriations Subcommittee House Analyst: Jeff Dykes</p>
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*Budget Commission Meeting
June 24, 2011*

Line Item No.	Budget Entry / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
	MANAGEMENT SERVICES							
	Workforce Programs Program: Insurance <u>Benefits Administration</u>							
2655	Other Personal Services From State Employees Health Insurance Trust Fund		100,000	100,000	100,000	100,000		
2659	Special Categories Contracted Services From State Employees Health Insurance Trust Fund		450,000	450,000	450,000	450,000		
2660	Special Categories Administrative Services Only Contract For Health Insurance From State Employees Health Insurance Trust Fund		19,100,000	19,100,000	19,100,000	19,100,000		
2665	Special Categories Contracted Bank Services							

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Appropriation	Reserve	Appropriation	Reserve	Appropriation	Reserve
	From State Employees Health Insurance Trust Fund		35,000	35,000	35,000	35,000		

Department of Management Services

EOG Number: B2011-0701

Problem Statement:

The Department of Management Services has entered into a settlement agreement in the amount of \$458,968.46 resulting from litigation between Loncoleman Corporation (Plaintiff) and the department relating to a dispute of contractual services. This budget amendment transfers budget authority from the State Utility Payments appropriation category to the Contracted Services appropriation category in the Supervision Trust Fund to accommodate for the settlement agreement. The services in dispute were associated with contractual maintenance of buildings located at the Capital Circle Office Center in Tallahassee.

During the course of the contract, Loncoleman submitted invoices for payments that were approved by the department for payment but were not timely paid due to a clerical error. However, during the time that the payments went unpaid, the department discovered deficiencies in the services provided and notified Loncoleman that all past and future invoice payments would be withheld until such time that the deficiencies were corrected. Ultimately, due to irreconcilable differences, the department and Loncoleman each terminated the contract and initiated their respective complaints through the court system.

In May 2011, the parties entered into a signed settlement agreement. The settlement agreement requires the department to pay Loncoleman \$458,968.46, which represents payment for two months of service plus the statutory interest that has accrued over time. The department represents in a signed letter to the Department of Financial Services that because the case presents a substantial risk to the state for an unfavorable verdict that could far exceed the agreed to settlement amount if continued, that the settlement is in the best interest of the state.

The Contracted Services category is the appropriate category to use for payment of the settlement amount in light of the obligation incurred. Due to statewide utility charges in the Florida Facilities Pool being lower than expected for the 2010-2011 fiscal year, excess budget authority is available for the transfer of budget authority.

Agency Request:

The Department of Management Services requests the transfer of budget authority in the amount of \$458,969 from the State Utility Payments appropriation category to the Contracted Services appropriation category from the Supervision Trust Fund within the Facilities Management budget entity to accommodate for a settlement agreement between the department and Loncoleman Corporation.

Governor's Recommendation:

Recommend approval to transfer budget authority in the amount of \$458,969 in the Supervision Trust Fund from the State Utility Payments appropriation category to the Contracted Services appropriation category within the Facilities Management budget entity to support a settlement agreement negotiated by the department.

Senate Committee: Subcommittee on General Government
Appropriations

Senate Analyst: Gino Betta

House Committee: Government Operations Appropriations
Subcommittee

House Analyst: Jeff Dykes

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
			Appropriation	Appropriation	Appropriation
	MANAGEMENT SERVICES				
	Program: Facilities Program <u>Facilities Management</u>				
2826	Special Categories Contracted Services From Supervision Trust Fund		458,969	458,969	
2831	Special Categories State Utility Payments From Supervision Trust Fund		(458,969)	(458,969)	

Statewide

EOG Number: B2012-0042

Problem Statement:

The 2009 Florida Legislature established e-mail as an enterprise information technology service and authorized the migration to a statewide e-mail service in section 282.34, Florida Statutes. The Southwood Shared Resource Center (SSRC) was designated as the provider of the statewide e-mail service and authorized to either centrally host, manage, operate, and support the service; or outsource the hosting, management, operational, and support components of the service. The SSRC, in consultation with the Agency for Enterprise Information Technology (AEIT), was directed to establish and coordinate a multi-agency project team to develop a competitive solicitation for establishing the statewide e-mail service. The AEIT supported the outsourcing of the statewide e-mail service and recommended that the team's selected vendor be the provider of this service. The AEIT projects that the recommended vendor and its proposed solution will save the state \$735,422 in Fiscal Year 2011-12 and approximately \$9.5 million over the 7-year term of the contract. The Legislative Budget Commission (LBC) staff has not been able to replicate the AEIT cost savings projections.

