



*Delaware Health
and Social Services*

Office of the Secretary

1901 N. DUPONT HIGHWAY, NEW CASTLE, DE 19720 * TELEPHONE: 302-255-9040 FAX: 302-255-4429

MEMORANDUM

TO: Governor John Carney
Members of the General Assembly

FROM: Josette D. Manning, Esq., Cabinet Secretary
Department of Health and Social Services

DATE: November 14, 2023

SUBJECT: Delaware Health Fund Advisory Committee
Fiscal Year 2025 Recommendations

DS
M

On behalf of the Delaware Health Fund Advisory Committee (HFAC), I present you with our Fiscal Year 2025 (FY25) Health Fund Recommendations. The Committee's final decisions reflect several hours of discussion and a commitment to sustainable stewardship of the fund.

The State anticipates receiving approximately \$25,000,000.0 in Tobacco Settlement Funds, including principal payment and interest, for FY25. The available Reserve balance is \$15,983,900.0. Funds available total to \$40,983,900.0.

The Committee's FY25 recommendations are as follows:

- Switch-fund the below state programs at their FY25 requested amounts;
 - Social Security Income Medical Assistance Transition Program (DHSS - DMMA)
 - Respite Services (DHSS - DDDS)
 - Personal Attendant Services Program (DHSS - DSAAPD)
 - Social Security Income Supplement (DHSS - DSS)
 - Delaware First State/First Shock - Semi-Automatic External Defibrillators (AEDs) (DHSS - DPH)
 - Health Care Connection (DHSS - DPH)
 - Diabetes and Heart Disease Prevention and Control Program (DHSS - DPH)
 - Medicaid Eligibility Increase for Pregnant Women and Infants (DHSS - DMMA)
 - Healthy Communities Delaware (DHSS - DPH)
 - DHSS Library (DHSS)
 - Social Determinants of Health (DHSS - DMMA)
 - Non-Public School Nursing Program (DHSS - DPH)
 - Nurse Family Partnership (DHSS - DPH)

FY'2025 HFAC Recommendations
November 14, 2023

- Switch-fund 20% of Delaware Technical Community College's (DTCC) New Nurse Formation Program FY25 requested amount.
 - Requested amount: \$3,221,000.0
 - Recommended HFAC funding: \$2,576,800.0
 - Recommended switch-funding amount: \$644,200.0
- Fund the Division for Public Health (DPH) Bureau of Health Equity's new program, Health Equity Webinars at 50% of its FY25 requested amount.
 - Requested amount: \$10,000.0
 - Recommended HFAC funding: \$5,000.0
 - Recommended switch-funding amount: \$5,000.0
- Fund the new program, Health Literacy Council of DE/United Way at 50% of its FY25 requested amount, with the understanding funds will go towards cancer and tobacco-related literacy.
 - Requested amount: \$400,000.0
 - Recommended HFAC funding: \$200,000.0
 - Recommended switch-funding amount: \$200,000.0
- Do not fund DPH's Sexually Transmitted Disease Program.
- Prioritize the Innovation Fund again this year by allotting \$1,500,000.0 in order to provide the State continued flexibility to respond to emerging health trends in our communities.
- Fund remaining programs at their requested FY25 amounts.

The Committee remained cognizant of the continued decrease in funds from the Master Settlement Agreement (MSA) when making funding recommendations for FY25. In addition to the continued decrease in tobacco useage through preventative action at the state level, the Committee remained aware of federal efforts to curb tobacco use. The US Food and Drug Administration (FDA) continues to pursue the ban of menthol cigarettes, and if approved, the Committee expects an even larger decrease of funds and the need to continually make programmic cuts.

Last year, the Committee voted to create a subcommittee to review and revamp the application to further support sustainability as funds continue to decrease. The subcommittee met and a revamped application was accepted by the full committee and used this application cycle. The revamped application reiterates and expands on the focus and background of the fund, and adds questions about future funding and sustainability, community impacts, and health equity.

By way of background on the switch-fund request, in 2009 and 2010, as the country was experiencing a significant recession, the State switch-funded programs from the general fund to the Tobacco Settlement Fund to ensure a balanced budget and to limit cuts to services and programs. Based on conversations with the Office of Management and Budget (OMB), many programs have since been switched back to general funds, however some Department of Health and Social Services (DHSS) programs remain.

During the FY24 cycle, the Committee recommended numerous programs be switch-funded.

