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Study of Allocations of the Fund for a Healthy Maine

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Table of Contents

Page

Executive Summary i

I. Introduction 1

II. Committee Process 7

III. Recommendations 13

Appendices

A. Authorizing Joint Order, Resolve 2015, c. 47
B. Office of Fiscal and Program Review charts and graphs of historical and current biennium revenues and allocations of the Fund for a Healthy Maine
C. Department of Health and Human Services handout on the 2013-2017 State Health Improvement Plan
D. Friends for a Fund for a Healthy Maine overview of the Fund for a Healthy Maine program
E. Department of Administrative and Financial Services report pursuant to Public Law 2011, chapter 701, section 2
F. Suggested legislation
G. Committee letters to the Government Oversight Committee, the Department of Administrative and Financial Services and Department of Health and Human Services

Executive Summary

The Joint Standing Committee on Health and Human Services (herein referred to as "the Committee") was authorized by the Maine Legislature to study allocations of the Fund for a Healthy Maine through the passage of Resolve 2015, chapter 47.[1] The bill that authorized the study, LD 905, was presented to the Legislature in response to recommendations of the 2011 Commission to Study Allocations of the Fund for a Healthy Maine. The 2011 Commission recommended the creation of a permanent commission to review the allocations of the Fund for a Healthy Maine (FHM) every four years but the recommendation was not enacted by the Legislature in 2012. However, the Committee, while considering LD 905, determined that another review of FHM allocations was appropriate but recommended that the Committee undertake it rather than a commission. Resolve 2015, chapter 47 directed the Committee to review the alignment of allocations from the FHM and report its findings and recommendations, including suggested legislation, for presentation to the Second Regular Session of the 127th Legislature. Specifically, the resolve directed the Committee to gather information and data from public and private entities as necessary to:

1. Identify or review the State's current public health care and preventative health priorities and goals;
2. Identify or review strategies for addressing priorities and goals and potential effectiveness of those strategies;
3. Assess the level of resources needed to properly pursue the strategies identified above;
4. Make recommendations for how FHM funds should be allocated to most effectively support the State's current public health and preventative health priorities, goals and strategies; and
5. Make recommendations for processes to be used to ensure that FHM allocations stay aligned with the State's health priorities and goals.

The Committee conducted four public meetings in the fall of 2015 to review the FHM allocations. Personnel from the Department of Health and Human Services (DHHS) did not attend any of these Committee meetings which made it difficult for the Committee to determine specific findings on which to base recommendations. In order to complete their duties, the Committee relied on three information sources. The Legislature's Office of Fiscal and Program Review (OFPR) provided overall revenue and allocation information. Contractors and vendors who contract with the State using FHM allocations briefed the Committee on their activities. These presentations were limited to those contractors and vendors who were aware that the study was taking place and were available and willing to brief the Committee. DHHS provided written presentations including some that had been previously provided to the Legislature in a different forum. The following recommendations were made unanimously by those Committee members present at the final meeting.[2]

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[1] See Appendix A for Resolve 2011, chapter 47.

[2] Nine members of the Committee were present at the final meeting; one absent member of the committee added his support to the unanimous recommendations.

1. **No recommendation to change allocations to the FHM.** The Committee makes no recommendation to change the allocations that currently go to FHM programs. Committee members are not in a position to recommend any changes to programs due to a lack of available information on how FHM funding is currently spent.

2. **Annual report from the Department of Health and Human Services on the FHM.** Require the Department to submit an annual report on the FHM to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Appropriations and Financial Affairs that is similar to the 2008 report of DHHS, "Challenges, results: an overview of Maine Department of Health and Human Services, Maine Center for Disease Control and Prevention, Tobacco Settlement Fund (Fund for a Healthy Maine) allocations SFY 08 and SFY09."

   The report should include the following information:

   - Detailed spending of FHM funding showing annual expenditures on each program;
   - Progress that DHHS is making towards the health priorities contained in the Maine State Health Improvement Plan 2013-2017 (SHIP);
   - Any information regarding audits conducted in the previous year by DHHS, the Department of Administrative and Financial Services (DAFS) or the Office of the State Auditor of programs funded using FHM funding either directly by executive departments or through contracts with vendors. This includes summary information, frequency of audits, the level of detail of audits, how often an agency or vendor is out of compliance and how often corrective action plans are developed and applied; and
   - Data submitted to DAFS pursuant to Public Law 2011, chapter 701 that provides a description of how FHM funds in the prior state fiscal year were targeted to the prevention and health-related purposes listed in Title 22, section 1511, subsection 6.

   As part of this recommendation, the Committee believes it would be useful to examine the list of reports due to the Committee from DHHS and repeal any requirements for existing reports that are not helpful to the Legislature (with a minimum of two reports to be eliminated). The Committee does not wish to increase the number of reports DHHS compiles absent a compelling reason.

3. **Support the task on the Office of Program Evaluation and Government Accountability work plan to study the Department of Health and Human Services auditing functions.** Send a letter to the Government Oversight Committee expressing support for the Office of Program Evaluation and Government Accountability's planned work to study the effectiveness of the audit functions in DHHS for identifying and addressing fraud, waste and abuse in programs administered by DHHS. The letter will also convey the Committee's conversations about auditing specifically related to FHM funding.

4. **Fully implement certain provisions from the 2011 Commission.** Send a letter to the Commissioner of Administrative and Financial Services requesting an update on the progress implementing certain provisions of Public Law 2011, chapters 617 and 701. Section 2 of Public Law 2011, chapter 617 requires DAFS to create a separate budget entry or new account for prevention, education and treatment activities concerning unhealthy weight and obesity. Section 2 of Public Law 2011, chapter 701 enacted Title 22, section 1511, subsection 13 requiring state agencies, contractors and vendors receiving funding from the FHM to describe how those funds were targeted to the prevention and health promotion purposes listed in Title 22, section 1511, subsection 6.

5. **Issue a statement of support regarding the principles of the FHM statute for the expenditure of the State's Master Settlement Agreement dollars.** The Committee recommends issuing a statement of support for the principles of the FHM statute. Specifically, the Committee supports the State's use of Master Settlement Agreement dollars from tobacco companies through the FHM for prevention and health promotion purposes. The Committee also reinforces support for the provision in the statute that requires FHM dollars to be used to supplement, not supplant, appropriations from the General Fund.

6. **Request regular updates for information from the Department of Health and Human Services on the Request for Proposals that are expected to be issued in the near future for Healthy Maine Partnership contracts.** Send a letter to DHHS requesting regular updates during session for information in order to keep the Committee apprised of the progress and content of the Requests for Proposals that will be issued in the near future for Healthy Maine Partnership contracts, replacing those that will end on June 30, 2016.

I. INTRODUCTION

Tobacco Master Settlement

In November 1998, 46 states and six United States territories and the nation's four largest tobacco manufacturers finalized the tobacco master settlement agreement in settlement of litigation to collect health-related expenses caused by smoking tobacco. Under the terms of the settlement the participating tobacco manufacturers agreed to make annual payments to the states and territories in perpetuity, to curtail or cease certain tobacco marketing practices and to dissolve certain tobacco industry groups. In return the states settled their lawsuits against the tobacco manufacturers and agreed to protect the manufacturers against private rights of action based on harm caused by tobacco. In furtherance of its obligations under the agreement Maine enacted two laws regarding the agreement, the responsibilities of the State and the obligations of tobacco manufacturers and distributors in Title 22, Maine Revised Statutes, chapter 263, subchapters 3 and 4.

Payments to the State of Maine under the tobacco settlement agreement began in state fiscal year 2000, continue through this time and are expected to continue indefinitely. By law, revenues are deposited into the Fund for a Healthy Maine (FHM) to be used for a set of health-related purposes that are listed in the law. The State Treasurer provides oversight of revenues, while the State Budget Officer oversees the balance in the FHM and the levels of expenditures from the fund. The Legislature approves expenditures from the FHM, through allocations approved in budget bills and other legislation.

Fund for a Healthy Maine

Title 22 section 1511 established the Fund for a Healthy Maine (FHM). The law authorizes deposits into the fund from the settlement of the tobacco litigation in *State of Maine versus Philip Morris, et al., Kennebec County Superior Court, Docket No. CV-97-134,* from other sources, and from interest earned and investment income on balances in the fund. In accordance with the law, since state fiscal year 2000, revenues from the tobacco settlement have been deposited into the FHM, which was designated as an Other Special Revenue fund, where the revenues have been held in the State Treasurer's Cash Pool. The FHM also receives money from other sources. For instance, beginning in state fiscal year 2006, certain revenues from slot machine operations in the state have been deposited into the FHM pursuant to Title 8, Maine Revised Statutes, section 1036, subsection 2, paragraph E. As required by Title 22, section 1511, subsection 2, paragraph C and subsection 3-A, investment earnings have been credited back to the FHM and unexpended funds allocated for a particular purpose but not spent or encumbered by the end of the state fiscal year have lapsed back to the fund.

Expenditures from the FHM must be authorized by the Legislature in budget bills and other bills. Since 2012, the FHM is its own fund and is no longer an Other Special Revenue fund. Expenditures are made through spending decisions called allocations. Allocations from the FHM are subject to four statutory provisions contained in Title 22, section 1511.

- Subsection 4 requires allocations to be used to supplement, not supplant, appropriations from the General Fund.

- Subsection 5 requires specific legislative approval to change the source of funding for a program or activity funded from the FHM.
- Subsection 6 limits the purposes for which allocations may be made to a list of nine prevention and health promotion purposes:
    - A. Smoking prevention, cessation and control activities, including, but not limited to, reducing smoking among the children of the State;
    - A-1. Prevention, education and treatment activities concerning unhealthy weight and obesity;
    - B. Prenatal and young children's care including home visits and support for parents of children from birth to 6 years of age;
    - C. Child care for children up to 15 years of age, including after-school care;
    - D. Health care for children and adults, maximizing to the extent possible federal matching funds;
    - E. Prescription drugs for adults who are elderly or disabled, maximizing to the extent possible federal matching funds;
    - F. Dental and oral health care to low-income persons who lack adequate dental coverage;
    - G. Substance abuse prevention and treatment; and
    - H. Comprehensive school health and nutrition programs, including school-based health centers.
- Subsection 12, requires that beginning in state fiscal year 2009, the State Budget Officer review programs receiving funds and adjust downward funding in the All Other line category if actual revenue collections for the FHM for the fiscal year are less than allocations approved by the Legislature. The State Budget Officer is required to calculate reductions for all programs with All Other allocations in proportion to the All Other allocations of all funded programs. Following the recommendation of the State Budget Officer and approval by the Governor, the allocations of all programs with All Other allocations must then be reduced by financial order. The law requires the State Budget Officer to report by May 15th each year on allocation adjustments made under the law to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services.
- Subsection 13 requires state agencies, contractors and vendors that receive funding allocated from the fund to maintain the money in a separate account and report annually to the Commissioner of DAFS with a description of how the funds were targeted to prevention and the health promotion purposes in subsection 6.

As required by Title 22 Maine Revised Statutes, section 1511, subsection 8, the Treasurer of State reports on the FHM each December to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services. The report summarizes activity in all accounts and funds related to the FHM and reviews tobacco settlement payments, deposits, transfers, earnings and fund balances; the State's eligibility for tobacco settlement payments; the payment formula and revenue projections; and estimated future tobacco settlement payments.

The Legislature's Office of Fiscal and Program Review (OFPR) maintains a website that provides information on the tobacco settlement funds. The site provides information on fund balance status reports, pie charts on budgeted uses, revenues and expenditure tables, current revenue projections, allocations and uses by program and allocations and uses history. The site also contains links to reports on allocations to programs within DHHS. The address is: *http://www.maine.gov/legis/ofpr/tobacco_settlement_funds/index.htm*

Review of the Fund for a Healthy Maine, Public Law 2007, chapter 629, Part H

Public Law 2007, chapter 629, Part H from the 123rd Legislature directed the Joint Standing Committee on Health and Human Services to meet during the 2008 interim to review the structure, accountability and appropriate level of legislative and independent oversight of the Fund for a Healthy Maine. The Health and Human Services Committee met during the 2008 interim as directed, completed its work and issued a report in December 2008 to the Joint Standing Committee on Appropriations and Financial Affairs that included the following recommendations.

1. The Government Oversight Committee (GOC) be requested to authorize the Office of Program Evaluation and Governmental Accountability (OPEGA) to review the efficacy, efficiency and accountability of the programs and expenditures funded from the FHM and compare the degree to which preventive health is prioritized in the expenditure of tobacco settlement dollars in Maine and other states. On October 2, 2008 Senator Joseph Brannigan and Representative Anne Perry, co-chairs of the Committee, sent a letter to Beth Ashcroft, Director of OPEGA, requesting the reviews recommended by the Committee. In response to this letter, OPEGA performed a review entitled "Fund for a Healthy Maine Programs – Frameworks Adequate for Ensuring Cost-Effective Activities but Fund Allocations Should be Reassessed; Cost Data and Transparency Can Be Improved."[3]
2. The 124th Legislature establish a FHM subcommittee, consisting of three members of the Joint Standing Committee on Health and Human Services and two members of the Joint Standing Committee on Appropriations and Financial Affairs. The subcommittee would jointly discuss all budget proposals and work together to begin fiscal planning for the eventual end to the portion of the tobacco settlement payments designated as "strategic contribution payments." The Joint Standing Committee on Appropriations and Financial Affairs of the 124th Legislature considered this recommendation and the Legislature did not establish a subcommittee.
3. A new Joint Rule be established for the 124th Legislature to provide for review of all proposed FHM allocations and deallocations and all proposed changes in the law governing the fund and its governing statutes. On January 15, 2009, the Maine House of Representatives and Maine Senate, as recommended and adopted by the Joint Select Committee on Joint Rules, adopted Joint Rule 317. Joint Rule 317 requires the committee having jurisdiction over a proposal that affects the FHM or funding from the fund to hold a public hearing on the proposal and to determine the level of support for the proposal within the committee of jurisdiction. If a majority of the Committee

[3] The report is available on the OPEGA website at: *http://www.maine.gov/legis/opega/reports/FFHM/FFHM%20Report.pdf*

supports the proposal the Committee must refer the proposal to the Joint Standing Committee on Health and Human Services for review, evaluation and a report back to the Joint Standing Committee on Appropriations and Financial Affairs.