Pursuant to Section 11 of Chapter 2011-50, Laws of Florida (SB 2098), the LBC by June 30, 2011 is required to review and either approve or disapprove a proposed plan for migrating all state agencies to the new statewide e-mail service. The law requires comparison of the total recurring and nonrecurring operating costs for e-mail services with the cost associated with the proposed statewide e-mail service over a 7-year lifecycle. The law also requires submission of a budget amendment for adjustments to each agency's approved operating budget necessary to transfer sufficient budget resources into the appropriate data processing category to support its statewide e-mail service costs.

Agency Request:

The Agency for Enterprise Information Technology (AEIT) is requesting approval of its plan for the migration of all state agencies to a statewide e-mail service and the associated budget amendment. The AEIT indicates that their plan complies with the three statutory objectives for the service to: 1) minimize the State's investment required to establish, operate, and support email; 2) reduce the cost of current e-mail operations and the number of duplicative email systems; and 3) eliminate the need for each state agency to maintain its own e-mail staff. Additionally, the AEIT states their plan includes the following: 1) a cost-benefit analysis; 2) a proposed migration date for all state agencies; 3) budget adjustments for each impacted state agency to transfer budget resources into the appropriate data processing category to support the statewide e-mail service; 4) budget authority and five full-time equivalent positions for the Southwood Shared Resource Center (SSRC) to implement the statewide e-mail service; and 5) contingent upon the approval of the

plan by the LBC, sufficient budget authority for the SSRC to enter into a contract for the provisions of a statewide e-mail service.

These are the budget year adjustments for FY 2011-2012:

Department Title	All Funds	General Revenue	All Trust Funds	FTE
ADMIN HEARINGS	Current Cost (\$22,145) New Cost \$24,457 Net Adjustment \$2,312		(\$22,145) \$24,457 \$2,312	
AGENCY/HEALTH CARE ADMIN	Current Cost (\$116,496) New Cost \$146,009 Net Adjustment \$29,513		(\$116,496) \$146,009 \$29,513	
AGENCY/PERSONS WITH DISABL	Current Cost (\$155,760) New Cost \$124,257 Net Adjustment (\$31,503)	(\$155,760) \$124,257 (\$31,503)		
AGENCY/WORKFORCE INNOVATN	Current Cost (\$124,444) New Cost \$208,288 Net Adjustment \$83,844		(\$124,444) \$208,288 \$83,844	
AGRIC/CONSUMER SVCS/COMMR	Current Cost (\$218,542) New Cost \$263,819 Net Adjustment \$45,277		(\$218,542) \$263,819 \$45,277	
BUSINESS/PROFESSIONAL REG	Current Cost (\$62,754) New Cost \$100,285 Net Adjustment \$37,531		(\$62,754) \$100,285 \$37,531	
CHILDREN & FAMILY SERVICES	Current Cost (\$1,678,179) New Cost \$952,756 Net Adjustment (\$725,423)	(\$839,971) \$466,851 (\$373,120)	(\$838,208) \$485,905 (\$352,303)	
CITRUS, DEPT OF	Current Cost (\$31,890) New Cost \$19,244 Net Adjustment (\$12,646)		(\$31,890) \$19,244 (\$12,646)	
COMMUNITY AFFAIRS, DEPT OF	Current Cost (\$307,126) New Cost \$144,982 Net Adjustment (\$162,144)		(\$307,126) \$144,982 (\$162,144)	(4.00)
CORRECTIONS, DEPT OF	Current Cost (\$72,112) New Cost \$140,162 Net Adjustment \$68,050	(\$72,112) \$140,162 \$68,050		(4.00)
EDUCATION, DEPT OF	Current Cost (\$145,687) New Cost \$177,736		(\$145,687) \$177,736	

