

POLICY DEVELOPMENT

Fiscal Year 2024 Final Budget

Secretary Rick Geisenberger
Cabinet Secretary
Department of Finance



ChooseHealth
DELAWARE



Final Approved Budget
FISCAL YEAR 2024

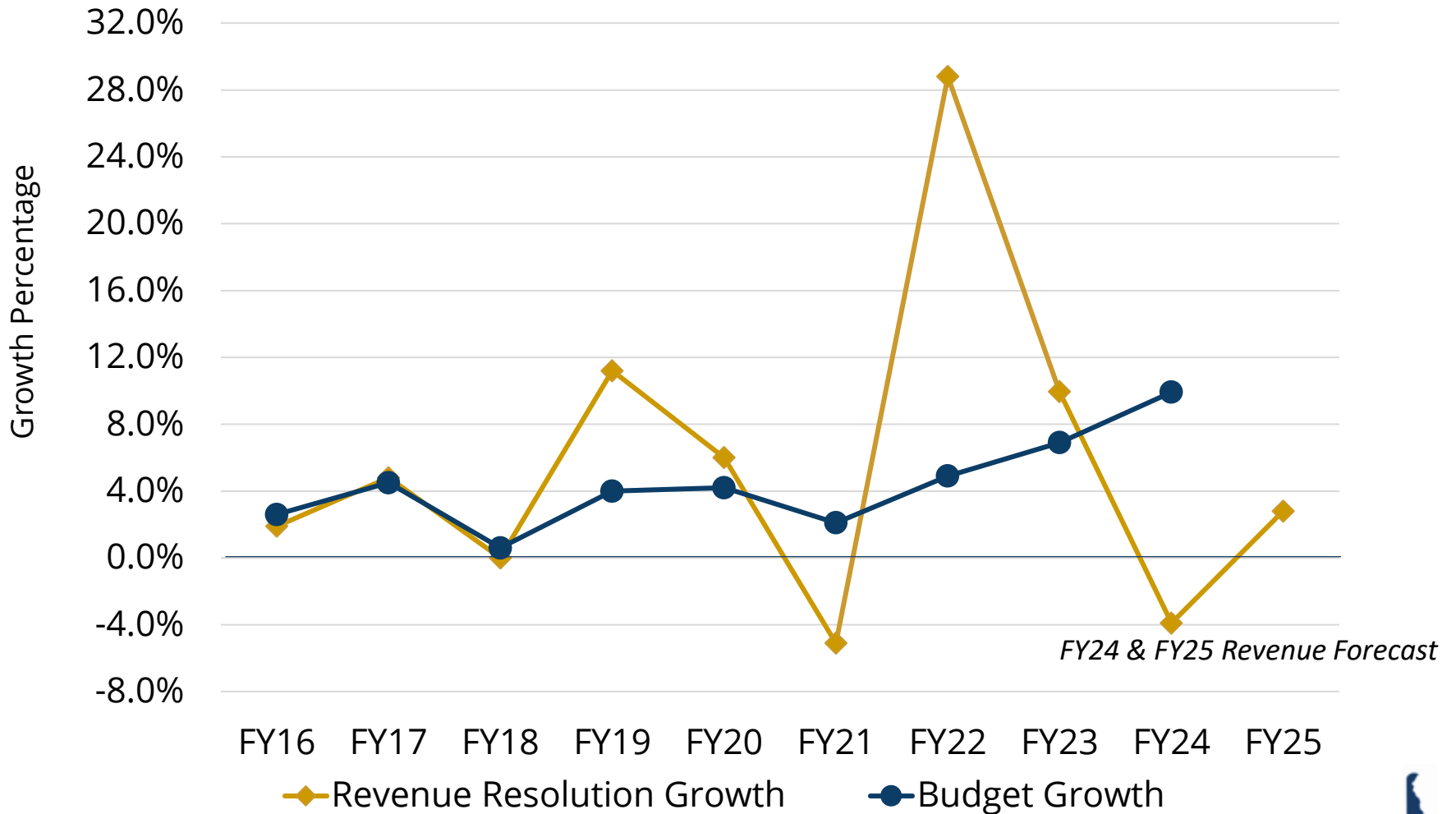
*Prepared for Delaware Health Care Commission
July 6, 2023*

