

# POLICY DEVELOPMENT

## Governor's Recommended Budget

Cabinet Secretary Rick Geisenberger  
Department of Finance



ChooseHealth  
DELAWARE



*Governor's Recommended Financial Plan*  
**FISCAL YEAR 2024**

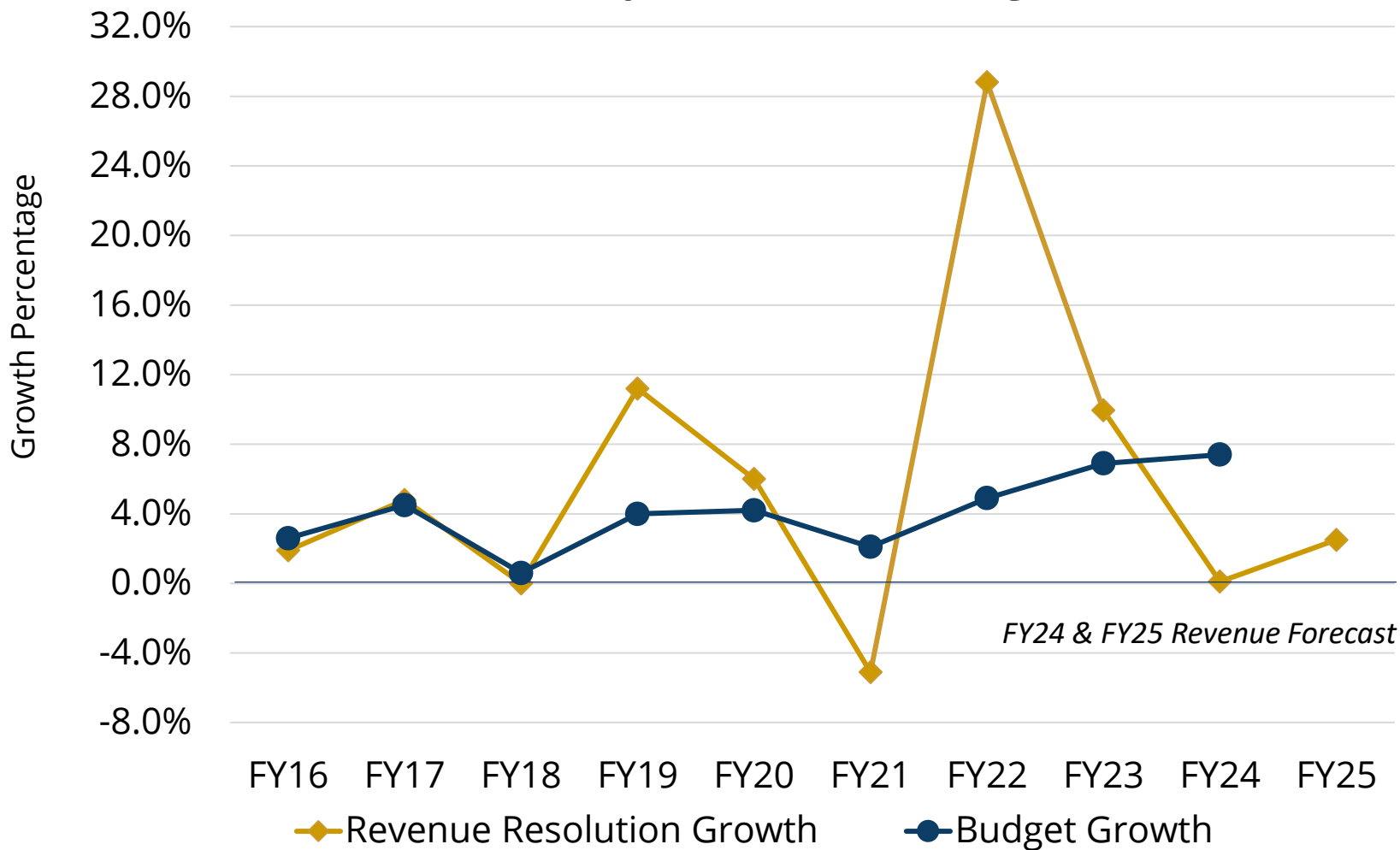
*Prepared for Delaware Health Care Commission*  
*March 2, 2023*