Office of Program Evaluation and Governmental Accountability Reports

As requested in the letter from Senator Joseph Brannigan and Representative Anne Perry, co-chairs of the Health and Human Services Committee in the 123rd Legislature, the GOC authorized OPEGA to conduct reviews of state prioritization of preventive health and the efficacy, efficiency and accountability of the programs and expenditures funded from the FHM. OPEGA performed two reviews and issued two reports to the GOC as described below.

In performing the first review requested by the GOC, OPEGA utilized past studies conducted by the U.S. Government Accountability Office and received survey responses from 33 states that receive tobacco master settlement agreement funds. The first report, "Fund for a Healthy Maine Programs: A Comparison of Maine's Allocations to Other States and a Summary of Programs," was completed by OPEGA and presented to the GOC in March 2009.[4] This first report includes an inventory of programs funded from the FHM, lists their State budget account numbers and the agencies responsible for the programs and describes the program activities. The report includes a comparison of spending on preventive health services and concludes with the following statements: "Maine has consistently prioritized preventive health services more than other states … allocating 99.8% in 2005 and 99.7% in 2009. In 2005, the other 33 states reviewed allocated an average of 54% of their TMSA funds to preventive health services and an average of just 45% in 2009. Nine of the 33 states reviewed allocated none of their settlement funds to preventive health services in 2009."

The second review undertaken by OPEGA for the GOC studied the efficacy, efficiency and accountability of programs and expenditures funded from the FHM, and resulted in the report entitled "Fund for a Healthy Maine Programs – Frameworks Adequate for Ensuring Cost Effective Activities but Fund Allocations Should be Reassessed; Cost Data and Transparency Can Be Improved" which was released in October 2009.[5] In this report, OPEGA focused on whether existing managerial and oversight systems are adequate to help ensure that activities funded by the FHM are cost-effective and carried out economically and efficiently and have sufficient transparency and accountability. In performing the review for this report OPEGA reviewed in depth four programs funded from the FHM: Community/School Grants; Public Health Infrastructure; Tobacco Prevention and Control; and Substance Abuse. OPEGA concluded that the programs do have defined purposes and stated goals for activities that generally align with the program purposes and that responsible agency managers are working to maximize effectiveness, that performance measures are used and that frameworks for managing cost-effectiveness are reasonably adequate. OPEGA noted that meaningful conversations about cost-effectiveness are challenged by reluctance to deviate from the original funding agreement, inability to place responsibility for the FHM in one State entity, lack of activity level financial

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[4] The report is available on the OPEGA website at: *http://www.maine.gov/legis/opega/GOC/GOC_meetings/Current_handouts/2-27-09/2-26%20Info%20Brief%20FFAHM-Tab%202%20.pdf*

[5] The report is available on the OPEGA website at: *http://www.maine.gov/legis/opega/reports/FFHM/FFHM%20Report.pdf*

and performance data, unclear budgetary descriptions and lack of alignment between budgetary programs and their activities and financial and performance information. The OPEGA recommendations in the October 2009 report include the following.

1. Allocations of FHM funds should be reviewed in the context of the changing health environment and goals. This could include assessment by the Legislature of existing allocations and establishment of a structure to periodically reassess allocations.
2. Budgetary programs should be better aligned with the state's health goals, efforts and related performance information. This could include moving out of Community/School Grants the following expenditures: school nutrition/breakfast, tobacco enforcement and local public health liaisons.
3. Budget descriptions should be updated and more specific. This could include providing guidance to State agencies on program descriptions that are complete, accurate and up-to-date.
4. Costs for major activities within budgetary programs should be tracked within the State's accounting system. This could include development of a coordinated sub-account structure to assign costs at the activity level.

The Commission to Study Allocations of the Fund for a Healthy Maine

Resolve 2011, chapter 112 established the Commission to Study Allocations of the Fund for a Healthy Maine. This 13-member study commission was directed to review the alignment of allocations from the Fund for a Healthy Maine and report its findings and recommendations to the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services. The report was completed in December 2011 with the following unanimous recommendations:[6]

1. Change the FHM to a separate fund from a group of programs within Other Special Revenue;
2. Include health promotion and prevention of obesity to the list of health-related purposes within the FHM law;
3. Require contractors, vendors and state agencies receiving funding from the FHM to maintain separate accounts for the funding and submit annual reports with descriptions of how FHM funds were targeted to the prevention and health promotion purposes specified in the law. The Commissioner of Administrative and Financial Services shall compile the annual reports and forward them to the Legislature;
4. Require the enactment of Joint Rule 317 in the FHM statute. Joint Rule 317 requires the review by the Health and Human Services Committee of any bill with majority support in another committee that affects the FHM;
5. Establish a study commission to review allocations of the FHM beginning in 2015 and every four years thereafter. The composition and duties of the commission would mirror those under Resolve 2011, chapter 112;

[6] In addition to the unanimous recommendations of the Commission, there were two minority report recommendations: (1) Shift FHM funding for family planning services to the child care subsidy program and consider a Medicaid State Plan amendment for family planning services with enhanced federal financial participation; and (2) Raise tobacco and alcohol taxes and direct the revenues to substance abuse prevention, education and treatment services.

6. Direct the Commissioner of Administrative and Financial to review program structure for FHM programs and recommend a new program structure, including a program for overweight and obesity prevention, education and treatment beginning in state fiscal year 2014-15;
7. Issue a statement of support for the funding of continued enforcement by the Office of the Attorney General; and
8. Issue a statement of support for investments in public health and prevention and for the original intent of the funding and for efforts to be made to eliminate health disparities.

During the second regular session of the 125th Legislature, two laws were enacted implementing several of the recommendations of the Commission:

1. Public Law 2011, chapter 617 (from LD 1855) enacted recommendations (2) and (6) above. "Prevention, education and treatment activities concerning unhealthy weight and obesity" was added to the prevention and health promotion purposes in Title 22, section 1511, subsection 6. It does not appear that a separate account was ever established for this health purpose as required by this law; and
2. Public Law 2011, chapter 701 (from LD 1884) enacted recommendations (1), (3) and (4). It established the FHM as a separate fund; required separate accounting by agencies, vendors, and contractors, and separate reporting on how FHM funding is targeted to prevention and health promotion purposes; and enacted Joint Rule 317 into the FHM statute. LD 1884 had also included recommendation (5) establishing a permanent study commission but this was removed on the study table and enacted without this language.

The final two recommendations did not require legislative language.

Health and Human Services Committee Study of the Allocations of the Fund for a Healthy Maine, 2015

Resolve 2015, chapter 47 directed the Health and Human Services Committee to study the allocations of the Fund for a Healthy Maine. LD 905 was sponsored by Rep. Roberta Beavers. The original language was modeled on the recommendation from the 2011 commission and LD 1884, as a permanent on-going commission in statute requiring a review of the FHM allocations every four years. During its consideration of LD 905, the Committee amended the bill with a resolve that directed the Committee to examine the FHM allocations with the duties remaining the same. The resolve was finally passed by the Legislature on June 30, 2015. It became law without the Governor's signature on July 7, 2015. The resolve directs the Committee to gather information and data from public and private entities as necessary to:

1. Identify or review the State's current public health care and preventative health priorities and goals;
2. Identify or review strategies for addressing priorities and goals and potential effectiveness of those strategies;
3. Assess the level of resources needed to properly pursue the strategies identified above;

4. Make recommendations for how FHM funds should be allocated to most effectively support the State's current public health and preventative health priorities, goals and strategies; and
5. Make recommendations for processes to be used to ensure that FHM allocations stay aligned with the State's health priorities and goals.

II. COMMITTEE PROCESS

The Joint Standing Committee on Health and Human Services was authorized to conduct four public meetings during the fall of 2015 to study the allocations of the FHM. The Legislature received a letter from the Governor's office that required any legislative committee to submit a letter to the Governor's office with any requests for executive personnel to attend any legislative meeting as well as questions in writing for which the Committee required answers. The Committee complied with the Governor's request prior to the first three meetings (there was no request for the fourth meeting). However, no personnel from DHHS attended any of the Committee meetings (although written responses to the Committee's questions were received). Lack of full participation by some agencies that administer the FHM made it difficult for the Committee to determine specific findings on which to base recommendations. The Committee relied on three information sources. The Legislature's OFPR provided overall revenue and allocation information. Contractors and vendor who contract with the State using FHM allocations briefed the Committee on their activities. These presentations were limited to those contractors and vendors who were aware that the study was taking place and were available and willing to brief the Committee. DHHS provided written presentations including some that had been previously provided to the Legislature in a different forum.

Meeting One

The first meeting took place on September 28, 2015. The Committee reviewed the resolve, the Fund for a Healthy Maine law in Title 22, Maine Revised Statutes, section 1511, and the previous studies of the FHM including those undertaken by OPEGA and the 2011 Commission to Study the Allocations of the Fund for a Healthy Maine.

Luke Lazure, the Committee's fiscal analyst from the Office of Fiscal and Program Review, briefed the Committee on the revenues and allocations of the FHM for state fiscal years 2016 and 2017 and provided a historical perspective for spending since the fund was enacted in 2000. Mr. Lazure's historical document is included as Appendix B.

The Committee was briefed by Christopher Taub, Assistant Attorney General, regarding the legal background of the tobacco master settlement agreement and current litigation. Mr. Taub explained that Maine had been found to be diligently enforcing the escrow accounts from nonparticipating manufacturers in the Master Settlement Agreement for 2003 resulting in the state receiving approximately $5.5 million in 2014.[7] Six states were found not diligent and those states lost their payment and it was reallocated to other states. Accounts from 2004 onward are

[7] There is currently a 12 year delay for litigation related to diligent enforcement of the master settlement agreement.

still in dispute and the states are now in the process of determining the outcome for the 2004 escrow accounts.

The Office of the Attorney General was allocated $138,142 in state fiscal year 2016 and $138,168 in state fiscal year 2017 from the FHM to enable an Assistant Attorney General to do the legal work related to the tobacco master settlement agreement. In addition, a paralegal is employed to work on tobacco master settlement agreement issues funded by the General Fund. Members of the Committee had a number of questions related to the costs of arbitration of diligent enforcement. Mr. Taub explained that the states involved share the costs of the arbitrators and Maine contributes to that proportionately. Maine began incurring costs related to the 2003 arbitration proceeding in the summer of 2010 until the spring of 2013. Maine incurred approximately $169,000 in costs over that period. The costs were due to: fees charged by the arbitrators; contributions to a fund established on the part of participating states to pay various common expenses such as rental of arbitration space, audiovisual equipment and document management costs; travel expenses; and court reporter fees. Of the $169,000, approximately $65,000 was paid with FHM funding and the remainder was paid for with other Attorney General funds.

The Committee submitted written questions based on the duties in the Resolve, as well as a request for attendance by key members of the Maine Center for Disease Control and Prevention, to the Governor's office. DHHS submitted written testimony on the six priorities contained in Maine's 2013-2017 State Health Improvement Plan (SHIP) and the alignment of FHM appropriations with those goals from two programs: Community School Grants and Statewide Coordination; and Tobacco Prevention and Control. This testimony on the SHIP is included as Appendix C.

Tina Pettingill from the Maine Public Health Association and Lance Boucher from the American Lung Association of the Northeast, representing the Friends for a Fund for a Healthy Maine, presented an overview of the FHM program. Ms. Pettingill and Mr. Boucher stressed the importance to the Friends of reducing tobacco use and obesity. They stated that tobacco use is a major preventable cause of premature death and disease worldwide and argued that tobacco is a winnable battle. They outlined the extent of tobacco use in Maine and improvements in the levels of youth smoking. In addition, Ms. Pettingill and Mr. Boucher also outlined the historical uses for the FHM particularly for preventative programs including for school based health centers, the public health infrastructure, oral health, teen pregnancy, child care and home visiting. They stated that prevention is an investment that provides a return on investment of at least $7.50 for each $1 spent from FHM prevention programs. The presentation included a bar graph that showed the changes in purposes for allocations of FHM from 2008-2009 to 2014-15. This presentation is included as Appendix D.

Meeting Two

The second meeting of the Committee took place on October 13, 2015. At this meeting, Commissioner Rosen of DAFS briefed the Committee on the progress of the implementation of Public Law 2011, chapter 701. As noted above, section 1 of that law required that the FHM be established as a separate and distinct fund for accounting and budgetary purposes. Prior to

Public Law 2011, chapter 701, section 1 becoming effective, the FHM funds were recorded as Other Special Revenue funds. Budget documents using a FHM fund account rather than an OSR fund account began in 2013 for SFY 2014.