RESPONSIBLE INVESTMENT
GOVERNOR CARNEY 

Continuing to Chart a Responsible Course

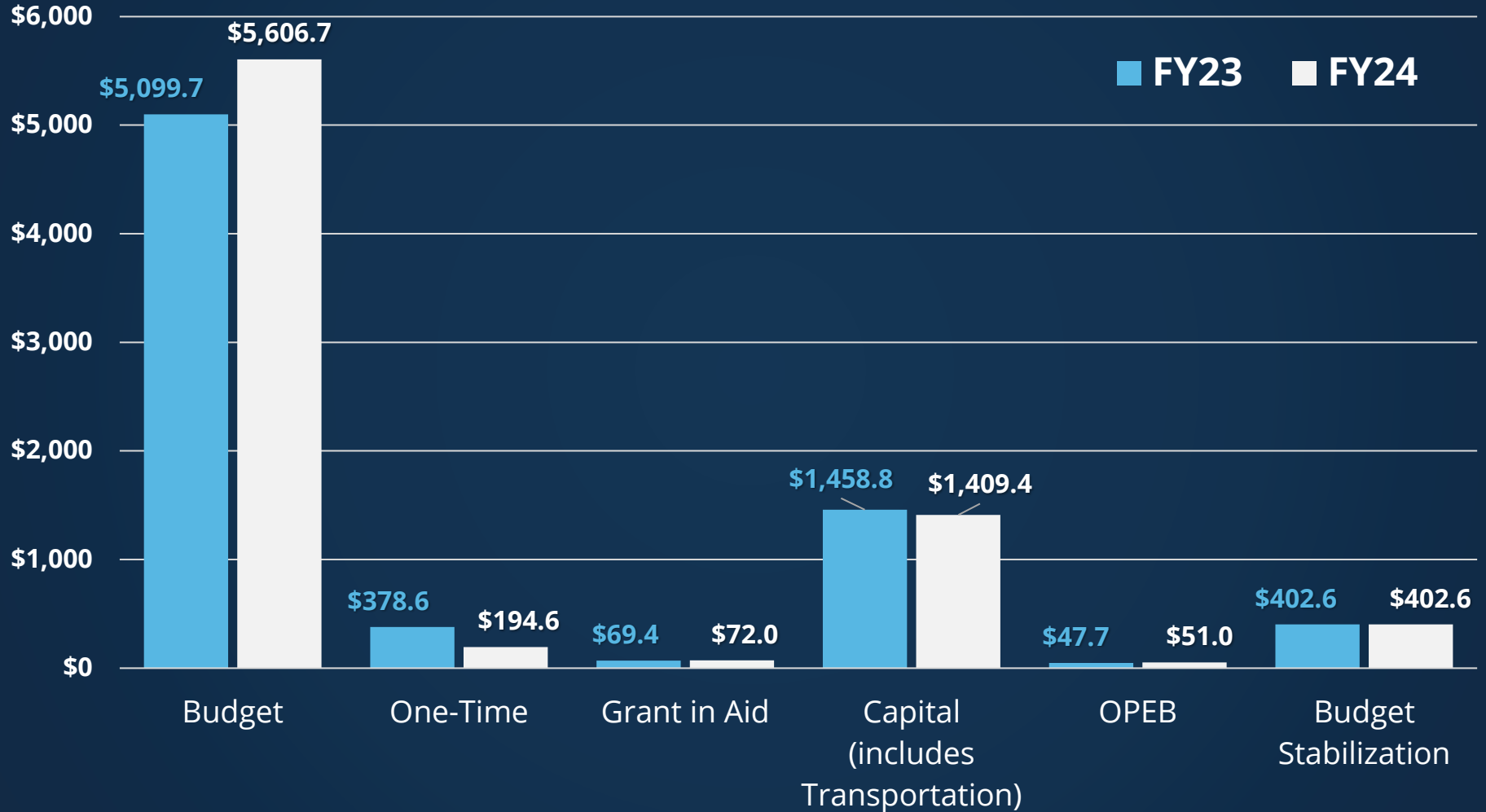


Revenue Volatility with Stable Budget Growth



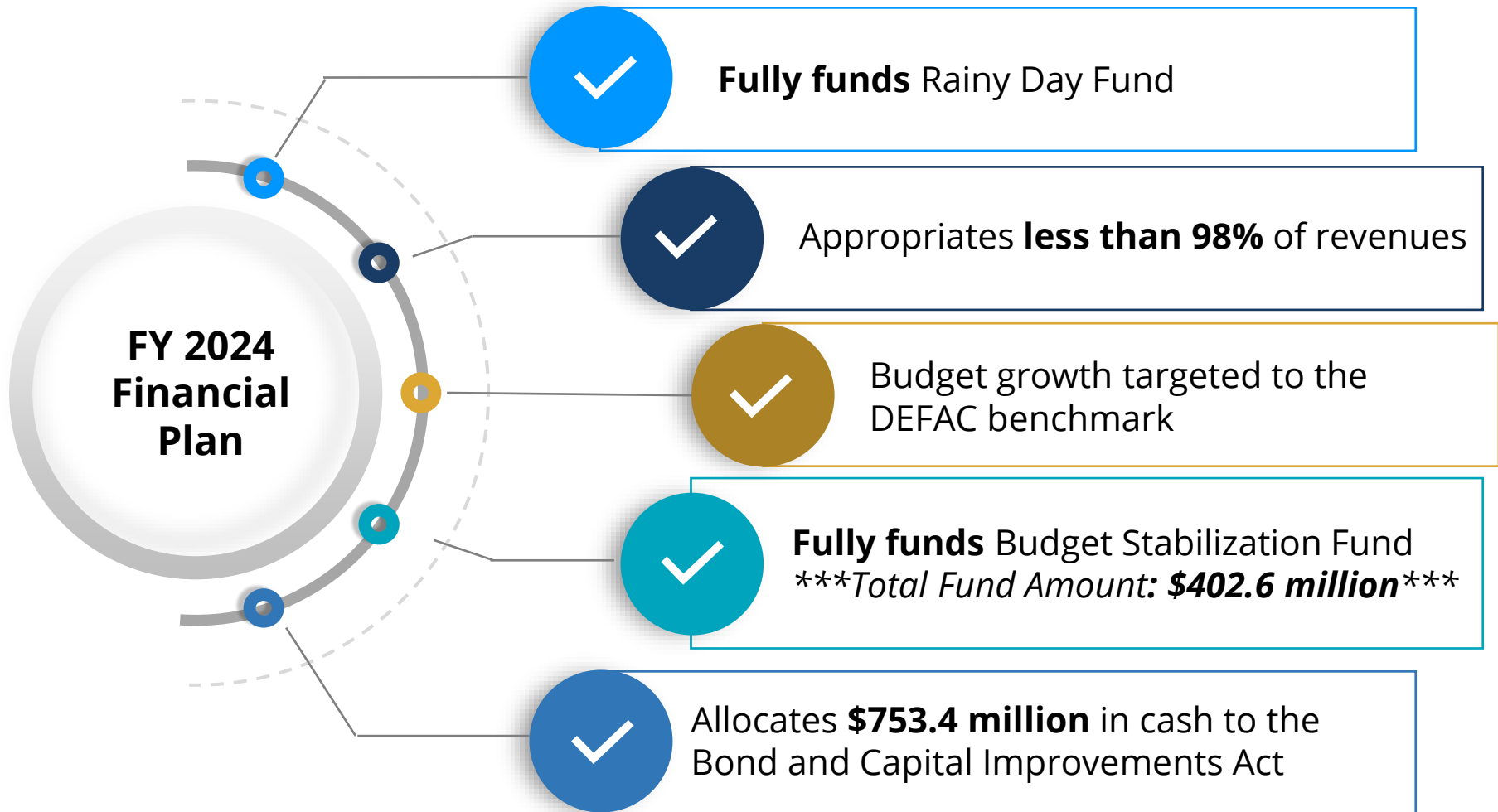
Budget Comparison – FY23 & 24

Sustainable Finances



****Budget Stabilization Fund is Fully Funded****

Long-term Financial Sustainability



Highlights of **Final FY 2024 Budget**



- ✓ Continues steps towards providing **compensation and pay equity** for state employees and classroom teachers
- ✓ Increases **Opportunity Funding investments** in our schools for **low-income students and English language learners**
- ✓ Invests in the creation of **affordable housing** programs and incentives
- ✓ Supports **economic development and infrastructure** throughout the State
- ✓ Continues investments in **clean water and other environmental initiatives**

- **DHSS FY24 General Fund Budget:**

\$1,496,077,800 (+ 9.9%)

Supporting Healthy Families



- **\$172.9 million** for State Share of Medicaid (\$69.3 m one-time) with extended post-partum Medicaid coverage and doula services.
- **\$147.9 million** for historic wage package and **\$194.2 million** for State Employee Healthcare and Post-Retirement Benefits
- **\$10.3 million** in increased support for childcare providers
- **\$5.1 million** for community supports for those with disabilities
- **\$3.0 million** for growth in aging population
- **\$1.2 million** for DSAAPD core services cost increase