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MANAGEMENT SRVCS, DEPT OF	Current Cost (\$435,372)	(\$4,103)	(\$431,269)
	New Cost \$161,446	\$3,005	\$158,441
	Net Adjustment (\$273,926)	(\$1,098)	(\$272,828)
PRG: SOUTHWOOD RES CENTER	Current Cost (\$22,836)		(\$22,836)
	New Cost \$14,084		\$14,084
	Net Adjustment (\$8,752)		(\$8,752)
PUBLIC SERVICE COMMISSION	Current Cost (\$41,546)		(\$41,546)
	New Cost \$17,313		\$17,313
	Net Adjustment (\$24,233)		(\$24,233)
REVENUE, DEPARTMENT OF	Current Cost (\$407,180)	(\$148,115)	(\$259,065)
	New Cost \$577,113		\$577,113
	Net Adjustment \$169,933	(\$148,115)	(\$318,048)
STATE, DEPT OF	Current Cost (\$91,607)	(\$91,607)	
	New Cost \$35,687	\$35,687	
	Net Adjustment (\$55,920)	(\$55,920)	
TRANSPORTATION, DEPT OF	Current Cost (\$771,267)		(\$771,267)
	New Cost \$530,862		\$530,862
	Net Adjustment (\$240,405)		(\$240,405)
VETERANS' AFFAIRS, DEPT OF	Current Cost (\$48,452)	(\$48,452)	
	New Cost \$57,890	\$57,890	
	Net Adjustment \$9,438	(\$9,438)	
Grand Total	(\$735,422)	(\$546,035)	(\$189,387)
Department Title	All Funds	General Revenue	All Trust Funds FTE
PRG: SOUTHWOOD RES CENTER	Administration \$500,312		\$500,312
	Contract \$5,478,347		\$5,478,347

Governor's Recommendation:

Recommend approval of the plan for the migration of all state agencies to a statewide e-mail service pursuant to Chapter 2011-50, LOF (Senate Bill 2098).

Senate Committee: Subcommittee on General Government	House Committee: Government Operations Appropriations Subcommittee
Senate Analyst: Gino Betta	House Analyst: Jeff Dykes

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Line Item No.	Budget Entry / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY Appropriation	RECOMMENDED BY GOVERNOR Appropriation	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION Appropriation
VARIOUS					
	<i>Salary Rate Positions</i>				
VAR	Various From General Revenue Fund Various			(546,035) (189,387)	
	MANAGEMENT SERVICES				
	Program: Southwood Shared Resource Center <u>Southwood Shared Resource Center</u>				
	<i>Salary Rate Positions</i>			310,000 5	
2707	Salaries And Benefits From Working Capital Trust Fund			406,682	
2708	Other Personal Services From Working Capital Trust Fund			62,136	

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LSPBS Account Number	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
			Appropriation	Appropriation	Appropriation
2709	Expenses From Working Capital Trust Fund			29,994	
2711	Special Categories Contracted Services From Working Capital Trust Fund			1,500	
N/A	Special Categories Statewide Email Service From Working Capital Trust Fund			5,478,347	

Executive Office of the Governor

EOG Number: B2011-0709

Problem Statement:

The Quick Action Closing Fund was created to help attract, retain, and provide favorable conditions for the growth of high-impact business facilities which provide widespread economic benefits to the state. Diversifying Florida's economy helps to foster a sustainable business environment, leading to quality employment opportunities for Floridians. In the global economy, there exists competition for these facilities, and in most instances, when all available resources for economic development have been used, the state continues to encounter competitive disadvantages in competing for these business facilities.

The Quick Action Closing Fund provides the state the ability to offer incentives to recruit businesses to the state. When local communities are vying for high-value projects, these funds are used to overcome a documented competitive disadvantage as compared to other non-Florida locations. The Legislature appropriated \$16,000,000 for the Quick Action Closing Fund for the 2010-2011 fiscal year to respond to extraordinary economic opportunities and to compete effectively for these high impact business facilities.

Pursuant to section 288.1088, Florida Statutes, the Office of Tourism, Trade, and Economic Development (OTTED), within the Executive Office of the Governor, may request approval for the release of funds as needed. OTTED is prepared to enter into a contract with the prospective business, referred to for confidentiality purposes as "Project Equis." Contract payments are estimated at \$4,500,000 based on preliminary negotiations.