Commissioner Rosen presented DAFS's first report required by Public Law 2011, chapter 701, section 2. That section of law enacted Title 22, section 1511, subsection 13 requiring a state agency receiving FHM allocations or a contractor or vendor receiving FHM allocations to maintain the money in a separate account and report by September 1st of each year to the Commissioner of DAFS providing a description of how those funds in the prior state fiscal year were targeted to the prevention and health-related purposes listed in Title 22 section 1511, subsection 6. The Commissioner would forward this report to the Legislature. On October 1, 2015, the Commissioner of DAFS produced the first report under subsection 13 for FHM expenditures in state fiscal year 2015. The report included expenditures from state agencies but not from contractors and vendors. The report is included as Appendix E.[8]

Luke Lazure from OFPR reorganized the existing OFPR expenditure chart within the health purposes categories, as much as possible. For example, although subsection 6-A and 6-A-1 separate smoking prevention from obesity prevention, the accounting system does not separate these two health purposes. In response to questions from committee members, Mr. Lazure stated that it should be possible to match the numbers from DAFS and OFPR. In general, the numbers match when expenditures are compared with expenditures and budgeted numbers are compared with budgeted numbers. So although it may appear that MaineCare and the Drugs for the Elderly program amounts are different in the two documents, there is not a disagreement on the reality of the numbers.

The Committee reviewed the written documents delivered by DHHS. DHHS stated that the State Health Improvement Plan (SHIP) outlines the state's current health priorities and goals. The SHIP and the implementation plan are both available on the Maine CDC's website: http://www.maine.gov/dhhs/mecdc/ship/. In particular, Committee members had questions about how FHM funding that went to MaineCare is used. DHHS stated that the funding is transferred directly to Medicaid to be used to fund Medicaid reimbursable services.

In response to Committee questions, DAFS outlined the process of contracting because much of the FHM funding is allocated through contracts with vendors. DHHS stated that contracting is a shared process between programs and the Maine Department of Health and Human Services, Division of Contract Management. They provide contractual oversight of agreements including contract language and budget development. Management tools are provided for recording agreement information and performance as well as technical assistance. The Department Agreement Administrator monitors the timeliness, completeness and accuracy of all financial expenditure reports, service delivery reports, performance-based contracting reports, and any other reports required in the agreement. Further specific information is available on the DHHS

[8] Please note that expenditure categories for subsections 6-D and 6-E have been transposed in the DAFS report. Subsection 6-D refers to MaineCare with expenditures of $27,846,495 in SFY 2015 and subsection 6-E refers to the Drugs for the Elderly program with expenditures of $7,286,781 including the Office of MaineCare Services and the Maine Center for Disease Control and Prevention.

website. The testimony provided by DHHS is available on the study website at: http://legislature.maine.gov/legis/opla/fhmstudy2015dhhsresponses.pdf.

The majority of the second meeting included presentations from contractors or vendors who currently receive FHM funding from DHHS.[9] The Committee requested the following information from those organizations that presented: how much funding was received, the services provided, any additional cost information, the number of people served, and any outcome data collected by the organization. All the testimony given is posted on the study website at: http://legislature.maine.gov/legis/opla/fhmstudy2015mtrls.htm.

The first health-related purpose for FHM funding outlined under Title 22, section 1511, subsection 6 is smoking prevention, cessation and control activities in paragraph A. The Committee received testimony from several programs focused on this issue. Laura Davis and Nikki Jarvais from Rinck (Partnership for a Tobacco Free Maine) presented on their counter-marketing campaigns to prevent, educate and reduce tobacco-use. Kenneth Lewis presented on behalf of the Center for Tobacco Independence which has the contract for the statewide tobacco treatment initiative. Beth Yvonne, on behalf of the Maine Youth Action Network, presented on their efforts to support youth engagement in tobacco and substance abuse prevention, health promotion and positive community change (including tobacco free ordinances) across Maine.

Melissa Fochesato, Director of Access Health and Jamie Comstock, Director of Bangor Public Health, presented information on the Healthy Maine Partnerships (HMPs). HMPs have a contract with DHHS to deliver tobacco, obesity and substance abuse prevention programming across the state (health-purposes outlined in paragraphs A, A-1 and G).[10] Work plans include statewide strategies such as free retail training to stores selling tobacco and SNAP education (through UNE) and tailored local strategies such as working with towns in Sagadahoc County to create smoke-free events or responding to the bath salts threat in the Bangor area. However, the menu of strategies provided by HMPs has decreased as budgets have decreased.

Rick McCarthy presented testimony for programs that focus on child care and development. He was asked a number of questions about the Head Start program that required follow-up information that Doug Orville brought to the third meeting. On behalf of the Maine Affordable Housing Coalition, Mr. McCarthy updated the Committee on the Part LLLL initiative contained in the 2016-17 biennial budget allocating funding for the hiring of additional lead inspectors using FHM funds. Prior to filling these positions, DHHS still needs to complete rulemaking and issue a Request for Proposals for the lead inspection work. Mr. McCarthy organized a presentation for the third meeting that focused on child care vouchers.

The majority of the FHM funding that goes to Title 22, section 1511, subsection 6, paragraph D goes into the MaineCare account. However, included in other health initiatives is funding to the

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[9] Not all FHM funding is dispensed through DHHS. For example, there is also funding to the Attorney General's Office as presented by Mr. Christopher Taub and funding through the Department of Education for specific programs such as the school breakfast program.

[10] The contract is included in the meeting materials on the study website: http://legislature.maine.gov/legis/opla/fhmstudy2015mtrls.htm In addition, follow up information was provided electronically and is also available on the study website.

Maine Area Health Education (AHEC) Network. Karen O'Rourke, the Director of the Network, presented information to the Committee on AHEC's mission to alleviate shortages of health professionals in rural and underserved communities of Maine by developing a career pipeline, providing clinical training experiences for students and supporting health professionals with continuing education and distance learning opportunities.

The Committee received testimony from several programs providing dental and oral health care. Ann Caron, of the Dental Lifeline Network and the Donated Dental Services Program, coordinates donated dental care to those in financial need and are particularly vulnerable. Lisa Kavanaugh, CEO of Community Dental, provided information on the subsidized dental care Community Dental provides at 5 dental centers around the state. Judy Feinstein, presented testimony on behalf of the Maine Oral Health Coalition (a broad-based statewide group of organizations and individuals), Sunrise Opportunities Oral Health Program and the Aroostook County Action Program. Ms. Feinstein stated that FHM supports school-based preventative oral care programs in elementary schools, health education programs, sealants, and a subsidy program to help offset the costs incurred by nonprofit clinics providing care to uninsured lower-income adults. Claude Roy and Bill Norbert presented on the FAME program that provides loans to needs based students for dental school and loan repayments to attract dentists to practice in underserved areas. The Committee also received written testimony from the Maine Dental Association supporting the Dental Lifeline Network and Maine CDC's School Oral Health Program which supports the Dental Sealant Program.

Pat Kimball, the president of the Maine Association of Substance Abuse Providers (MASAP), provided testimony on her organization's work in supporting prevention and treatment contracts with MASAP members. Members include the Mid-Coast Hospital's Addiction Resource Center, Crossroads, Catholic Charities Maine, Day One, Maine General Hospital, Aroostook Mental Health Center and Wellspring. These organizations provide residential substance abuse and co-occurring treatment services. In addition, MASAP has a braided contract (the total contract has different funding sources) with the Maine Alliance for Prevention of Substance Abuse for education programs for the Methamphetamine Watch Program. This program, as well as other prevention programs will no longer be offered due to the elimination of the contract.

Title 22, section 1511, subsection 6, paragraph H establishes school health and nutrition programs as a health-purpose for FHM. George Shaler presented testimony on the School Based Health Centers which are similar to a doctor's office within the school enabling students to stay at school while receiving health care services. Mr. Shaler is at the Muskie School at the University of Southern Maine, which conducts the evaluations of the School Based Health Centers.

Members of the Committee were concerned that the organizations that gave testimony were subject to scrutiny that those who did not attend the meeting, including those that were simply unaware of the meeting, were not subject to. Therefore, the Committee requested, through a letter to the Governor's office, a list of all contractors or vendors with funding from the FHM and a breakdown of all FHM funds spent directly by DHHS.

Meeting Three

The third meeting of the Committee took place on November 9, 2015. At this meeting, Luke Lazure referred back to a Committee request at the second meeting to compare the expenditure groupings presented in the DAFS report to the information presented by OFPR at the first meeting. Mr. Lazure stated that although the total expenditures between the two reports do match, the groupings cannot be linked. DHHS has additional information on the actual spending of each FHM dollar, via the contracts, and uses this information to group the expenditures. OFPR only has the titles of the allocations in the accounting system to group expenditures. Without more detail in the accounting system, this discrepancy will continue to exist. As in the past, OFPR will continue to compare expenditure totals and review the groupings for reasonableness.

The Committee received testimony from Doug Orville from Head Start who had not been available for the second meeting. He presented follow-up information related to outcomes. Mr. Orville stated that children who received Head Start are ready to learn by the time they arrive at kindergarten, have better high school and college graduation rates, are less likely to rely on welfare, are less likely to smoke as adults and are less likely to commit a crime as adults. He discussed the waitlist for Head Start positions in both early Head Start and Head Start programs, the impact of uncertain funding and sequestration on Head Start programs and the concern that new FHM funding in the 2016-2017 biennial budget had not resulted in amendments to their contract. Mr. Orville also noted that the list of contractors and vendors supplied by DHHS omitted Head Start.

DHHS provides child care funding through vouchers from the FHM of $1.9 million a year. Lori Moses presented testimony on the importance of early childhood education and quality child care as well as the impact on parents able to maintain stable employment. In the past, the federal government focused on parental employment but more recently the focus has been broadened to include the best interests of the child. Ms. Moses talked about reductions in reimbursement for quality child care and issues with eligible individuals struggling with administrative barriers such as proving eligibility, receiving inaccurate information, being unable to get calls returned and experiencing delays in payment.

Hilary Schneider, Director of Government Relations for the American Cancer Society Cancer Action Network, a leading member of the Friends of the FHM, raised questions and presented testimony to the Committee. She noted that it was unclear exactly what was included in the list of vendors provided by DHHS. Ms. Schneider stated that the list included vendors that had not appeared to have contracts with DHHS in several years, omitted other vendors, and included organizations such as the American Lung Association who had never received FHM funding. In addition, Ms. Schneider wanted to draw attention to the process of developing the SHIP. The Cancer Action Network, American Heart Association, American Stroke Association, the American Lung Association of the Northeast, the Maine Medical Association, the Maine Public Health Association and the Maine Osteopathic Association were all invited to participate in the development of the SHIP because of their expertise. All agreed that the document would be evidence-based. However, these organizations were upset with the process including the removal of goals that had been in the working documents from the final plan. The six

organizations removed their names from the final SHIP, and Ms. Schneider recommended that the Committee not rely on the SHIP for the health priorities duty laid out in the Resolve establishing the FHM study.

The Committee also heard from Raya Kouletsis of the Maine Alliance to Prevent Substance Abuse, Ed Miller a consultant for the American Lung Association, Representative Beavers (the sponsor of LD 905 that lead to Resolve 2015, chapter 47), and Vanessa Santorelli representing the Federally Qualified Health Centers. Ms. Santorelli informed the Committee that FQHCs had received a letter from the Immunization Program stating that adult influenza vaccines would no longer be provided free for adults who are uninsured or underinsured. This added an unexpected cost to centers that often have less than 30 days of cash on hand. She said they are currently working with the Maine CDC to try and remedy the situation.

The Committee decided at the end of the meeting that a reporting extension to December 15, 2015 would be requested. The Legislative Council approved the request on November 19.

Meeting Four

The fourth meeting of the Committee took place on November 30, 2015. At this meeting the Committee made the following unanimous recommendations (9-0 of those members present).[11]

III. RECOMMENDATIONS

1. **No recommendation to change allocations to the FHM.** The Committee makes no recommendation to change the allocations that currently go to FHM programs. Committee members are not in a position to recommend any changes to programs due to a lack of available information on how FHM funding is currently spent.

2. **Annual report from the Department of Health and Human Services on the FHM.** Require DHHS to submit an annual report on the FHM to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Appropriations and Financial Affairs that is similar to the 2008 DHHS report, "Challenges, results: an overview of Maine Department of Health and Human Services, Maine Center for Disease Control and Prevention, Tobacco Settlement Fund (Fund for a Healthy Maine) allocations SFY 08 and SFY09." Suggested legislation to accomplish this recommendation is attached as Appendix F.

   The report should include the following information:

   - Detailed spending of FHM funding showing annual expenditures on each program;
   - Progress that DHHS is making towards the health priorities contained in the Maine State Health Improvement Plan 2013-2017 (SHIP);

[11] One absent member of the committee added his support to the unanimous recommendations.

- Any information regarding audits conducted in the previous year by DHHS, DAFS or the Office of the State Auditor of programs funded using FHM funding either directly by executive departments or through contracts with vendors. This includes summary information, frequency of audits, the level of detail of audits, how often an agency or vendor is out of compliance and how often corrective action plans are developed and applied; and
- Data submitted to DAFS pursuant to Public Law 2011, chapter 701 that provides a description of how FHM funds in the prior state fiscal year were targeted to the prevention and health promotion purposes listed in Title 22, section 1511, subsection 6.

As part of this recommendation, the Committee believes it would be useful to examine the list of reports due to the Committee from DHHS and repeal any requirements for existing reports that are not helpful to the Legislature (with a minimum of two reports to be eliminated). The Committee does not wish to increase the number of reports that DHHS compiles absent a compelling reason.

