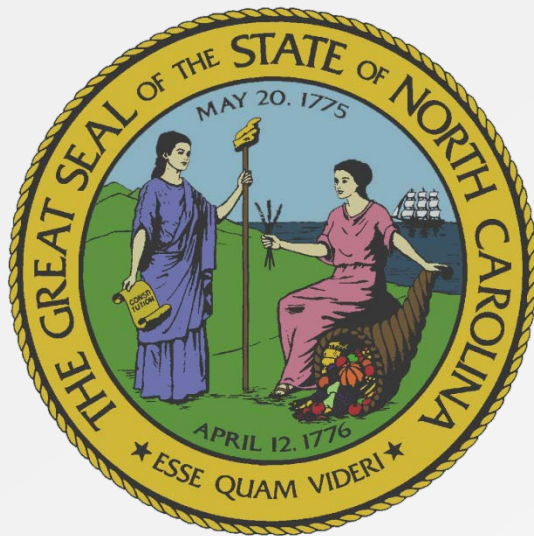




Office of State Budget and Management  
*Balancing Needs - Improving Government*



## Department of Health and Human Services June 30, 2014 Closeout

**PRESENTATION TO THE  
JOINT LEGISLATIVE OVERSIGHT COMMITTEE  
ON HEALTH AND HUMAN SERVICES  
SEPTEMBER 9, 2014**

Pam Kilpatrick, Assistant State Budget Officer  
The Office of State Budget and Management



## DHHS Closeout for State Fiscal Year 2013-14

Report on Year End Close Out of the Department of Health and Human Services General Fund Budget Codes

1. Final Budget and Expenditures
2. Medicaid and Mental Health Closeout
3. Carry Forwards
4. Reversions



# Final DHHS Budget and Expenditures

## Total General Fund Budget and Expenditures

State Fiscal Year 2013-14 Ending June 30, 2014

	Authorized Budget	Expenditure June 30, 2014	Balance	
Total Requirements	\$19,184,376,002	\$18,468,002,708	\$716,373,294	4%
Total Receipts	14,186,715,818	13,574,353,836	612,361,982	4%
Total State Appropriation	\$4,997,660,184	\$4,893,648,872	\$104,011,312	2%

—“Total Requirements” represent budget and expenditures from all sources of funds (state funds, federal receipts, gifts, grants, other revenues)

—“Total Receipts” are earned based on qualifying expenses using multiple cost allocation methods

—Authorized budget is the enacted budget plus authorized budget changes

—Balance of total requirements and receipts are lapsing budget. Balance of total State Appropriation is returned, or “reverted”, to the General Fund at June

—Source for all June 30 budget and expenditure data is OSC, NCAS BD 701



# Final DHHS Budget and Expenditures

## Total State General Fund Appropriation Expenditures by Division

State Fiscal Year 2013-14 Ending June 30, 2014

	Total Requirements	Total Receipts	Total State Appropriations
Central Administration (14410)	\$ 144,784,960	\$ 56,900,810	\$ 87,884,150
Aging and Adult Services (14411)	\$ 103,738,221	\$ 62,679,993	\$ 41,058,228
Child Development and Early Education (14420)	\$ 656,924,715	\$ 412,804,789	\$ 244,119,926
Public Health (14430)	\$ 743,185,225	\$ 605,988,504	\$ 137,196,721
Social Services (14440)	\$ 1,693,405,402	\$ 1,526,473,418	\$ 166,931,984
Medical Assistance (14445)	\$ 13,303,105,673	\$ 9,899,321,178	\$3,403,784,495
Health Choice (14446)	\$ 246,435,066	\$ 187,777,207	\$ 58,657,859
Services for the Blind/ Deaf and Hard of Hearing (14450)	\$ 26,858,376	\$ 20,598,814	\$ 6,259,562
Mental Health/DD/SAS (14460)	\$ 1,355,447,632	\$ 660,570,002	\$ 694,877,630
Health Services Regulation (14470)	\$ 58,357,134	\$ 43,268,597	\$ 15,088,537
Vocational Rehabilitation (14480)	\$ 135,760,304	\$ 97,970,524	\$ 37,789,780
Total	\$ 18,468,002,708	\$ 13,574,353,836	\$4,893,648,872