Agency Request:

The Executive Office of the Governor requests a release of \$4,500,000 from unbudgeted reserve in the General Revenue Fund to execute a Quick Action Closing Fund contract.

Governor's Recommendation:

Recommend approval to release \$4,500,000 in General Revenue funds from unbudgeted reserve to execute a Quick Action Closing Fund contract.

Senate Committee: Subcommittee on Transportation, Tourism and Economic Development Appropriations

Senate Analyst: Skip Martin

House Committee: Transportation & Economic Development Appropriations Subcommittee

House Analyst: Scott Fennell

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Reserve	Release	Reserve	Release	Reserve	Release
2656	GOVERNOR, EXECUTIVE OFFICE OF THE Program: Office Of Tourism, Trade And Economic Development <u>Economic Development Programs And Projects</u> Special Categories Quick Action Closing Fund From General Revenue Fund		(4,500,000)	4,500,000	(4,500,000)	4,500,000		

Executive Office of the Governor

EOG Number: B2011-0710

Problem Statement:

The Quick Action Closing Fund was created to help attract, retain, and provide favorable conditions for the growth of high-impact business facilities which provide widespread economic benefits to the state. Diversifying Florida's economy helps to foster a sustainable business environment, leading to quality employment opportunities for Floridians. In the global economy, there exists competition for these facilities, and in most instances, when all available resources for economic development have been used, the state continues to encounter competitive disadvantages in competing for these business facilities.

The Quick Action Closing Fund provides the state the ability to offer incentives to recruit businesses to the state. When local communities are vying for high-value projects, these funds are used to overcome a documented competitive disadvantage as compared to other non-Florida locations. The Legislature appropriated \$16,000,000 for the Quick Action Closing Fund for the 2010-2011 fiscal year to respond to extraordinary economic opportunities and to compete effectively for these high impact business facilities.

Pursuant to section 288.1088, Florida Statutes, the Office of Tourism, Trade, and Economic Development (OTTED), within the Executive Office of the Governor, may request approval for the release of funds as needed. OTTED is prepared to enter into a contract with the prospective business, referred to for confidentiality purposes as "Project Christmas." Contract payments are estimated at \$3,000,000 based on preliminary negotiations.

Agency Request:

The Executive Office of the Governor requests a release of \$3,000,000 from unbudgeted reserve in the General Revenue Fund to execute a Quick Action Closing Fund contract.

Governor's Recommendation:

Recommend approval to release \$3,000,000 in General Revenue funds from unbudgeted reserve to execute a Quick Action Closing Fund contract.

Senate Committee: Subcommittee on Transportation, Tourism and Economic Development Appropriations
Senate Analyst: Skip Martin

House Committee: Transportation & Economic Development Appropriations Subcommittee
House Analyst: Scott Fennell

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Reserve	Release	Reserve	Release	Reserve	Release
2656	GOVERNOR, EXECUTIVE OFFICE OF THE Program: Office Of Tourism, Trade And Economic Development <u>Economic Development Programs And Projects</u> Special Categories Quick Action Closing Fund From General Revenue Fund		(3,000,000)	3,000,000	(3,000,000)	3,000,000		

Department of Elder Affairs

EOG Number: B2011-0687

Problem Statement:

The Department of Elder Affairs is projecting a deficit of \$1,536,447 (\$540,676 General Revenue Funding) in the Aging and Disabled Adult (ADA) Home and Community Based Services Waiver for Fiscal Year 2010-2011. The deficit is due to a slightly higher enrollment in the program than expected. The department has identified \$1,536,447 in surplus funding in the Assisted Living Medicaid Waiver due to low program enrollment resulting from limited providers participating in the program.

Agency Request:

The department requests the transfer of \$1,536,447 (\$540,676 in General Revenue Funds and \$995,771 in Operations and Maintenance Trust Fund) from the Assisted Living Waiver category to the Home and Community Based Services Waiver (ADA) category to address the costs associated with diverting elders from nursing home placements.

Governor's Recommendation:

Recommend approval to transfer \$540,676 in General Revenue Funds and \$995,771 in Operations and Maintenance Trust Fund budget authority from the Assisted Living Facility Waiver into the Home and Community Based Services Waiver (ADA) to avoid a projected short-fall due to slightly higher enrollment than expected.

