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Georgia Budget and Policy Institute

HEALTH CARE BUDGET

F A C T S

GEORGIA ESTABLISHES STAND-ALONE PUBLIC HEALTH AGENCY BEGINNING IN FY 2012

DEPARTMENT OF PUBLIC HEALTH ESTABLISHED IN FY 2012

The newly created Department of Public Health will take over Georgia's public health activities from the Department of Community Health beginning in July 2011. Prior to these programs being housed in the Department of Community Health, Georgia's public health programs were part of the Department of Human Resources which was broken into smaller agencies in FY 2010.

The FY 2012 budget reflects the creation of the new department by appropriating \$186 million in state funds (including \$174 million from the General Fund and \$12 million in Tobacco Settlement funding) to the Department of Public Health. Of this total, \$19.8 million is appropriated for departmental administration. The remaining \$166.2 million is appropriated for various programmatic public health functions.

Excluding funding for departmental administration (which was not specifically appropriated in FY 2011), the FY 2012 appropriation represents a \$2.3 million, or 1.5 percent, increase from the original FY 2011 budget.

However, the FY 2012 increase is due to increased funding for agency contributions for state employee health insurance costs. The FY 2012 budget adds significant state funding to agency budgets throughout state government to increase employer contributions to make up for a projected shortfall in the State Health Benefit Plan (SHBP). Excluding this new funding, which flows directly to the SHBP and is not used to increase public health services, the enacted FY 2012 budget would

S U M M A R Y

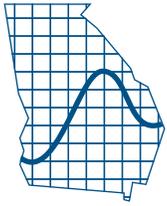
The FY 2012 budget appropriates \$186 million in state funding (General Fund and Tobacco Settlement Fund) for the newly established Department of Public Health. The FY 2012 programmatic (non-administrative) funding level of \$166.2 million represents a \$25.8 million, or 13.4 percent, decline from the pre-recession budget of FY 2009.

represent a \$6.6 million reduction in programmatic state public health spending, compared to the original FY 2011 appropriation.

State Funding for the Georgia Trauma Care Network Commission also was moved to the new Department of Public Health. The FY 2012 budget includes \$17.7 million in General Fund support for the Trauma Commission, which represents a decrease of \$4.6 million from the original FY 2011 appropriation. (The appropriation for the Trauma Commission is not reflected in the total departmental funding levels mentioned above.)

THOUGHTFUL ANALYSIS...RESPONSIBLE POLICY

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PUBLIC HEALTH FUNDING TRENDS AND ISSUES

Since FY 2009, Georgia’s programmatic (non-administrative) funding level for public health has dropped by 13.4 percent, from \$192 million to \$166.2 million. Furthermore, even prior to the recent economic downturn and resulting budget cuts, Georgia invested relatively modestly in public health programs.

While Georgia’s public health investment has stagnated in the last 10-plus years, Georgia’s population has increased considerably. The 2010 census indicated that Georgia added 1.5 million residents in the last decade, an 18.3 percent increase. This growth rate was the 7th fastest rate nationally, and only North Carolina’s 18.5 percent

growth rate exceeded Georgia’s among states east of the Mississippi River.

Nearly flat state public health spending combined with population growth led to a decline in Georgia’s per capita investment in public health programs of approximately 21 percent.

Georgia faces a variety of public health challenges, from growing rates of obesity to high rates of infectious disease. As the state grows, it will need to invest more in the Department of Public Health and in key state programs that are needed to generate healthier individuals and communities leading to a healthier state.

PUBLIC HEALTH APPROPRIATIONS BY PROGRAM, FY 2009 AND FY 2012

| | Original FY 2009 Appropriation | Enacted FY 2012 | % Change |
|---|-----------------------------------|----------------------|----------------|
| State Funding Sources for Public Health Programs (excluding administration): | | | |
| State General Fund | \$180,172,511 | \$154,287,891 | -14.4% |
| Tobacco Settlement Funds | 11,805,814 | 11,881,325 | 0.6% |
| Total State Funds for Public Health | \$191,978,325 | \$166,169,216 | -13.4% |
| Public Health Appropriations by Program: | | | |
| Adolescent and Adult Health Promotion | \$12,879,984 | \$8,975,356 | -30.3% |
| Adult Essential Health Treatment Services | 9,112,099 | 7,231,809 | -20.6% |
| Emergency Preparedness and Trauma System Improvement | 4,464,515 | 2,399,599 | -46.3% |
| Epidemiology | 4,613,576 | 3,863,497 | -16.3% |
| Immunizations | 3,195,266 | 2,684,539 | -16.0% |
| Infant and Child Essential Health Treatment Services | 30,651,928 | 22,361,045 | -27.0% |
| Infant and Child Health Promotion | 15,214,935 | 10,124,282 | -33.5% |
| Infectious Disease Control | 31,420,533 | 29,857,724 | -5.0% |
| Injury Prevention and Control | 757,613 | -- | |
| Inspections and Environmental Hazard Control | 4,046,105 | 3,481,608 | -14.0% |
| Public Health Grants to Counties | 71,857,328 | 71,650,778 | -0.3% |
| Vital Records | 3,764,443 | 3,538,979 | -6.0% |
| Non-Admin Total State Funds for Public Health | \$191,978,325 | \$166,169,216 | -13.40% |
| Non-Admin Change from FY 2009 to FY 2012 | | -25,809,109 | N/A |
| Administrative Funding | N/A | 19,813,683 | N/A |
| FY 2012 Total Including Administration | N/A | \$185,982,899 | N/A |

Note: Amounts do not include funding for the following attached agencies: The Georgia Trauma Care Network Commission and The Brain and Spinal Injury Trust Fund.