**RESPONSIBLE INVESTMENT**  
**GOVERNOR CARNEY** 

# Continuing to Chart a Responsible Course

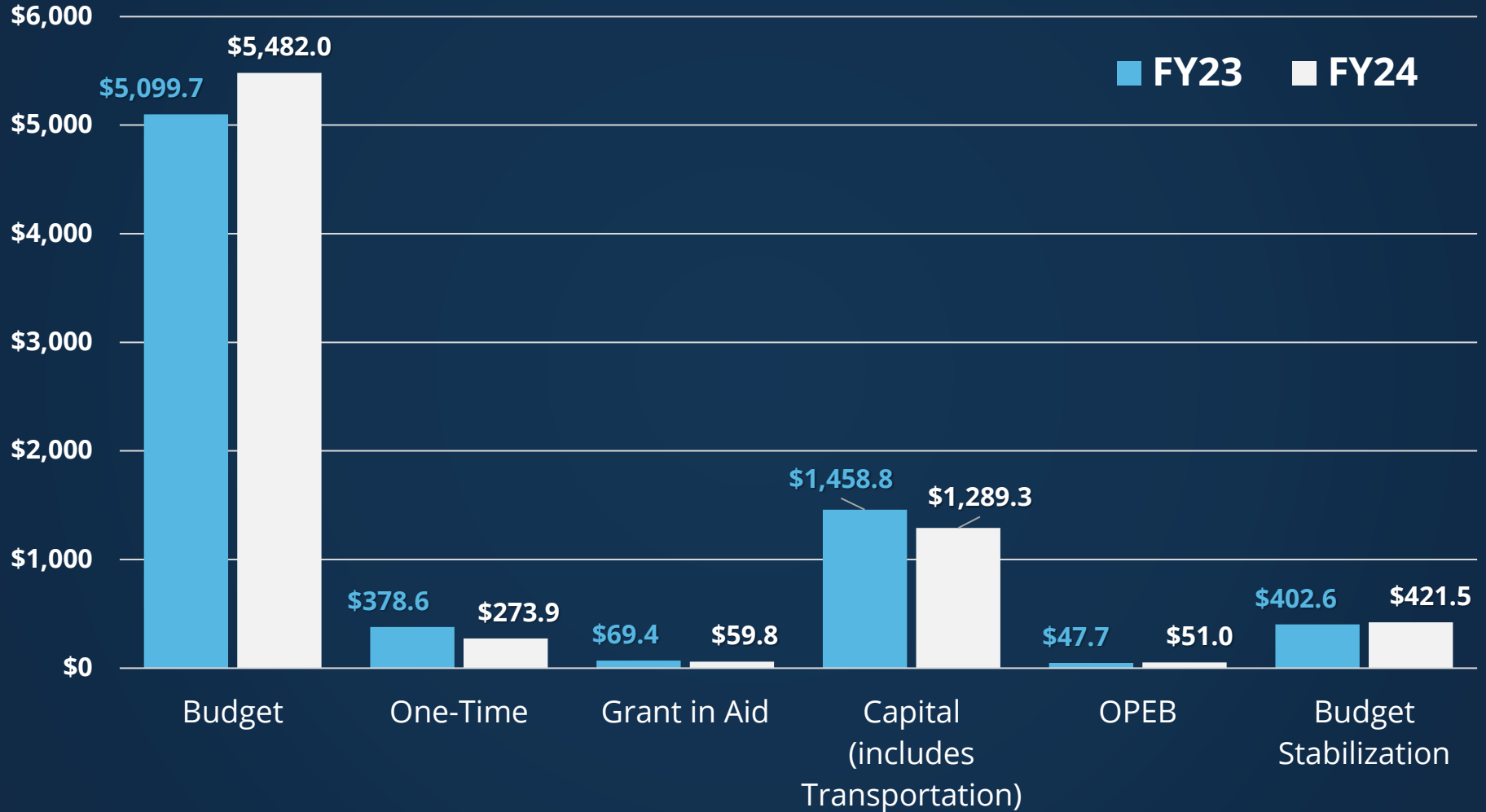


## Revenue Volatility with Stable Budget Growth



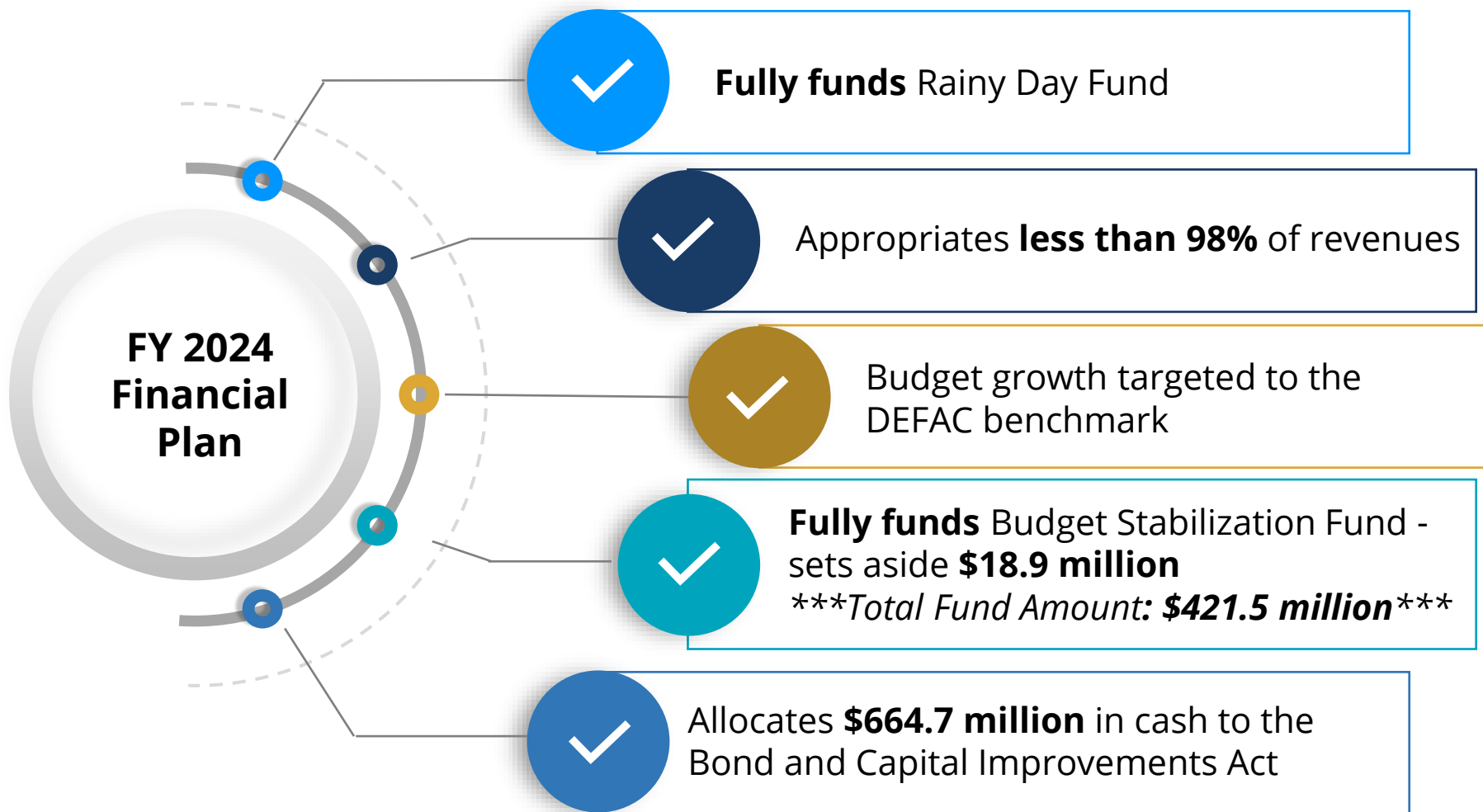
# Budget Comparison – FY23 & 24

## Sustainable Financial Plan



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

# Long-term Financial Sustainability



# *Highlights of Governor Carney's* **FY 2024 Financial Plan**



- ✓ Takes continued 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**

# *Supporting Healthy Families*



- **\$111.3 million** for State Share of Medicaid plus **\$1.9 million** for extended post-partum Medicaid coverage
- **\$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 75<sup>th</sup> 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

# *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 Inflation
- **\$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
- **\$13m** Stockley Campus Electrical Replacement
- **\$26.2m** 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



**\$101.5 million**  
**Delaware's Largest**  
**Investment**  
**for Housing**

# FY 2024 BUDGET PROCESS



July -  
December

**Governor Carney and cabinet members** developed the FY 2024 budget draft.

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

January

**January 26:** Governor Carney proposes FY 2024 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**.