Senate Committee: Subcommittee on Health and Human Services Appropriations
Senate Analyst: Cindy Kynoch

House Committee: Health Care Appropriations Subcommittee
House Analyst: J. Eric Pridgeon

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
					Appropriation
	ELDER AFFAIRS		Appropriation	Appropriation	Appropriation
	Program: Services To Elders Program <u>Home And Community Services</u>				
396	Special Categories Assisted Living Facility Waiver From General Revenue Fund From Operations And Maintenance Trust Fund		(540,676) (995,771)	(540,676) (995,771)	
395	Special Categories Home And Community Based Services Waiver From General Revenue Fund From Operations And Maintenance Trust Fund		540,676 995,771	540,676 995,771	

Agency for Health Care Administration

EOG Number: B2012-0033

Problem Statement:

The Agency for Health Care Administration (AHCA) and the Florida Department of Law Enforcement (FDLE) are requesting increased budget authority to continue implementation of a National Background Check program demonstration project for Florida.

Section 6201 of the federal Affordable Care Act (ACA) creates the National Background Check Program to identify efficient, effective and economical procedures for long term care facilities and providers to conduct background checks on a statewide basis on all prospective direct patient/resident access employees. The \$140 million program is administered by the Centers for Medicare and Medicaid Services (CMS) through Federal Fiscal Year 2012. Applications were limited by CMS to one application per state for up to \$3 million in federal funds. The AHCA was awarded the multi-year grant on September 30, 2010. The Legislative Budget Commission approved budget amendment EOG 0148 in December 2010 to begin work during the 2010-2011 fiscal year.

Currently, multiple agencies perform background screening and sharing of information is limited. This project will assist with the implementation or upgrading of employee background check systems to include checks of all pertinent registry sources in all states in which a potential employee has lived, to check state and federal criminal records, and to use the Federal Bureau of Investigation (FBI) fingerprinting system. This project will facilitate the sharing of data, reduce response time to providers, and reduce duplicate background screenings.

The Fiscal Year 2011-2012 grant activities will include database upgrades for provider registry related to fingerprint retention, integration with other data/information systems, Phase I of the database upgrades to streamline processes and create efficiencies, and begin Phase II of system upgrades including changes needed to implement retained fingerprints.

Agency Request:

The AHCA and the FDLE request increased budget authority of \$2,177,890 in the Contracted Services category and \$92,388 in the Other Personal Services category in the Health Care Trust Fund. In addition, FDLE requests increased budget authority of \$63,860 in the Contracted Services category, \$16,236 in the Expenses category, and \$41,752 in the Operating Capital Outlay category in the Federal Grants Trust Fund to implement a National Background Check program demonstration project in Florida.

Governor's Recommendation:

Recommend approval to increase budget authority by \$2,270,278 in the Agency for Health Care Administration's Health Care Trust

<p>Fund and by \$121,848 in the Department of Law Enforcement's Federal Grants Trust Fund for activities associated with the National Background Check Program Grant Solicitation Demonstration grant.</p>	<p><i>Senate Committee:</i> Subcommittee on Health and Human Services Appropriations <i>Senate Analyst:</i> Cindy Kynoch</p> <p><i>House Committee:</i> Health Care Appropriations Subcommittee <i>House Analyst:</i> Anita Hicks</p>
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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY		RECOMMENDED BY GOVERNOR		APPROVED BY THE LEGISLATIVE BUDGET COMMISSION	
			Appropriation	Appropriation	Appropriation	Appropriation		
	AGENCY FOR HEALTH CARE ADMINISTRATION							
218	Program: Health Care Regulation <u>Health Care Regulation</u> Special Categories Contracted Services From Health Care Trust Fund		2,177,890	2,177,890				
214	Other Personal Services From Health Care Trust Fund		92,388	92,388				
	LAW ENFORCEMENT							
1221	Program: Criminal Justice Information Program <u>Provide Information Network Services To The Law Enforcement Community</u> Special Categories Contracted Services From Federal Grants Trust Fund		63,860	63,860				
1219	Expenses From Federal Grants Trust Fund		16,236	16,236				