Education:

Early Childhood Development



- **Purchase of Care rate increase** in early childhood education to 100% of the 75th percentile of the 2021 Market Rate - **\$10.3 million**
- An **\$8 million** award for the federal **Preschool Development Grant**
- Increase of **\$6.1 million** for a total of \$12.2 million in **Early Childhood Assistance Program (ECAP)** to expand early care and education for low-income families with 3- and 4-year-old children
- **\$3.9 million** to implement modified basic special education student-teacher unit ratios for preschool students (HB 33)

Additional Investments in Health



- **\$351,700** to Correctional Healthcare for midwifery services
- **\$213,800** for DSU BSN expansion
- Education Mental Health Services Units
 - **\$17 million** - HB 100 year 3 final implementation
 - **\$13 million** - HB 300 year 2 implementation
- **\$403,800** Early Childhood Support – HB 202 developmental screening

Additional Investments in Health



- **\$2.0 million** for Residential Lead Remediation Pilot
- **\$924,700** Childhood Lead Poisoning Program
- **\$425,400** SS 1 for SB 270 Indoor Air Quality Monitoring for Schools
- **\$930,000** Substance Use Disorder Services Rate Increase
- **\$600,000** Home Modifications Support for DSAAPD clients aging in place
- **\$200,000** Emergency Transportation Rate Increase
- **\$102,700** Naloxone Supply Increase; **\$100,000** Needle Exchange

Additional Investments in Health



- **\$1.5 million** SB 209 w/HA 1 Transportation Network Legislation
- **\$7.7 million** for Correctional Healthcare and Behavioral Health Services Contract Inflatons
- **\$832,700** for DSCYF Behavioral Health Diagnostic and Stabilization Unit at Wharton Hall
- **\$3.0 million** to Delaware Healthcare Information Network
- **\$250,000** for Health Disparities & Health Inequity Program
- **\$5.4 million** for PHE unwinding and data systems

Additional Investments in Health



• **Bond and Capital Improvements Act**

- **\$30m** Delaware Hospital for Chronically Ill new hospital market pressure
- **\$3m** DHCI renovation Prickett and Candee Buildings
- **\$12m** Stockley Campus Electrical Replacement
- **\$31.2m** Clean Water Trust Fund
- **\$12.4m** Baylor Women's Correctional Institution Infirmary Expansion
- **\$3.5m** DHSS Website and Phone System Replacement
- **\$14.8 million** DHSS minor capital, equipment, maintenance and restoration

Improve Roadway Safety



- Curb speeding and reckless driving through a new Traffic Education and Enforcement Unit and new speeding violations (HB 120)
- Expand “Move Over” protections (HB 92)
- Better protect motorcyclists (SB 86)
- Strengthen child safety seat rules (SB 68)
- Improve snow plow visibility (SB 89)
- Pilot automatic speed cameras in work zones and municipal residential areas (HB 94)
- Bar smoking in cars with children under 16 (HB 118)

Looking Ahead



- **FY21 GF Revenue Actual** - \$5,390.3 M
 - *19.0% growth / 13.5% adjusted growth*
- **FY22 GF Revenue Actual** -- \$5,829.9 M
 - *8.2% growth / 16.5% adjusted growth*
- **FY23 GF Revenue Estimate** -- \$6,280.9 M
 - *7.7% growth / 3.8% adjusted growth*
- **FY 24 GF Revenue Forecast** --\$6,039.4 M
 - *- 3.8% growth / -5.0% adjusted growth*
- **FY 25 GF Revenue Forecast** --\$6,189.3 M
 - *2.5% growth / 2.8% adjusted growth*

FY 2025 BUDGET PROCESS



July -
December

Governor Carney and cabinet members develop the FY 2025 budget draft.

Delaware Economic and Financial Advisory Council (DEFAC) meet in October and December to **project revenue**. **DEFAC** will update their projections in March, May and June.

January

January 25: Governor Carney proposes FY 2025 recommended budget.

February -
March

Joint Finance Committee (JFC) and Bond Bill Committee Hearings: Committee members consider Governor Carney's recommended operating budget and hold hearings to discuss budget items with agencies and advocates.

April - May

Mark-up: JFC reviews budget proposals.

June 30

The **General Assembly passes** the budget and bond bills, and the **Governor signs** the bills by June 30.

The **new fiscal year begins July 1**.