FY'2025 HFAC Recommendations
November 14, 2023

This recommendation was not accepted, and seven million additional dollars were funded through the Tobacco Settlement Fund. This consequently cut into the reserves balance and the longevity of the fund.

The Committee's switch-fund recommendations are not intended to communicate that these programs should not be funded; to the contrary, the committee feels strongly that they should be funded, but from the general fund or other funds; not the Tobacco Settlement Fund. By switch-funding identified programs back to general funds, this will increase the continuation of the Tobacco Settlement Fund, and support their distribution to programs aligned with HFAC's mission, per the enabling legislation.

With decreased funding in mind, the committee recommends and underscores the importance of keeping the reserve balance at a healthy amount and strongly recommends the Governor's Office and Office of Management and Budget (OMB) move forward with switch-funding identified programs. Additionally, the Committee encourages DHSS to review programs being recommended for switch-funding and encourages the Department to include these programs in their operating budget requests.

The details of this recommendation are set forth more fully in the attached document. The recommendation expends \$23,204,300.0 leaving \$17,779,600.0 in the Reserve in anticipation of future years of decreased funds.

As Chair of the HFAC, I would like to commend the members for their dedication and contribution to the Health Fund process:

Senator Bryant Richardson
Senator Sarah McBride
Mr. Donald Fulton
Mr. Perry Patel
Ms. Autumn Tuxward

Representative Stephanie T. Bolden
Representative Paul Baumbach
Dr. Nancy Fan
Dr. Cimone Philpotts
Dr. Marshala Lee

Please do not hesitate to contact me if you have any questions.

Enclosure

Pc: Health Fund Advisory Committee Members
Cerron Cade, Director, Office of Management and Budget
Jeanette Hammon, Office of Management and Budget
Ruth Ann Jones, Office of the Controller General
Victoria Brennan, Office of the Controller General

FY 2025 Health Fund Summary

Scenario 1

- Switch-Fund all state, non-tobacco and non-cancer programs, except DPAP, Limen Recovery, and Delaware Schools Surveys
- Switch-Fund 20% of DelTech's New Nurse Formation Program
- Fund new program's; DPH's Bureau of Health Equity - Health Equity Webinars program and the Health Literacy Council of Delaware at 50% their FY25 requested amount
- Do not fund DPH's Sexually Transmitted Infections Program
- Add Innovation Fund
- Fund all remaining programs at their FY25 amount

**FY 25 Health Fund
Requests**

Funds Available

Reserve balance	\$15,983.9 *
Projected MSA Payment FY 2025	\$23,000.0
Projected Interest FY 2025	\$2,000.0
TOTAL FUNDS AVAILABLE	\$40,983.9

Expenses

Scenario # 1	\$23,204.3
--------------	------------

TOTAL EXPENSES ALL PROGRAMS	\$23,204.3
------------------------------------	-------------------

Difference [(Shortage) / Overage]	\$17,779.6
--	-------------------

Notes:

* This include the interest payment

FY 2025 Health Fund Requests

Scenario 1

- Switch-Fund all state, non-tobacco and non-cancer programs, except DPAP, Limen Recovery, and Delaware Schools Surveys
- Switch-Fund 20% of DelTech's New Nurse Formation Program
- Fund new program's; DPH's Bureau of Health Equity - Health Equity Webinars program and the Health Literacy Council of Delaware at 50% their FY25 requested amount
- Do not fund DPH's Sexually Transmitted Infections Program
- Add Innovation Fund
- Fund all remaining programs at their FY25 amount