# Final DHHS Budget and Expenditures

Medical Assistance (14445)				
		Authorized Budget	Expenditure June 30, 2014	Balance
Total Requirements		\$ 13,645,880,212	\$ 13,303,105,673	\$ 342,774,538
Receipts		10,178,452,201	9,899,321,178	279,131,022
Appropriation		\$ 3,467,428,011	\$ 3,403,784,495	\$ 63,643,516

- Federal funds of \$35.9M were carried forward at year end  
*(federal share of drug rebates and payment recoveries)*
- \$63M state General Fund appropriation reversion
- Factors underlying the reversion



# Final DHHS Budget and Expenditures

Mental Health/DD/SAS (14460)				
		Authorized	Expenditure	
		Budget	June 30, 2014	Balance
Total Requirements		\$ 1,376,531,447	\$ 1,355,447,632	\$ 21,083,814
Receipts		680,171,407	660,570,002	19,601,404
Appropriation		\$ 696,360,040	\$ 694,877,630	\$ 1,482,410

- Brought forward \$14.9M in liabilities (*down from \$22M prior year*)
- Nonrecurring appropriation considered for liabilities but not enacted; Department report due 12/2014
- Reversion was unspent Group Home funding; payment authority ended June 30





# DHHS Carry Forwards

## Carry Forwards

State Fiscal Year 2013-14 Ending June 30, 2014

Funds remaining in the General Fund at June 30 each fiscal year revert

**§ 143C-1-2. (b)** states that unless otherwise provided by law, at the end of the fiscal year the unexpended, unencumbered balance of an appropriation reverts to the fund from which the appropriation was made

Certain funds remaining in the General Fund are carried forward (removed from year end balances and redeposited in the subsequent state fiscal year)

- *Cash deposits not belonging to the General Fund, such as unearned gifts, grants or federal funds*
- *Funds required by statute to be nonreverting*
- *Certain documented encumbrances*



# DHHS Carry Forwards

## Approved Carry Forwards State Fiscal Year 2013-14 Ending June 30, 2014

Category	Amount	Highlights
Unearned Revenue	\$ 36,764,194	Includes \$35.8M for Medicaid Federal share of drug rebate collections (\$26.6M) and NC TRACKS unapplied cash (\$9.2M). Also includes carry forward of grants in the Office of Rural Health.
Documented Encumbrances	\$ 14,257,255	Includes \$11.2M for the new Broughton Hospital. Also includes \$1.5M in Mental Health liabilities brought forward and \$1.4M associated with the Statewide Tele-psychiatry Initiative.
Required by General Statute	\$ 3,730,533	Includes \$2.9M for the US DOJ Settlement funds. Also includes civil penalties, HIV education funds, ACCESS Program funds, and Nuclear Power Plant Fees.
<b>TOTAL</b>	<b>\$ 54,751,982</b>	





# DHHS Reversions

## Final State General Fund Reversions by Division State Fiscal Year 2013-14 Ending June 30, 2014

	State Appropriations Reverted	Percent of Total Appropriation
Central Administration (14410)	\$ 2,550,356	2.8%
Aging and Adult Services (14411)	\$ 3,079,615	7.0%
Child Development and Early Education (14420)	\$ 5,888,741	2.4%
Public Health (14430)	\$ 6,769,086	4.7%
Social Services (14440)	\$ 7,274,411	4.2%
Medical Assistance (14445)	\$ 63,643,516	1.8%
Health Choice (14446)	\$ 9,294,434	13.7%
Services for the Blind/ Deaf and Hard of Hearing (14450)	\$ 1,932,784	23.6%
Mental Health/DD/SAS (14460)	\$ 1,482,410	0.2%
Health Services Regulation (14470)	\$ 1,395,427	8.5%
Vocational Rehabilitation (14480)	\$ 700,532	1.8%
Total DHHS Reversions	\$104,011,312	

Reversions are approximately 2% of the Department's total appropriations, and represent roughly 25% of statewide reversions.



## Questions or Comments

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