3. **Support the task on the OPEGA work plan to study the Department of Health and Human Services auditing functions.** Send a letter to the GOC expressing support of OPEGA's planned work to study the effectiveness of the audit functions in DHHS for identifying and addressing fraud, waste and abuse in programs administered by DHHS. The letter will also convey the Committee's conversations about auditing specifically related to FHM funding. The letter is included in Appendix G.

4. **Fully implement certain provisions from the 2011 Commission.** Send a letter to the Commissioner of DAFS requesting an update on their progress implementing certain provisions of Public Law 2011, chapters 617 and 701. Section 2 of Public Law 2011, chapter 617 requires DAFS to create a separate budget entry or new account for prevention, education and treatment activities concerning unhealthy weight and obesity. Section 2 of Public Law 2011, chapter 701 enacted Title 22, section 1511, subsection 13 requiring state agencies, contractors and vendors receiving funding from the FHM to describe how those funds were targeted to the prevention and health promotion purposes listed in Title 22, section 1511, subsection 6. The letter is included in Appendix G.

5. **Issue a statement of support regarding the principles of the FHM statute for the expenditure of the State's Master Settlement Agreement dollars.** The Committee recommends issuing a statement of support for the principles of the FHM statute. Specifically, the Committee supports the State's use of Master Settlement Agreement dollars from tobacco companies through the FHM for prevention and health promotion purposes. It also reinforces support for the provision in the statute that requires FHM dollars to be used to supplement, not supplant, appropriations from the General Fund.

6. **Request regular updates for information from DHHS on the Request for Proposals that are expected to be issued in the near future for Healthy Maine Partnership contracts.** Send a letter to DHHS requesting regular updates during session for information in order to keep the Committee apprised of the progress and content of the

Request for Proposals that will be issued in the near future for HMP contracts replacing those that will end on June 30, 2016. The letter is included in Appendix G.

APPENDIX A

Authorizing Joint Order, Resolve 2015, c. 47

LAW WITHOUT GOVERNOR'S SIGNATURE (Originals not returned by Governor) JULY 12, 2015

CHAPTER 47 RESOLVES

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND AND FIFTEEN

H.P. 624 - L.D. 905

Resolve, To Study Allocations of the Fund for a Healthy Maine

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this resolve directs the Joint Standing Committee on Health and Human Services to meet to review the alignment of allocations from the Fund for a Healthy Maine with the State's current public health care and preventive health priorities and goals; and

Whereas, the study must be initiated before the 90-day period expires in order that the study may be completed and a report submitted in time for submission to the next legislative session; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Sec. 1. Study established. Resolved: That the Joint Standing Committee on Health and Human Services, referred to in this resolve as "the committee," shall study allocations of the Fund for a Healthy Maine as required in this resolve; and be it further

Sec. 2. Convening of committee. Resolved: That the chairs of the committee shall call and convene the first meeting of the committee for the purposes of this resolve no later than 30 days following the effective date of this resolve; and be it further

Sec. 3. Meetings. Resolved: That the committee may meet for the purposes of this resolve only when the Legislature is not in regular or special session. The committee is authorized to meet up to 4 times to accomplish its duties; and be it further

Sec. 4. Duties. Resolved: That the committee shall review the alignment of allocations from the Fund for a Healthy Maine, established in the Maine Revised Statutes, Title 22, section 1511, with the State's current public health care and preventive health

priorities and goals. The committee shall gather information and data from public and private entities as necessary to:

1. Identify or review the State's current public health care and preventive health priorities and goals;

2. Identify or review strategies for addressing priorities and goals and potential effectiveness of those strategies;

3. Assess the level of resources needed to properly pursue the strategies identified in subsection 2;

4. Make recommendations for how Fund for a Healthy Maine funds should be allocated to most effectively support the State's current public health and preventive health priorities, goals and strategies; and

5. Make recommendations for processes to be used to ensure that Fund for a Healthy Maine allocations stay aligned with the State's health priorities and goals; and be it further

Sec. 5. Cooperation. Resolved: That the Commissioner of Administrative and Financial Services, the Commissioner of Education, the Commissioner of Health and Human Services and the Director of the Maine Center for Disease Control and Prevention within the Department of Health and Human Services shall provide information and data to the committee as necessary for its work; and be it further

Sec. 6. Staff assistance. Resolved: That the Legislative Council shall provide necessary staffing services to the committee; and be it further

Sec. 7. Report. Resolved: That, no later than December 2, 2015, the committee shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the Second Regular Session of the 127th Legislature.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

APPENDIX B

Office of Fiscal and Program Review charts and graphs of historical and current biennium revenues and allocations of the Fund for a Healthy Maine

Table OSR-4 Fund for a Healthy Maine (FHM) Revenue - Fiscal Years 2011 - 2015

REVENUE SOURCES	2011 $	2011 % of Total	2012 $	2012 % of Total	2013 $	2013 % of Total	2014 $	2014 % of Total	2015 $	2015 % of Total
Tobacco Settlement Payments:										
Base Payments	$41,484,712	76.3%	$42,306,831	76.2%	$42,276,735	82.9%	$47,833,255	79.0%	$40,779,184	76.1%
Strategic Contribution Payments	$8,544,647	15.7%	$8,702,217	15.7%	$8,709,923	17.1%	$8,559,647	14.1%	$8,696,498	16.2%
Tobacco Settlement Payments - Subtotal	**$50,029,359**	**92.0%**	**$51,009,048**	**91.9%**	**$50,986,658**	**100.0%**	**$56,392,902**	**93.1%**	**$49,475,682**	**92.3%**
Racino Revenue	$4,500,000	8.3%	$4,500,000	8.1%	$0	0.0%	$4,158,208	6.9%	$4,107,614	7.7%
Interest Earnings	$2,494	0.0%	$7,858	0.0%	$5,657	0.0%	$7,823	0.0%	$8,956	0.0%
Other Sources	($145,147)	-0.3%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Total - All FHM Revenue	**$54,386,707**	**100.0%**	**$55,516,906**	**100.0%**	**$50,992,315**	**100.0%**	**$60,558,934**	**100.0%**	**$53,592,252**	**100.0%**

Table OSR-5 Fund for a Healthy Maine (FHM) Expenditures and Uses - Fiscal Years 2011 - 2015

EXPENDITURES/USES	2011 $	2011 % of Total	2012 $	2012 % of Total	2013 $	2013 % of Total	2014 $	2014 % of Total	2015 $	2015 % of Total
Expenditures										
Smoking Cessation and Prevention	$13,912,591	24.1%	$14,244,134	28.3%	$11,897,871	21.8%	$11,124,480	19.4%	$11,256,158	20.8%
Child Care and Child Development	$11,420,335	19.8%	$8,042,077	16.0%	$3,598,199	6.6%	$3,491,602	6.1%	$3,514,207	6.5%
Medicaid Initiatives	$5,588,780	9.7%	$7,932,557	15.8%	$19,599,226	35.9%	$26,046,891	45.3%	$27,668,899	51.1%
Prescription Drugs	$12,352,334	21.4%	$11,757,948	23.4%	$10,184,554	18.6%	$6,803,850	11.8%	$6,789,618	12.5%
Dirigo Health Program	$4,441,791	7.7%	$1,161,647	2.3%	$1,161,647	2.1%	$0	0.0%	$0	0.0%
Other Health Initiatives	$3,393,818	5.9%	$2,521,708	5.0%	$1,893,506	3.5%	$1,850,774	3.2%	$1,848,643	3.4%
Substance Abuse	$5,027,508	8.7%	$3,137,628	6.2%	$2,954,351	5.4%	$2,976,250	5.2%	$2,951,980	5.4%
Attorney General	$143,842	0.2%	$107,869	0.2%	$99,690	0.2%	$103,051	0.2%	$145,532	0.3%
Subtotal FHM Expenditures	**$56,281,000**	**97.5%**	**$48,905,568**	**97.3%**	**$51,389,044**	**94.1%**	**$52,396,899**	**91.2%**	**$54,175,037**	**100.0%**
Other Uses										
Transfers to (from) General Fund	$1,455,770	2.5%	$1,375,000	2.7%	$3,240,000	5.9%	$5,081,000	8.8%	$0	0.0%
Subtotal Other Uses	**$1,455,770**	**2.5%**	**$1,375,000**	**2.7%**	**$3,240,000**	**5.9%**	**$5,081,000**	**8.8%**	**$0**	**0.0%**
Total - All Uses	**$57,736,770**	**100.0%**	**$50,280,568**	**100.0%**	**$54,629,044**	**100.0%**	**$57,477,899**	**100.0%**	**$54,175,037**	**100.0%**

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT PAYMENTS)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MAY 2015 FORECAST

Source	FY11 Actual	FY12 Actual	% Chg.	FY13 Actual	% Chg.	FY14 Actual	% Chg.	FY15 Budget	% Chg.	Recom. Chg.	FY15 Revised	% Chg.
Tobacco Settlement Payments:												
- Base Payments	41,484,712	42,306,831	2.0%	42,276,735	-0.1%	47,833,255	13.1%	40,246,501	-15.9%	(4,377)	40,242,124	-15.9%
- Strategic Contribution Payments	8,544,647	8,702,217	1.8%	8,709,923	0.1%	8,559,647	-1.7%	8,581,965	0.3%	0	8,581,965	0.3%
Subtotal TSPs	50,029,359	51,009,048	2.0%	50,986,658	0.0%	56,392,902	10.6%	48,828,466	-13.4%	(4,377)	48,824,089	-13.4%
Casino Revenue *	4,500,000	4,500,000	0.0%	0	-100.0%	4,158,208	N/A	4,421,515	6.3%	(133,106)	4,288,409	3.1%
Income from Investments	2,494	7,858	215.0%	5,657	-28.0%	7,823	38.3%	5,310	-32.1%	2,516	7,826	0.0%
Attorney General Reimbursements and Other Income **	(145,147)	0	100.0%	0	N/A	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	**54,386,707**	**55,516,906**	**2.1%**	**50,992,315**	**-8.1%**	**60,558,934**	**18.8%**	**53,255,291**	**-12.1%**	**(134,967)**	**53,120,324**	**-12.3%**

* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the commercial race track in Bangor designated for the Fund for a Healthy Maine. For fiscal years 2009-10, 2010-11, and

** Beginning in FY10, this category reflects revenue transfers from the Fund for a Healthy Maine to General Fund undedicated revenue to offset revenue reductions from the implementation of PL 2007, c. 467, which

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT PAYMENTS)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MAY 2015 FORECAST

Source	FY16 Budget	% Chg.	Recom. Chg.	FY16 Revised	% Chg.	FY17 Budget	% Chg.	Recom. Chg.	FY17 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	40,957,942	1.8%	4,377	40,962,319	1.8%	40,091,251	-2.1%	0	40,091,251	-2.1%
- Strategic Contribution Payments	8,447,026	-1.6%	0	8,447,026	-1.6%	8,278,665	-2.0%	0	8,278,665	-2.0%
Subtotal TSPs	49,404,968	1.2%	4,377	49,409,345	1.2%	48,369,916	-2.1%	0	48,369,916	-2.1%
Casino Revenue *	4,473,646	1.2%	57,699	4,531,345	5.7%	4,518,382	1.0%	58,277	4,576,659	1.0%
Income from Investments	15,394	189.9%	3,979	19,373	147.5%	25,359	64.7%	6,220	31,579	63.0%
Attorney General Reimbursements and Other Income	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	**53,894,008**	**1.2%**	**66,055**	**53,960,063**	**1.6%**	**52,913,657**	**-1.8%**	**64,497**	**52,978,154**	**-1.8%**
Change in Biennial Totals								**130,552**		

* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the commercial race track in Bangor designated for the Fund for a Healthy Maine.