PROGRAMS	FY 23 Budget	FY 24 HFAC Rec's	FY 24 Budget	FY25 Request	FY25 Rec's
Cancer Programs					
Women's Health Screening Program	\$302.9	\$397.7	\$397.7	\$397.7	\$397.7
Cancer Consortium Recommendations (DHSS - DPH)	\$8,655.8	\$8,620.8	\$8,620.8	\$8,620.8	\$8,620.8
Consortium Sub-Grantees:					
a) DE Breast Cancer Coalition	\$115.0	\$150.0	\$150.0	\$150.0	\$150.0
b) Breast and Cervical Cancer Treatment (DHSS - DMMA)	\$99.5	\$99.5	\$99.5	\$147.0	\$147.0
c) Cancer Care Connection	\$194.8	\$194.8	\$194.8	\$194.8	\$194.8
d) Cancer Support Community (Formerly The Wellness Community)	\$138.6	\$138.6	\$138.6	\$138.6	\$138.6
Smoking Cessation (Brandywine Counseling)	\$60.3	\$0.0	\$0.0		
Subtotal	\$9,566.9	\$9,601.4	\$9,601.4	\$9,648.9	\$9,648.9
Disability Programs					
Social Security Income Medical Assistance Transition Program (DHSS - DMMA)	\$750.0	\$0.0	\$750.0	\$750.0	\$0.0
Respite Services (DHSS - DDDS)	\$55.9	\$0.0	\$55.9	\$55.9	\$0.0
Personal Attendant Services Program (DHSS - DSAAPD)	\$568.5	\$0.0	\$568.5	\$568.5	\$0.0
Social Security Income Supplement (DHSS - DSS)		\$0.0	\$984.0	\$984.0	\$0.0
Subtotal	\$1,374.4	\$0.0	\$2,358.4	\$2,358.4	\$0.0

FY 2025 Health Fund Requests

Scenario 1

- Switch-Fund all state, non-tobacco and non-cancer programs, except DPAP, Limen Recovery, and Delaware Schools Surveys
- Switch-Fund 20% of DelTech's New Nurse Formation Program
- Fund new program's; DPH's Bureau of Health Equity - Health Equity Webinars program and the Health Literacy Council of Delaware at 50% their FY25 requested amount
- Do not fund DPH's Sexually Transmitted Infections Program
- Add Innovation Fund
- Fund all remaining programs at their FY25 amount

PROGRAMS	FY 23 Budget	FY 24 HFAC Rec's	FY 24 Budget	FY25 Request	FY25 Rec's
Tobacco Prevention and Control Programs					
Office of Tobacco Enforcement (DOJ)	\$198.8	\$228.9	\$228.9	\$278.1	\$278.1
Botvin LifeSkills Training Program (DSCYF)	\$40.0	\$40.0	\$40.0	\$40.0	\$40.0
Division of Alcohol and Tobacco Enforcement (DSHS)	\$481.4	\$481.4	\$481.4	\$607.5	\$607.5
Tobacco Prevention and Control Program / Physical Activity, Nutrition and Obesity Prevention Program (DHSS - DPH)	\$3,720.7	\$3,720.7	\$3,720.7	\$3,720.7	\$3,720.7
Subtotal	\$4,440.9	\$4,471.0	\$4,471.0	\$4,646.3	\$4,646.3
Delaware Prescription Assistance Program (DHSS - DMMA)					
	\$1,500.0	\$1,871.6	\$1,871.6	\$1,871.6	\$1,871.6
Subtotal	\$1,500.0	\$1,871.6	\$1,871.6	\$1,871.6	\$1,871.6
Workforce Development Programs					
New Nurse Formation Programs - Del Tech	\$3,157.0	\$3,011.7	\$3,011.7	\$3,221.0	\$2,576.8
Paramedic Instructional Program Expansion - Del Tech	\$258.8	\$350.0	\$350.0	\$350.0	\$350.0
Nursing Program - Polytech Adult Education	\$80.5	\$70.0	\$70.0	\$80.5	\$80.5
Nursing Program - Delaware State University	\$166.6	\$183.8	\$183.8	\$214.3	\$214.3
Subtotal	\$3,662.9	\$3,615.5	\$3,615.5	\$3,865.8	\$3,221.6
Behavioral Health Programs					
Limen Recovery and Health (DHSS - DSAMH)	\$0.0	\$0.0	\$324.1	\$250.0	\$250.0
Delaware Schools Surveys - Center for Drug and Health Studies - UD (DHSS - DSAMH)	\$21.0	\$0.0	\$18.3	\$18.3	\$18.3
Subtotal	\$21.0	\$0.0	\$342.4	\$268.3	\$268.3
Consumer Education Programs					
Nurse Family Partnership - Children & Families First	\$171.9	\$149.5	\$149.5	\$149.5	\$149.5
Subtotal	\$171.9	\$149.5	\$149.5	\$149.5	\$149.5

FY 2025 Health Fund Requests

Scenario 1

- Switch-Fund all state, non-tobacco and non-cancer programs, except DPAP, Limen Recovery, and Delaware Schools Surveys
- Switch-Fund 20% of DelTech's New Nurse Formation Program
- Fund new program's; DPH's Bureau of Health Equity - Health Equity Webinars program and the Health Literacy Council of Delaware at 50% their FY25 requested amount
- Do not fund DPH's Sexually Transmitted Infections Program
- Add Innovation Fund
- Fund all remaining programs at their FY25 amount