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Line Item No.	Budget Entity / Fund / Appropriation Category Title	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
			Appropriation	Appropriation	Appropriation
1220	LASPBS Account Number Operating Capital Outlay From Federal Grants Trust Fund		41,752	41,752	41,752

Agency for Health Care Administration

EOG Number: B2011-0593

Problem Statement:

The Agency for Health Care Administration (AHCA) has been awarded a federal grant to implement the Money Follows the Person (MFP) demonstration grant. The purpose of the MFP demonstration program is to provide opportunities to individuals living in an institutional setting to live in the community with the services and supports needed. Individuals that would benefit from this program include the elderly, persons with intellectual, developmental and/or physical disabilities, and mental illness. To be eligible for MFP funds, individuals must have resided in a nursing home for a minimum of 90 consecutive days, excluding rehabilitation days covered by Medicare.

The MFP demonstration grant, which was set to expire in federal Fiscal Year 2011, was extended through the Affordable Care Act (Act) for an additional five years. The MFP demonstration grant was originally authorized through the Deficit Reduction Act of 2005. Florida is one of the 13 states awarded the demonstration grant. The AHCA is set to receive \$35,748,853 in grant funding to implement the MFP demonstration grant through federal Fiscal Year 2016. The grant award for the first year of the demonstration program is \$4,203,999. Also, the AHCA received a MFP planning grant in the award amount of \$200,000 with a budget period of October 1, 2010, through September 30, 2011.

The grant award will be utilized to support staffing and administrative activities and to transition individuals from institutional settings to the community. All staffing and administrative costs are 100% federally funded. Expenditures related to services will require a state match of 22.03 % for Fiscal Year 2011-2012. This grant award provides for an enhanced federal match of 77.97% for qualified waiver services for the first year after an individual has transitioned into a community setting. It is anticipated that AHCA will do a future amendment to request the movement of the required state match from the nursing home category.

The AHCA is requesting \$1,944,636 in increased budget authority to support 4 new staff and to develop and/or improve its information technology infrastructure used to track the individuals transitioned to the community. No state match is required. The AHCA is also requesting \$200,000 in increased budget authority for the planning grant. The planning grant will be utilized by the AHCA to hire an OPS Project Director who will be responsible for implementation and oversight of the demonstration program, including coordination with partner agencies and advocacy groups. The planning grant is 100% federally funded and does not require a state match.

<p>This amendment requests budget authority for planning and administrative services activities for AHCA only. The AHCA anticipates that future budget amendment requests will be submitted to provide budget authority for services and administration by the Department of Elder Affairs, Department of Health, and the Department of Children and Families.</p>	
<p>Agency Request: The Agency for Health Care Administration (AHCA) requests increased budget authority of \$1,687,290 in the Contracted Services category, \$302,027 in the Other Personal Services category, \$154,859 in the Expenses category, and \$460 in the Human Resource Services category in the Medical Care Trust Fund to implement the MFP demonstration program.</p>	
<p>Governor's Recommendation: Recommend approval to increase budget authority by \$2,144,636 in the Medical Care Trust Fund to implement the Money Follows the Person Demonstration (MFP) Grant.</p>	
<p>Senate Committee: Subcommittee on Health and Human Services Appropriations Senate Analyst: Cindy Kynoch</p>	<p>House Committee: Health Care Appropriations Subcommittee House Analyst: Anita Hicks</p>

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Line Item No.	Budget Entity / Fund / Appropriation Category Title LASPBS Account Number	CF	REQUESTED BY AGENCY	RECOMMENDED BY GOVERNOR	APPROVED BY THE LEGISLATIVE BUDGET COMMISSION
			Appropriation	Appropriation	Appropriation
	AGENCY FOR HEALTH CARE ADMINISTRATION				
	Program: Health Care Services <u>Executive Direction And Support Services</u>				
165	Other Personal Services From Medical Care Trust Fund		302,027	302,027	
166	Expenses From Medical Care Trust Fund		154,859	154,859	
171	Special Categories Contracted Services From Medical Care Trust Fund		1,687,290	1,687,290	
175	Special Categories Transfer To Department Of Management Services - Human Resources Services Purchased Per Statewide Contract From Medical Care Trust Fund		460	460	