FUND FOR A HEALTHY MAINE (FHM) REVENUE
(TOBACCO SETTLEMENT PAYMENTS)
REVENUE FORECASTING COMMITTEE RECOMMENDATIONS - MAY 2015 FORECAST

Source	FY18 Projections	% Chg.	Recom. Chg.	FY18 Revised	% Chg.	FY19 Projections	% Chg.	Recom. Chg.	FY19 Revised	% Chg.
Tobacco Settlement Payments:										
- Base Payments	43,942,686	9.6%	0	43,942,686	9.6%	43,012,837	-2.1%	0	43,012,837	-2.1%
- Strategic Contribution Payments **	0	-100.0%	0	0	-100.0%	0	N/A	0	0	N/A
Subtotal TSPs	43,942,686	-9.2%	0	43,942,686	-9.2%	43,012,837	-2.1%	0	43,012,837	-2.1%
Casino Revenue *	4,563,566	1.0%	58,859	4,622,425	1.0%	4,609,202	1.0%	59,448	4,668,650	1.0%
Income from Investments	25,359	0.0%	6,220	31,579	0.0%	25,359	0.0%	6,220	31,579	0.0%
Attorney General Reimbursements and Other Income	0	N/A	0	0	N/A	0	N/A	0	0	N/A
Total - FHM Revenue	**48,531,611**	**-8.3%**	**65,079**	**48,596,690**	**-8.3%**	**47,647,398**	**-1.8%**	**65,668**	**47,713,066**	**-1.8%**
Change in Biennial Totals								**130,747**		

* Casino Revenue reflects that portion of the State's share of proceeds from slot machines at the commercial race track in Bangor designated for the Fund for a Healthy Maine.
** Beginning in FY 18, the ten-year strategic contribution payment will end with the funding nationally for this purpose returned to the regular distribution pool

FUND FOR A HEALTHY MAINE (FHM) STATUS

Through the end of the 127th Legislature, 1st Regular Session with FY 15 Closing Transactions

	FY 14	FY 15
FHM RESOURCES:		
Revenue:		
December 2012 Base Revenue Estimate	$53,899,312	$53,434,830
May 2013 Revenue Revision	($474,118)	($381,995)
Revenue Variances (Actual minus Budgeted Revenue)	$0	$0
Biennial Budget Bill (LD 1509 - PL 2013, c. 368)	$0	$0
December 2013 Revenue Revision	$1,280,588	$1,288,147
March 2014 Revenue Revision 1	$1,214,994	$6,343,549
Part F and FY 15 Supp. Budget Bill (LD 1858 - PL 2013, c. 595)	$0	$8,019
December 2014 Revenue Revision 2	$0	($7,437,259)
May 2015 Revenue Revision	$0	($134,967)
Revenue Variances (Actual minus Budgeted Revenue) 1	$4,638,158	$471,928
Subtotal - Revenue	$60,558,934	$53,592,252
Other Resources and Adjustments		
Adjustments to Prior Year Balances	$731,467	$430,390
Lapsed Balances from Unexpended Funds	$1,714,615	$2,297,521
Subtotal - Other Resources and Adjustments	$2,446,083	$2,727,911
Total FHM Resources	**$63,005,017**	**$56,320,163**
FHM ALLOCATIONS AND OTHER USES: 3		
Transfers		
FY 14 Supplemental Budget Bill (LD 1843 - PL 2013, c. 502)	$5,081,000	$0
Subtotal - Transfers	$5,081,000	$0
Allocations		
Appropriations through 125th Leg. / 2014-2015 Baseline	$51,058,419	$51,101,316
Biennial Budget Bill (LD 1509 - PL 2013, c. 368)	$3,203,493	$2,374,750
Special Appropriations Table Bills - 126th, 1st Reg. 4	$264,014	$14,014
Emergency FY 15 Budget Bill (LD 236, PL 2015, c. 16) 5	$0	$2,475,888
Subtotal - Allocations	$54,525,926	$55,965,968
Total Allocations and Other Uses	**$59,606,926**	**$55,965,968**
Net Change (Resources minus Allocations and Uses)	**$3,398,091**	**$354,195**
BEGINNING BALANCE	**$3,886,233**	**$7,284,324**
NET CHANGE (FROM ABOVE)	**$3,398,091**	**$354,195**
ENDING BALANCE	**$7,284,324**	**$7,638,519**

Notes:

[1] The March 2014 Revenue Revision for FY 15 had assumed collection of Maine's estimated $5.6 million share of the disputed payments from 2003 calendar year sales. These payments were actually included in the State's FY 14 payment and explain the positive variance in actual FY 14 revenue, although the amount attributed to the 2003 disputed payments

[2] The December 2014 Revenue Revision for FY 15 removes the disputed payment amount of $5.6 million that was paid in FY 14 instead of FY 15. In addition, confusion at the national level regarding the distribution of funds included in the April 2014 payments may have resulted in an overpayment to Maine of approximately $1.36 million in FY14. The FY 15 forecast assumes this $1.36 million FY 14 overpayment will be offset against Maine's April 2015 resulting in a further

[3] For the purposes of this summary, transfers out are treated as an expenditure/use and are positive amounts, while transfers in are negative amounts.

[4] PL 2013 c. 444 (LD 386) provided allocations of $264,014 in FY 14 and $14,014 in FY 15 for reimbursement for smoking cessation products under the MaineCare program. The Governor's veto of the bill was overridden on January 21, 2014. Given the general effective date for nonemergency laws passed in the Second Regular Session of the 126th Legislature was August 1, 2014, the FY 14 allocation was not available for use in FY 14 and was retained in the Fund for

[5] PL 2015, c. 16 (LD 236) adjusts fiscal year 2014-15 funding in the Medical Care - Payments to Providers program by $2,446,083 and provides $29,805 in fiscal year 2014-15 for Maine's portion of a multistate cost-sharing agreement related to the Tobacco Master Settlement Agreement diligent enforcement requirement.

FUND FOR A HEALTHY MAINE (FHM) STATUS

Through the end of the 127th Legislature, 1st Regular Session with FY 15 Closing Transactions1

	FY 16	FY 17
FHM RESOURCES:		
Revenue:		
December 2014 Revenue Estimate	$53,894,008	$52,913,657
May 2015 Revenue Estimate	$66,055	$64,497
Subtotal - Revenue	$53,960,063	$52,978,154
Other Resources and Adjustments		
2016-2017 Biennial Budget Bill (LD 1019 - PL 2015, c. 267)	$0	$0
Subtotal - Other Resources and Adjustments	$0	$0
Total FHM Resources	**$53,960,063**	**$52,978,154**
FHM ALLOCATIONS AND OTHER USES: 2		
Transfers		
2016-2017 Biennial Budget Bill (LD 1019 - PL 2015, c. 267)	$200,000	$0
Subtotal - Transfers	$200,000	$0
Allocations		
2016-2017 Biennial Budget Bill (LD 1019 - PL 2015, c. 267) - Baseline Budget	$53,484,347	$53,520,568
2016-2017 Biennial Budget Bill (LD 1019 - PL 2015, c. 267) - Adjustments to Basel	$553,084	$664,739
Subtotal - Allocations	$54,037,431	$54,185,307
Total Allocations and Other Uses	**$54,237,431**	**$54,185,307**
Net Change (Resources minus Allocations and Uses)	**($277,368)**	**($1,207,153)**
BEGINNING BALANCE 3	**$7,638,519**	**$7,361,151**
NET CHANGE (FROM ABOVE)	**($277,368)**	**($1,207,153)**
ENDING BALANCE	**$7,361,151**	**$6,153,998**

Notes:

[1] Based on all legislative changes through the 127th Legislature, 1st Regular Session and the May 2015 Revenue Forecast

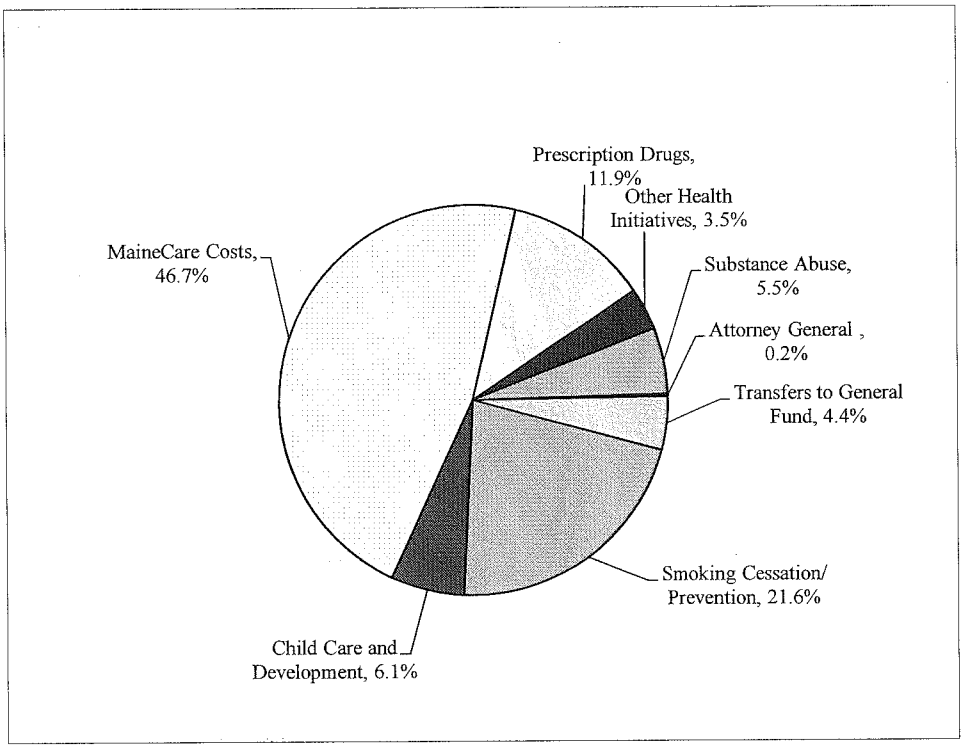
[2] For the purposes of this summary, transfers out are treated as an expenditure/use and are positive amounts, while transfers in are negative

[3] FY 2016 beginning balance reflects final FY 2015 closing transactions.

Fund for a Healthy Maine (FHM)

Budgeted Allocations and Uses *

2014-2015 Biennium



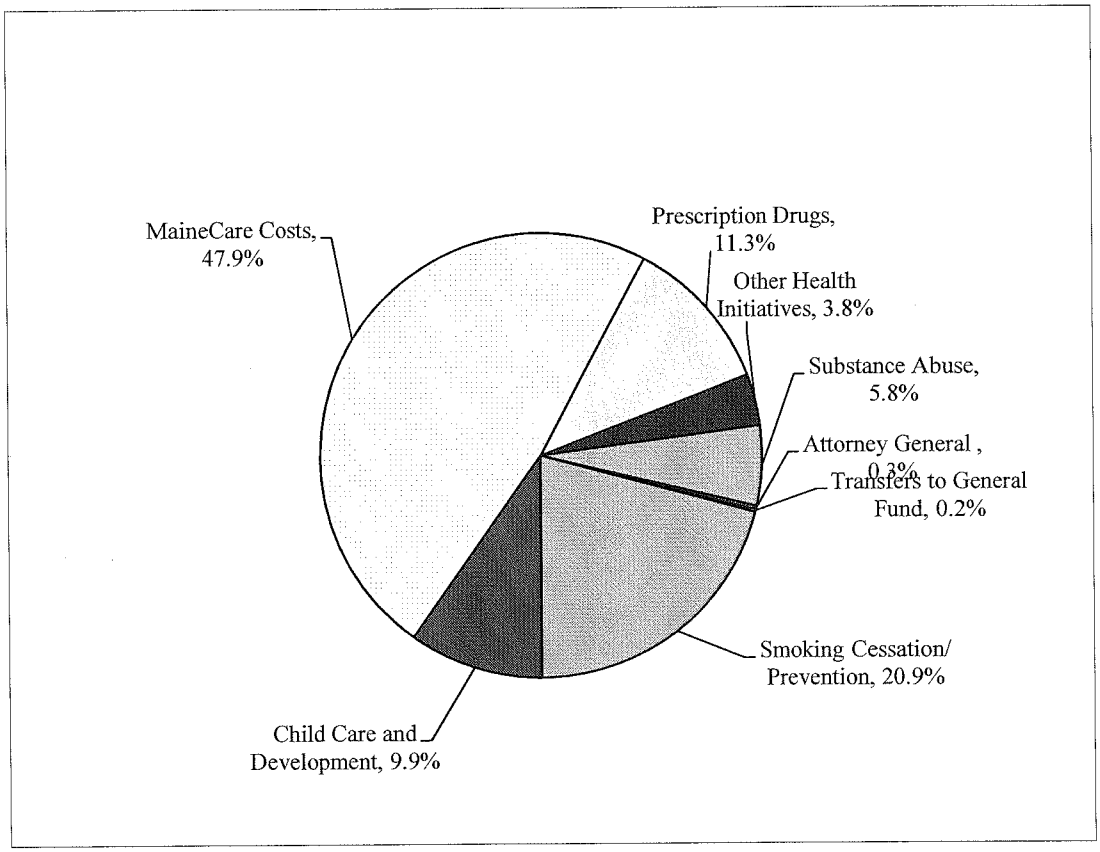
	2013-14	2014-15	Biennium	
Smoking Cessation/ Prevention	$12,484,274	$12,514,958	$24,999,232	21.6%
Child Care and Development	$3,539,418	$3,539,418	$7,078,836	6.1%
MaineCare Costs	$26,310,905	$27,668,900	$53,979,805	46.7%
Prescription Drugs	$6,897,869	$6,897,869	$13,795,738	11.9%
Other Health Initiatives	$2,028,907	$2,040,126	$4,069,033	3.5%
Substance Abuse	$3,150,020	$3,154,365	$6,304,385	5.5%
Attorney General	$114,533	$150,332	$264,865	0.2%
Transfers to General Fund	$5,081,000	$0	$5,081,000	4.4%
Totals	$59,606,926	$55,965,968	$115,572,894	100.0%

** Reflects Budgeted Allocations and Uses through the 127th Legislature, 1st Regular Session*

Fund for a Healthy Maine (FHM)

Budgeted Allocations and Uses *

2016-2017 Biennium



	2015-16	2016-17	Biennium	
Smoking Cessation/ Prevention	$11,292,965	$11,315,947	$22,608,912	20.9%
Child Care and Development	$5,293,993	$5,413,716	$10,707,709	9.9%
MaineCare Costs	$25,901,244	$26,036,930	$51,938,174	47.9%
Prescription Drugs	$6,217,798	$6,082,095	$12,299,893	11.3%
Other Health Initiatives	$2,038,924	$2,044,086	$4,083,010	3.8%
Substance Abuse	$3,154,365	$3,154,365	$6,308,730	5.8%
Attorney General	$138,142	$138,168	$276,310	0.3%
Transfers to General Fund	$200,000	$0	$200,000	0.2%
Totals	$54,237,431	$54,185,307	$108,422,738	100.0%