PROGRAMS	FY 23 Budget	FY 24 HFAC Rec's	FY 24 Budget	FY25 Request	FY25 Rec's
Other Programs					
Delaware First State/First Shock - Semi-Automatic External Defibrillators (AEDs) (DHSS - DPH)	\$59.9	\$0.0	\$59.9	\$59.9	\$0.0
Health Care Connection (DHSS - DPH)	\$573.6	\$0.0	\$573.6	\$585.4	\$0.0
Diabetes and Heart Disease Prevention and Control Program (DHSS - DPH)	\$267.4	\$0.0	\$292.2	\$292.2	\$0.0
Caregiver Program - Delaware Ecumenical Council on Children & Families	\$153.2	\$133.2	\$133.2	\$153.2	\$153.2
Medicaid Eligibility Increase for Pregnant Women and Infants (DHSS - DMMA)	\$667.0	\$0.0	\$667.0	\$667.0	\$0.0
Family Planning Services - Planned Parenthood of Delaware	\$99.1	\$82.0	\$82.0	\$86.2	\$86.2
Programmatic Support - Delaware Hospice	\$91.9	\$150.0	\$150.0	\$150.0	\$150.0
Operating Funds - St. Francis Hospital	\$92.1	\$80.1	\$80.1	\$73.7	\$73.7
Asthma Project - American Lung Association of Mid-Atlantic	\$48.2	\$41.9	\$41.9	\$45.0	\$45.0
Respite Care Services - Easter Seal	\$18.4	\$25.0	\$25.0	\$25.0	\$25.0
Delaware Network for Excellence in Autism (DNEA) - UD	\$575.0	\$575.0	\$575.0	\$575.0	\$575.0
Subtotal	\$2,645.8	\$1,087.2	\$2,679.9	\$2,712.6	\$1,108.1
New Programs					
Create Innovation Fund using Endowment Balance	\$1,500.0	\$1,500.0	\$1,500.0	\$1,500.0	\$1,500.0
Healthy Communities Delaware (DHSS - DPH)	\$500.0	\$0.0	\$500.0	\$500.0	\$0.0
DHSS Library (DHSS)	\$100.0	\$0.0	\$110.0	\$115.0	\$0.0
Social Determinants of Health (DHSS - DMMA)	\$0.0	\$0.0	\$1,000.0	\$1,000.0	\$0.0
Health Equity Webinars - Bureau of Health Equity (DHSS - DPH)				\$10.0	\$5.0
Sexually Transmitted Infections Program (DHSS - DPH)				\$1,225.3	\$0.0
Health Literacy Council of DE/ United Way				\$400.0	\$200.0
More than Fitness				\$169.9	\$169.9
Diabetes & Hypertension (DHSS - DPH)				\$150.0	\$150.0
Subtotal	\$2,100.0	\$1,500.0	\$3,110.0	\$5,070.2	\$2,024.9

FY 2025 Health Fund Requests

Scenario 1

- Switch-Fund all state, non-tobacco and non-cancer programs, except DPAP, Limen Recovery, and Delaware Schools Surveys
- Switch-Fund 20% of DelTech's New Nurse Formation Program
- Fund new program's; DPH's Bureau of Health Equity - Health Equity Webinars program and the Health Literacy Council of Delaware at 50% their FY25 requested amount
- Do not fund DPH's Sexually Transmitted Infections Program
- Add Innovation Fund
- Fund all remaining programs at their FY25 amount

PROGRAMS	FY 23 Budget	FY 24 HFAC Rec's	FY 24 Budget	FY25 Request	FY25 Rec's
"Switch Funded" Programs					
Non-Public School Nursing Program (DHSS - DPH)	\$620.4	\$620.4	\$620.4	\$620.4	\$0.0
Cancer Council (DHSS - DPH)	\$265.1	\$265.1	\$265.1	\$265.1	\$265.1
Nurse Family Partnership (DHSS - DPH)	\$1,040.0	\$0.0	\$1,040.0	\$1,040.0	\$0.0
Subtotal	\$1,925.5	\$885.5	\$1,925.5	\$1,925.5	\$265.1
<hr/>					
GRAND TOTAL	\$27,409.3	\$23,181.7	\$30,125.2	\$32,517.1	\$23,204.3