** Reflects Budgeted Allocations and Uses through the 127th Legislature, 1st Regular Session*

Fund for a Healthy Maine (FHM) Budgeted Allocations and Uses History

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Smoking Cessation/ Prevention [2]	$3,500,000	$12,526,011	$13,755,488	$15,571,085	$14,938,883	$15,305,670	$15,545,990	$15,791,699	$16,544,452	$17,615,339	$16,966,317	$16,129,319
Child Care and Development	$0	$11,714,999	$9,352,516	$7,290,437	$10,472,121	$10,809,181	$10,797,869	$11,120,956	$12,680,798	$13,076,332	$13,610,918	$11,463,235
Medicaid Initiatives	$0	$5,115,425	$5,503,666	$6,442,570	$6,777,827	$6,138,563	$6,028,661	$9,816,920	$9,547,397	$7,609,885	$6,141,680	$5,589,839
Prescription Drugs	$0	$10,000,000	$10,000,000	$10,000,000	$10,410,000	$10,000,000	$9,664,409	$8,350,060	$11,824,840	$14,062,727	$13,031,892	$12,352,950
Dirigo Health Program	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,000,000	$4,683,443	$4,441,791
Other Health Initiatives	$0	$1,431,408	$1,688,873	$1,893,294	$1,890,374	$1,891,303	$1,895,542	$1,939,878	$3,733,770	$3,963,051	$3,394,913	$3,381,458
Substance Abuse	$0	$5,800,000	$4,317,725	$5,647,037	$5,653,108	$5,660,016	$5,741,915	$5,760,815	$6,563,613	$6,472,607	$6,417,713	$5,709,161
Attorney General	$0	$299,989	$49,372	$52,100	$57,024	$58,281	$68,551	$72,607	$189,045	$198,684	$168,946	$175,775
Unallocated Fund-wide Deallocation	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Allocations	$3,500,000	$46,887,832	$44,667,640	$46,896,523	$50,199,337	$49,863,014	$49,742,937	$52,852,935	$61,083,915	$67,998,625	$64,415,822	$59,243,528
Advance to Maine Rx Dedicated Fund	$0	$0	$1,700,000	($1,700,000)	$0	$0	$0	$0	$0	$0	$0	$0
Transfers to (from) the General Fund	$0	$24,055,000	$10,000,000	$43,244,794	$6,736,628	$55,218	($1,895,717)	$2,571,648	$225,000	$1,464,406	$3,925,515	$1,455,770
Allocation to Healthy Maine Trust Fund [3]	$0	$11,094,848	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Other Uses	$0	$35,149,848	$11,700,000	$41,544,794	$6,736,628	$55,218	($1,895,717)	$2,571,648	$225,000	$1,464,406	$3,925,515	$1,455,770
Totals Allocations and Other Uses [4]	$3,500,000	$82,037,680	$56,367,640	$88,441,317	$56,935,965	$49,918,232	$47,847,220	$55,424,583	$61,308,915	$69,463,031	$68,341,337	$60,699,298

[1] Reflects all budgeted allocations and transfers through the close of the 1st Regular Session of the 127th Legislature.

[2] FY 1999-00 includes $3.5 million transferred from the FHM to the Bureau of Health for tobacco prevention and control initiatives.

[3] The $11,094,848 allocated to the Healthy Maine Trust Fund in FY 2000-01 was subsequently repealed and $11,099,592 was transferred to the General Fund in PL 2001, c. 358, Sec. Q-8.

[4] Does not include the $25,540,000 allocated to Biennial Reserve in FY 2000-01 and then subsequently deallocated in FY 2001-02 in PL 2001, c. 358, Sec. Q-12.

Fund for a Healthy Maine (FHM) Budgeted Allocations and Uses History

	2011-12	2012-13	2013-14	2014-15 [1]	2015-16 [1]	2016-17 [1]
Smoking Cessation/ Prevention [2]	$15,184,943	$12,481,354	$12,484,274	$12,514,958	$11,292,965	$11,315,947
Child Care and Development	$8,163,919	$3,539,418	$3,539,418	$3,539,418	$5,293,993	$5,413,716
Medicaid Initiatives	$7,932,557	$19,599,226	$26,310,905	$27,668,900	$25,901,244	$26,036,930
Prescription Drugs	$11,878,350	$10,244,920	$6,897,869	$6,897,869	$6,217,798	$6,082,095
Dirigo Health Program	$1,161,647	$1,161,647	$0	$0	$0	$0
Other Health Initiatives	$2,662,788	$2,038,871	$2,028,907	$2,040,126	$2,038,924	$2,044,086
Substance Abuse	$3,105,972	$3,123,948	$3,150,020	$3,154,365	$3,154,365	$3,154,365
Attorney General	$115,832	$126,452	$114,533	$150,332	$138,142	$138,168
Unallocated Fund-wide Deallocation	$0	$0	$0	$0	$0	$0
Subtotal Allocations	$50,206,008	$52,315,836	$54,525,926	$55,965,968	$54,037,431	$54,185,307
Advance to Maine Rx Dedicated Fund	$0	$0	$0	$0	$0	$0
Transfers to (from) the General Fund	$1,375,000	$3,240,445	$5,081,000	$0	$200,000	$0
Allocation to Healthy Maine Trust Fund [3]	$0	$0	$0	$0	$0	$0
Subtotal Other Uses	$1,375,000	$3,240,445	$5,081,000	$0	$200,000	$0
Totals Allocations and Other Uses [4]	$51,581,008	$55,556,281	$59,606,926	$55,965,968	$54,237,431	$54,185,307

[1] Reflects all budgeted allocations and transfers through the close of the 1st Regular Session of the 127th Legislature.

[2] FY 1999-00 includes $3.5 million transferred from the FHM to the Bureau of Health for tobacco prevention and control initiatives.

[3] The $11,094,848 allocated to the Healthy Maine Trust Fund in FY 2000-01 was subsequently repealed and $11,099,592 was transferred to the General Fund in PL 2001, c. 358, Sec. Q-8.

[4] Does not include the $25,540,000 allocated to Biennial Reserve in FY 2000-01 and then subsequently deallocated in FY 2001-02 in PL 2001, c. 358, Sec. Q-12.

Fund for a Healthy Maine (FHM) Allocations
Adjusted for Major Reorganizations*
Allocations through 127th Legislature 1st Regular Session
FY 2007-08 to FY 2016-17

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
DEPARTMENT OF THE ATTORNEY GENERAL										
024-26A-0947-01 FHM - ATTORNEY GENERAL (FORMERLY 011-26A-0947)										
Pos. - Leg.	(1.500)	(1.500)	(1.500)	(1.500)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)
Pers. Serv.	159,616	169,115	141,832	149,729	91,730	101,983	93,309	99,303	116,600	$118,540
All Other	29,429	29,569	27,114	26,046	24,102	24,469	21,224	51,029	21,542	19,628
Program Total	189,045	198,684	168,946	175,775	115,832	126,452	114,533	150,332	138,142	138,168
Annual % Increase	160.37%	5.10%	-14.97%	4.04%	-34.10%	9.17%	-9.43%	31.26%	-8.11%	0.02%
DEPARTMENT OF THE ATTORNEY GENERAL										
Pos. - Leg.	**(1.500)**	**(1.500)**	**(1.500)**	**(1.500)**	**(1.000)**	**(1.000)**	**(1.000)**	**(1.000)**	**(1.000)**	**(1.000)**
Pers. Serv.	**159,616**	**169,115**	**141,832**	**149,729**	**91,730**	**101,983**	**93,309**	**99,303**	**116,600**	**118,540**
All Other	**29,429**	**29,569**	**27,114**	**26,046**	**24,102**	**24,469**	**21,224**	**51,029**	**21,542**	**19,628**
Dept. Total	**189,045**	**198,684**	**168,946**	**175,775**	**115,832**	**126,452**	**114,533**	**150,332**	**138,142**	**138,168**
Annual % Increase	**160.37%**	**5.10%**	**-14.97%**	**4.04%**	**-34.10%**	**9.17%**	**-9.43%**	**31.26%**	**-8.11%**	**0.02%**
DIRIGO HEALTH										
011-95D-Z070-01 FHM - DIRIGO HEALTH										
All Other	0	5,000,000	4,683,443	4,441,791	1,161,647	1,161,647	0	0	0	0
Program Total	0	5,000,000	4,683,443	4,441,791	1,161,647	1,161,647	0	0	0	0
Annual % Increase	0.00%	100.00%	-6.33%	-5.16%	-73.85%	0.00%	-100.00%	0.00%	0.00%	0.00%
DIRIGO HEALTH										
All Other	**0**	**5,000,000**	**4,683,443**	**4,441,791**	**1,161,647**	**1,161,647**	**0**	**0**	**0**	**0**
Dept. Total	**0**	**5,000,000**	**4,683,443**	**4,441,791**	**1,161,647**	**1,161,647**	**0**	**0**	**0**	**0**
Annual % Increase	**0.00%**	**100.00%**	**-6.33%**	**-5.16%**	**-73.85%**	**0.00%**	**-100.00%**	**0.00%**	**0.00%**	**0.00%**
DEPARTMENT OF EDUCATION										
011-05A-0949-01 FHM - SCHOOL NURSE CONSULTANT										
Pos. - Leg.	(1.000)	(1.000)	(1.000)	(1.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	90,633	94,647	94,792	96,469	0	0	0	0	0	0
All Other	9,134	9,023	8,623	8,178	0	0	0	0	0	0
Program Total	99,767	103,670	103,415	104,647	0	0	0	0	0	0
Annual % Increase	10.51%	3.91%	-0.25%	1.19%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
024-05A-Z068-01 FHM - SCHOOL BREAKFAST PROGRAM (FORMERLY 011-05A-Z068-01)										
All Other	0	224,925	171,314	162,475	213,720	213,720	213,720	213,720	213,720	213,720
Program Total	0	224,925	171,314	162,475	213,720	213,720	213,720	213,720	213,720	213,720
Annual % Increase	0.00%	0.00%	-23.84%	-5.16%	31.54%	0.00%	0.00%	0.00%	0.00%	0.00%
DEPARTMENT OF EDUCATION										
Pos. - Leg.	**(1.000)**	**(1.000)**	**(1.000)**	**(1.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**

Prepared by the Office of Fiscal and Program Review

Fund for a Healthy Maine (FHM) Allocations
Adjusted for Major Reorganizations*
Allocations through 127th Legislature 1st Regular Session
FY 2007-08 to FY 2016-17

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
Pers. Serv.	**90,633**	**94,647**	**94,792**	**96,469**	**0**	**0**	**0**	**0**	**0**	**0**
All Other	**9,134**	**233,948**	**179,937**	**170,653**	**213,720**	**213,720**	**213,720**	**213,720**	**213,720**	**213,720**
Dept. Total	**99,767**	**328,595**	**274,729**	**267,122**	**213,720**	**213,720**	**213,720**	**213,720**	**213,720**	**213,720**
Annual % Increase	**10.51%**	**229.36%**	**-16.39%**	**-2.77%**	**-19.99%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
FINANCE AUTHORITY OF MAINE										
024-94F-0950-02 FHM - HEALTH EDUCATION CENTERS (FORMERLY 011-94F-0950-02)										
All Other	117,235	117,235	112,040	106,260	100,353	100,353	105,000	110,000	110,000	110,000
Program Total	117,235	117,235	112,040	106,260	100,353	100,353	105,000	110,000	110,000	110,000
Annual % Increase	13.56%	0.00%	-4.43%	-5.16%	-5.56%	0.00%	4.63%	4.76%	0.00%	0.00%
024-94F-0951-01 FHM - DENTAL EDUCATION (FORMERLY 011-94F-0951-01)										
All Other	277,735	277,735	265,428	251,735	237,740	237,740	237,740	237,740	237,740	237,740
Program Total	277,735	277,735	265,428	251,735	237,740	237,740	237,740	237,740	237,740	237,740
Annual % Increase	14.18%	0.00%	-4.43%	-5.16%	-5.56%	0.00%	0.00%	0.00%	0.00%	0.00%
011-94F-0952-03 FHM - QUALITY CHILD CARE										
All Other	167,792	167,792	160,358	152,084	0	0	0	0	0	0
Program Total	167,792	167,792	160,358	152,084	0	0	0	0	0	0
Annual % Increase	12.92%	0.00%	-4.43%	-5.16%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FINANCE AUTHORITY OF MAINE										
All Other	**562,762**	**562,762**	**537,826**	**510,079**	**338,093**	**338,093**	**342,740**	**347,740**	**347,740**	**347,740**
Dept. Total	**562,762**	**562,762**	**537,826**	**510,079**	**338,093**	**338,093**	**342,740**	**347,740**	**347,740**	**347,740**
Annual % Increase	**13.68%**	**0.00%**	**-4.43%**	**-5.16%**	**-33.72%**	**0.00%**	**1.37%**	**1.46%**	**0.00%**	**0.00%**
DEPARTMENT OF HEALTH AND HUMAN SERVICES (FORMERLY BDS)										
024-14G-0679-01 OFFICE OF SUBSTANCE ABUSE (FORMERLY FHM - SUBSTANCE ABUSE 011-14G-0948-01)										
All Other	6,466,079	6,361,921	6,297,305	5,589,908	1,848,306	1,848,306	1,848,306	1,848,306	1,848,306	1,848,306
Program Total	6,466,079	6,361,921	6,297,305	5,589,908	1,848,306	1,848,306	1,848,306	1,848,306	1,848,306	1,848,306
Annual % Increase	14.30%	-1.61%	-1.02%	-11.23%	-66.93%	0.00%	0.00%	0.00%	0.00%	0.00%
024-14G-0844-01 OFFICE OF SUBSTANCE ABUSE - MEDICAD SEED (FORMERLY FHM - SUBSTANCE ABUSE 011-14G-0948-02)										
All Other	0	0	0	0	1,257,666	1,275,642	1,301,714	1,306,059	1,306,059	1,306,059
Program Total	0	0	0	0	1,257,666	1,275,642	1,301,714	1,306,059	1,306,059	1,306,059
Annual % Increase	0.00%	0.00%	0.00%	0.00%	0.00%	1.43%	2.04%	0.33%	0.00%	0.00%
DEPARTMENT OF HEALTH AND HUMAN SERVICES (FORMERLY BDS)										
All Other	**6,466,079**	**6,361,921**	**6,297,305**	**5,589,908**	**3,105,972**	**3,123,948**	**3,150,020**	**3,154,365**	**3,154,365**	**3,154,365**
Dept. Total	**6,466,079**	**6,361,921**	**6,297,305**	**5,589,908**	**3,105,972**	**3,123,948**	**3,150,020**	**3,154,365**	**3,154,365**	**3,154,365**
Annual % Increase	**14.30%**	**-1.61%**	**-1.02%**	**-11.23%**	**-44.44%**	**0.58%**	**0.83%**	**0.14%**	**0.00%**	**0.00%**
DEPARTMENT OF HEALTH AND HUMAN SERVICES (FORMERLY DHS)										

Prepared by the Office of Fiscal and Program Review

Fund for a Healthy Maine (FHM) Allocations
Adjusted for Major Reorganizations*
Allocations through 127th Legislature 1st Regular Session
FY 2007-08 to FY 2016-17

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
024-10A-0143-25 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: ORAL HEALTH) (FORMERLY FHM - BUREAU OF HEALTH - ORAL HEALTH 011-10A-0953-01)										
All Other	1,113,797	973,897	930,744	927,726	600,000	300,000	300,000	300,000	300,000	300,000
Program Total	1,113,797	973,897	930,744	927,726	600,000	300,000	300,000	300,000	300,000	300,000
Annual % Increase	14.36%	-12.56%	-4.43%	-0.32%	-35.33%	-50.00%	0.00%	0.00%	0.00%	0.00%
024-10A-0143-30 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: TOBACCO PREVENTION AND CONTROL) (FORMERLY FHM - BUREAU OF HEALTH - TOBACCO PREVENTION AND CONTROL 011-10A-0953-02)										
Pos. - Leg.	(4.000)	(4.000)	(7.000)	(7.000)	(7.000)	(7.000)	(7.000)	(7.000)	(6.000)	(6.000)
Pers. Serv.	282,364	302,007	603,169	599,750	541,050	568,379	574,885	595,191	485,716	500,277
All Other	6,493,345	7,075,589	6,496,640	6,164,756	5,822,030	5,822,114	5,821,987	5,821,987	5,821,987	5,821,987
Program Total	6,775,709	7,377,596	7,099,809	6,764,506	6,363,080	6,390,493	6,396,872	6,417,178	6,307,703	6,322,264
Annual % Increase	-0.48%	8.88%	-3.77%	-4.72%	-5.93%	0.43%	0.10%	0.32%	-1.71%	0.23%
024-10A-0143-26 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: COMMUNITY/ SCHOOL GRANTS & STATEWIDE COORDINATION) (FORMERLY FHM - BUREAU OF HEALTH - COMMUNITY/SCHOOL GRANTS 011-10A-0953-07)										
Pos. - Leg.	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	0	122,436	141,769	238,938	206,119	240,062	227,374	237,752	204,118	212,539
All Other	8,890,743	8,937,307	8,523,055	7,986,205	7,536,860	4,771,915	4,781,144	4,781,144	4,781,144	4,781,144
Program Total	8,890,743	9,059,743	8,664,824	8,225,143	7,742,979	5,011,977	5,008,518	5,018,896	4,985,262	4,993,683
Annual % Increase	12.78%	1.90%	-4.36%	-5.07%	-5.86%	-35.27%	-0.07%	0.21%	-0.67%	0.17%
024-10A-0143-27 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: PUBLIC HEALTH INFRASTRUCTURE) (FORMERLY FHM - PUBLIC HEALTH INFRASTRUCTURE 011-10A-0953-08)										
Pos. - Leg.	(0.000)	(0.000)	(0.000)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)
Pers. Serv.	0	0	0	110,092	28,488	106,001	91,390	97,609	96,407	101,569
All Other	1,370,000	1,470,000	1,404,866	1,332,387	1,258,314	1,258,314	1,258,314	1,258,314	1,258,314	1,258,314
Program Total	1,370,000	1,470,000	1,404,866	1,442,479	1,286,802	1,364,315	1,349,704	1,355,923	1,354,721	1,359,883
Annual % Increase	100.00%	7.30%	-4.43%	2.68%	-10.79%	6.02%	-1.07%	0.46%	-0.09%	0.38%
024-10A-0143-28 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: DONATED DENTAL) (FORMERLY FHM - DONATED DENTAL 011-10A-0958-01)										
All Other	42,562	42,562	40,677	38,610	36,463	36,463	36,463	36,463	36,463	36,463
Program Total	42,562	42,562	40,677	38,610	36,463	36,463	36,463	36,463	36,463	36,463
Annual % Increase	14.53%	0.00%	-4.43%	-5.08%	-5.56%	0.00%	0.00%	0.00%	0.00%	0.00%
024-10A-0143-29 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: IMMUNIZATION) (FORMERLY FHM - IMMUNIZATION 011-10A-Z048-01)										
All Other	1,258,000	1,258,000	1,201,684	1,139,670	1,078,884	1,078,884	1,078,884	1,078,884	0	0
Program Total	1,258,000	1,258,000	1,201,684	1,139,670	1,078,884	1,078,884	1,078,884	1,078,884	0	0
Annual % Increase	100.00%	0.00%	-4.48%	-5.16%	-5.33%	0.00%	0.00%	0.00%	-100.00%	0.00%

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	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
024-10A-0143-08 MAINE CENTER FOR DISEASE CONTROL AND PREVENTION (ACCOUNT NAME: LEAD POISONING PREVENTION FUND)										
Pos. - Leg.	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	0	0	0	0	0	0	0	0	447,780	612,686
All Other	0	0	0	0	0	0	0	0	731,795	686,612
Program Total	0	0	0	0	0	0	0	0	1,179,575	1,299,298
Annual % Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.15%
011-10A-0953-06 FHM - BUREAU OF HEALTH - HOME VISITS										
All Other	5,382,713	5,432,713	5,191,997	4,924,134	2,653,383	0	0	0	0	0
Program Total	5,382,713	5,432,713	5,191,997	4,924,134	2,653,383	0	0	0	0	0
Annual % Increase	14.14%	0.93%	-4.43%	-5.16%	-46.11%	-100.00%	0.00%	0.00%	0.00%	0.00%
011-10A-0954-01 FHM - BFI - CENTRAL										
Pos. - Leg.	(1.000)	(1.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	51,051	54,052	0	0	0	0	0	0	0	0
All Other	7,726	7,846	281	0	0	0	0	0	0	0
Program Total	58,777	61,898	281	0	0	0	0	0	0	0
Annual % Increase	20.28%	5.31%	-99.55%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
011-10A-0955-01 FHM - BUREAU OF MEDICAL SERVICES										
Pos. - Leg.	(1.000)	(1.000)	(1.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	66,075	83,660	87,047	0	0	0	0	0	0	0
All Other	56,837	56,837	53,239	1,065	0	0	0	0	0	0
Program Total	122,912	140,497	140,286	1,065	0	0	0	0	0	0
Annual % Increase	29.57%	14.31%	-0.15%	-99.24%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
011-10A-0956-01 FHM - FAMILY PLANNING										
All Other	468,962	884,240	448,183	425,061	401,430	0	0	0	0	0
Program Total	468,962	884,240	448,183	425,061	401,430	0	0	0	0	0
Annual % Increase	14.36%	88.55%	-49.31%	-5.16%	-5.56%	-100.00%	0.00%	0.00%	0.00%	0.00%
011-10A-0957-01 FHM - SERVICE CENTER										
Pos. - Leg.	(10.000)	(10.000)	(10.000)	(5.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	652,570	673,752	719,569	340,530	0	0	0	0	0	0
All Other	46,438	46,349	61,072	19,123	0	0	0	0	0	0
Program Total	699,008	720,101	780,641	359,653	0	0	0	0	0	0
Annual % Increase	2.70%	3.02%	8.41%	-53.93%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
024-10A-0545-04 HEAD START (FORMERLY FHM - HEAD START 011-10A-0959-01)										
All Other	1,582,460	1,582,460	1,512,343	1,434,319	1,354,580	1,354,580	1,354,580	1,354,580	1,929,580	1,929,580
Program Total	1,582,460	1,582,460	1,512,343	1,434,319	1,354,580	1,354,580	1,354,580	1,354,580	1,929,580	1,929,580

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FY 2007-08 to FY 2016-17

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
Annual % Increase	14.34%	0.00%	-4.43%	-5.16%	-5.56%	0.00%	0.00%	0.00%	42.45%	0.00%
024-10A-0147-01 MEDICAL CARE - PAYMENTS TO PROVIDERS (FORMERLY FHM - MEDICAL CARE 011-10A-0960-01)										
All Other	9,365,708	7,407,490	6,001,113	5,588,774	7,932,557	19,599,226	26,310,905	27,668,900	25,901,244	26,036,930
Program Total	9,365,708	7,407,490	6,001,113	5,588,774	7,932,557	19,599,226	26,310,905	27,668,900	25,901,244	26,036,930
Annual % Increase	-13.06%	-20.91%	-18.99%	-6.87%	41.94%	147.07%	34.24%	5.16%	-6.39%	0.52%
024-10A-0228-01 PURCHASED SOCIAL SERVICES (FORMERLY FHM - PURCHASED SOCIAL SERVICES 011-10A-0961-01)										
All Other	4,555,435	4,605,435	4,401,375	4,174,301	3,942,236	1,971,118	1,971,118	1,971,118	1,971,118	1,971,118
Program Total	4,555,435	4,605,435	4,401,375	4,174,301	3,942,236	1,971,118	1,971,118	1,971,118	1,971,118	1,971,118
Annual % Increase	14.36%	0.00%	-4.43%	-5.16%	-5.56%	-50.00%	0.00%	0.00%	0.00%	0.00%
011-10A-0962-01 FHM - BONE MARROW SCREENING										
All Other	93,712	93,712	89,560	84,940	0	0	0	0	0	0
Program Total	93,712	93,712	89,560	84,940	0	0	0	0	0	0
Annual % Increase	14.27%	0.00%	-4.43%	-5.16%	-100.00%	0.00%	-100.00%	0.00%	-100.00%	0.00%
024-10A-0202-01 LOW-COST DRUGS TO MAINE'S ELDERLY (FORMERLY FHM - DRUGS OF THE ELDERLY AND DISABLED 011-10A-Z015-01)										
All Other	11,674,840	13,912,727	13,031,892	12,352,950	11,878,350	10,244,920	6,897,869	6,897,869	6,217,798	6,082,095
Program Total	11,674,840	13,912,727	13,031,892	12,352,950	11,878,350	10,244,920	6,897,869	6,897,869	6,217,798	6,082,095
Annual % Increase	39.82%	19.17%	-6.33%	-5.21%	-3.84%	-13.75%	-32.67%	0.00%	-9.86%	-2.18%
DEPARTMENT OF HEALTH AND HUMAN SERVICES (FORMERLY DHS)										
Pos. - Leg.	**(16.000)**	**(16.000)**	**(18.000)**	**(13.000)**	**(8.000)**	**(8.000)**	**(8.000)**	**(8.000)**	**(7.000)**	**(7.000)**
Pers. Serv.	**1,052,060**	**1,235,907**	**1,551,554**	**1,289,310**	**775,657**	**914,442**	**893,649**	**930,552**	**1,234,021**	**1,427,071**
All Other	**52,403,278**	**53,787,164**	**49,388,721**	**46,594,021**	**44,495,087**	**46,437,534**	**49,811,264**	**51,169,259**	**48,949,443**	**48,904,243**
Dept. Total	**53,455,338**	**55,023,071**	**50,940,275**	**47,883,331**	**45,270,744**	**47,351,976**	**50,704,913**	**52,099,811**	**50,183,464**	**50,331,314**
Annual % Increase	**15.64%**	**2.93%**	**-7.42%**	**-6.00%**	**-5.46%**	**4.60%**	**7.08%**	**2.75%**	**-3.68%**	**0.29%**
JUDICIAL DEPARTMENT										
011-40A-0963-01 FHM - JUDICIAL DEPARTMENT										
Pos. - Leg.	(1.000)	(1.000)	(1.000)	(1.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	94,808	107,960	117,803	116,782	0	0	0	0	0	0
All Other	2,726	2,726	2,605	2,471	0	0	0	0	0	0
Program Total	97,534	110,686	120,408	119,253	0	0	0	0	0	0
Annual % Increase	-5.83%	13.48%	8.78%	-0.96%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
JUDICIAL DEPARTMENT										
Pos. - Leg.	**(1.000)**	**(1.000)**	**(1.000)**	**(1.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**
Pers. Serv.	**94,808**	**107,960**	**117,803**	**116,782**	**0**	**0**	**0**	**0**	**0**	**0**
All Other	**2,726**	**2,726**	**2,605**	**2,471**	**0**	**0**	**0**	**0**	**0**	**0**
Dept. Total	**97,534**	**110,686**	**120,408**	**119,253**	**0**	**0**	**0**	**0**	**0**	**0**

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	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 **	2015-16	2016-17
Annual % Increase	**-5.83%**	**13.48%**	**8.78%**	**-0.96%**	**-100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
DEPARTMENT OF PUBLIC SAFETY										
011-16A-0964-01 FHM - FIRE MARSHAL										
Pos. - Leg.	(3.000)	(3.000)	(3.000)	(3.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Pers. Serv.	201,270	250,539	237,637	242,543	0	0	0	0	0	0
All Other	12,120	12,367	1,155,253	13,726	0	0	0	0	0	0
Program Total	213,390	262,906	1,392,890	256,269	0	0	0	0	0	0
Annual % Increase	2.28%	23.20%	429.81%	-81.60%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
011-16A-Z085-01 FHM - DRUG ENFORCEMENT AGENCY PILOT PROJECT										
All Other	0	150,000	0	0	0	0	0	0	0	0
Program Total	0	150,000	0	0	0	0	0	0	0	0
Annual % Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
DEPARTMENT OF PUBLIC SAFETY										
Pos. - Leg.	**(3.000)**	**(3.000)**	**(3.000)**	**(3.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**
Pers. Serv.	**201,270**	**250,539**	**237,637**	**242,543**	**0**	**0**	**0**	**0**	**0**	**0**
All Other	**12,120**	**162,367**	**1,155,253**	**13,726**	**0**	**0**	**0**	**0**	**0**	**0**
Dept. Total	**213,390**	**412,906**	**1,392,890**	**256,269**	**0**	**0**	**0**	**0**	**0**	**0**
Annual % Increase	**2.28%**	**93.50%**	**237.34%**	**-81.60%**	**-100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
GRAND TOTALS - ALL DEPARTMENTS										
Pos. - Leg.	**(22.500)**	**(22.500)**	**(24.500)**	**(19.500)**	**(9.000)**	**(9.000)**	**(9.000)**	**(9.000)**	**(8.000)**	**(8.000)**
Pers. Serv.	**1,598,387**	**1,858,168**	**2,143,618**	**1,894,833**	**867,387**	**1,016,425**	**986,958**	**1,029,855**	**1,350,621**	**1,545,611**
All Other	**59,485,528**	**66,140,457**	**62,272,204**	**57,348,695**	**49,338,621**	**51,299,411**	**53,538,968**	**54,936,113**	**52,686,810**	**52,639,696**
Grand Total	**61,083,915**	**67,998,625**	**64,415,822**	**59,243,528**	**50,206,008**	**52,315,836**	**54,525,926**	**55,965,968**	**54,037,431**	**54,185,307**
Annual % Increase	**15.57%**	**11.32%**	**-5.27%**	**-8.03%**	**-15.25%**	**4.20%**	**4.22%**	**2.64%**	**-3.45%**	**0.27%**

Notes:

* FHM programs and allocations have been modified to reflect the creation of a unique Fund for a Healthy Maine fund beginning in 2013-14 .

* PL 2015, c. 16 (LD 236) adjusts fiscal year 2014-15 funding in the Medical Care - Payments to Providers program by $2,446,083 and provides $29,805 in fiscal year 2014-15 for Maine's portion of a multistate cost-sharing agreement related to the Tobacco Master Settlement Agreement diligent enforcement requirement.

Prepared by the Office of Fiscal and Program Review

APPENDIX C

Department of Health and Human Services handout on the 2013-2017 State Health Improvement Plan

Maine DHHS Fund for a Healthy Maine Summary

State's Current Public Health and Preventive Health Priorities and Goals

Maine's 2013 – 2017 State Health Improvement Plan is formulated around six priorities. The first four priorities are categorical, or subject-specific, priorities and the remaining two priorities are focused on public health services. The State Health Improvement Plan does not include priorities and goals related to healthcare improvement that are also important to the Department.

Categorical Priorities	Goal
Immunizations	Increase immunization rates in Maine by an average of 10% by June 2017.
Obesity	Reduce adult obesity in Maine by 5% and youth obesity by 10% by June 2017.
Substance Abuse and Mental Health	Reduce substance abuse and improve mental health in Maine by 5% by June 2017
Tobacco Use	Reduce adult and adolescent tobacco use in Maine by 5% by June 2017

Infrastructure Priorities	Goal *no specific quantitative targets were set for infrastructure objectives
Inform, Educate and Empower the Public (Essential Public Health Service* # 3)	Increase Maine's capacity to inform, educate and empower Maine people about health issues by June 2017.
Mobilize Community Partnerships (Essential Public Health Service # 4)	Increase Maine's capacity to mobilize community partnerships and action to identify and solve health problems by June 2017.

Programs Funded by FHM

Appropriation: FHM Community School Grants and Statewide Coordination (014326)

- Community Health Coalitions Program Description: Health promotion, education, and prevention services delivered through community coalition based structures to address tobacco, physical activity, and nutrition in Maine communities and schools.
- School Based Health Centers Program Description: Eight agencies operate sixteen clinic locations to provide medical care, mental health care, and prevention counseling, serving middle and high school students.
- School Based Health Centers Evaluation and Quality Assurance Program Description: data collection and quality improvement support related to the School Based Health Centers.

Appropriation: FHM Tobacco Prevention and Control (014330)

- Partnership for a Tobacco-free Maine Program Description: Tobacco prevention and control program in the Maine CDC with the goals of preventing youth from starting to use tobacco, assisting users to quit, and reducing the effects of tobacco use.

Alignment with State Health Priorities and Goals

Department Strategic Priority	Health Priority	Goal	Related FHM Funded Program(s)	GAP
Improve individual and public health	Immunizations	Increase youth and adult immunizations		
	Obesity	Reduce youth and adult obesity	Community Health Coalitions, School Based Health Centers	Population health and health care/health systems intersection
	Substance Abuse and Mental Health	Reduce substance abuse and improve mental health	Community Health Coalitions, School Based Health Centers	Integration of behavioral health and primary care
	Tobacco Use	Reduce tobacco use and exposure to tobacco smoke	Community Health Coalitions, School Based Health Centers, Partnership for a Tobacco Free Maine	Connection to primary care; need for district-specific metrics
Ensure Efficient Use of Resources to Achieve Quality Outcomes	Value Based Purchasing, Preventive Care	Increase access to Primary Care and reduce overutilization of the Emergency Department/Preventable Admissions		Population health and health care/health systems intersection
	Community Partnerships	Increase the community's active involvement in public health	Community Health Coalitions	Lack of measurable outcomes Population health and health care/health systems intersection

APPENDIX D

Friends for a Fund for a Healthy Maine overview of the Fund for a Healthy Maine program

FUND FOR A

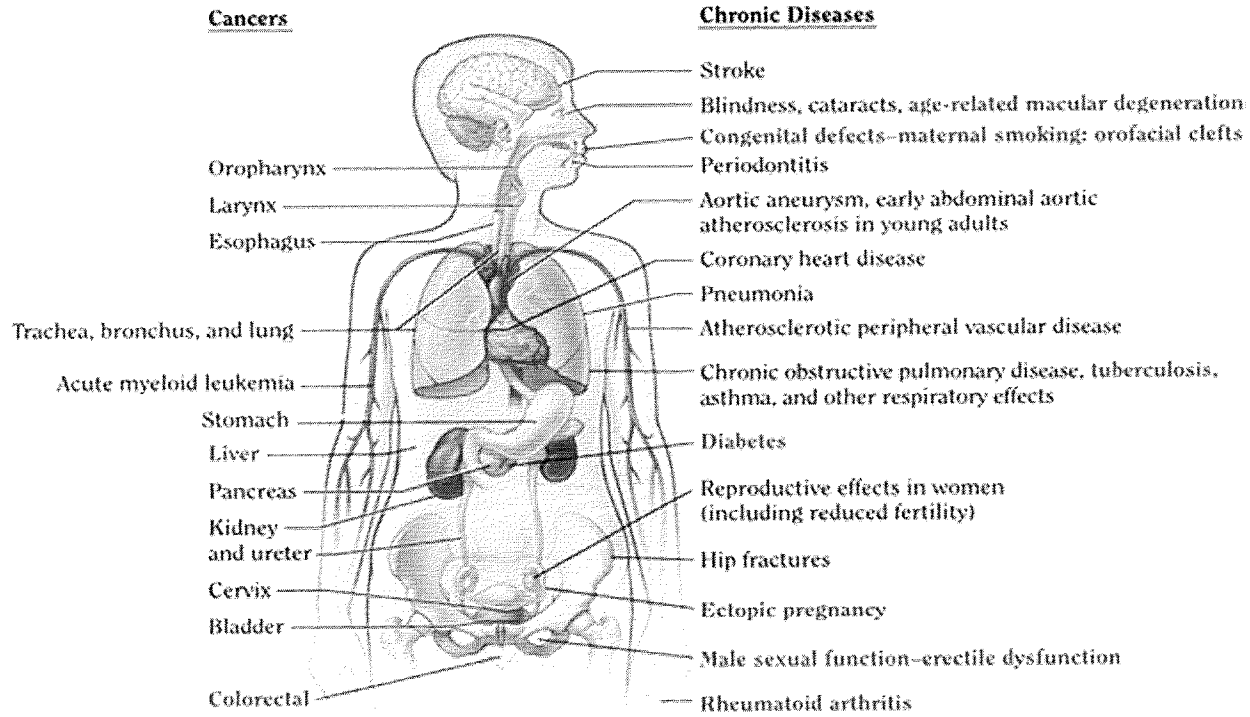
HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

Presented by the Friends of the Fund for a Healthy Maine ~ September 2015

- **Tobacco use is a major preventable cause of premature death and disease worldwide.**

- **Tobacco kills more people in Maine than alcohol, AIDS, car crashes, illegal drugs, murder and suicide COMBINED.**



Conditions in red are new SGR findings

FUND FOR A HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

Kids now under 18 and alive in Maine who will ultimately die prematurely from smoking = 27,000

Annual health care costs in Maine directly caused by smoking = $811 million

Portion covered by Mainecare = $261.6 million

Smoking-caused productivity losses in ME = $647 million

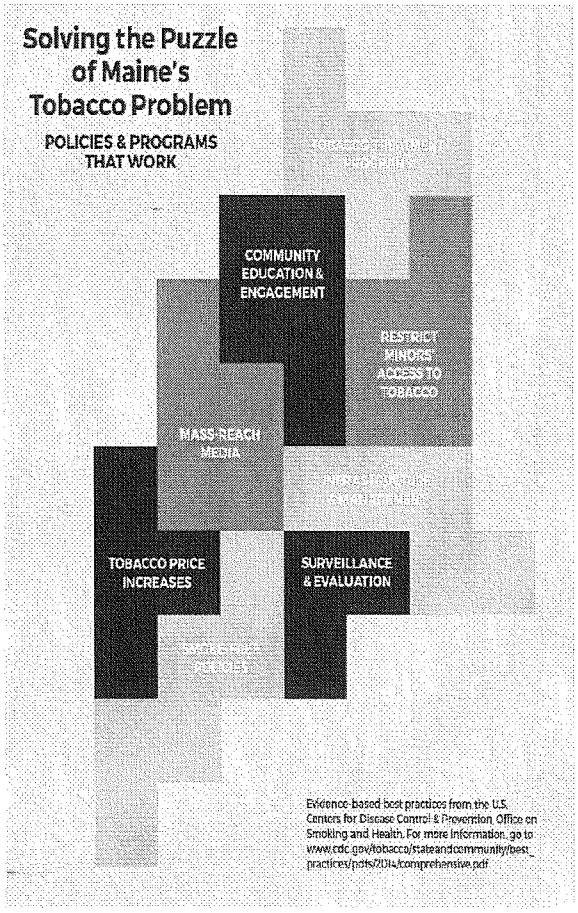
For each death, it is estimated that 30 more suffer from tobacco-related illness

https://www.tobaccofreekids.org/facts_issues/toll_us/maine

Tobacco IS a Winnable Battle

- Sustained funding of comprehensive programs
- Excise tax increases
- 100% smoke-free policies
- Aggressive media campaigns
- Cessation services access
- Comprehensive advertising restrictions

CDC Winnable Battles
http://www.cdc.gov/winnablebattles/



Fund for a Healthy Maine Mission

Creating Opportunity for Greater Health and Lowering Costs for Everyone

Goals

1. Prevent chronic disease
2. Improve health status
3. Reduce future health costs

FUND FOR A HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

75% of Health Care Costs are a Result of Chronic Disease.

We have the tools we need to significantly reduce this number.

FUND FOR A HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

Original Allocations

- **Smoking prevention, cessation and control activities**, including, but not limited to, reducing smoking among the children of the State [**In 2012 Obesity Prevention was added as an allowable use]**;
- **Prenatal and young children's care**, including home visits and support for parents of children from birth to 6 years of age;
- **Child care for children up to 15 years of age**, including after-school care; Health care for children and adults, maximizing to the extent possible federal matching funds;
- **Prescription drugs for adults who are elderly or disabled**, maximizing to the extent possible federal matching funds;
- **Dental and oral health care to low-income persons** who lack adequate dental coverage;
- **Teen Pregnancy Prevention;**
- **Substance abuse prevention and treatment**; and
- **Comprehensive school health programs**, including school-based health centers.

FUND FOR A HEALTHY MAINE

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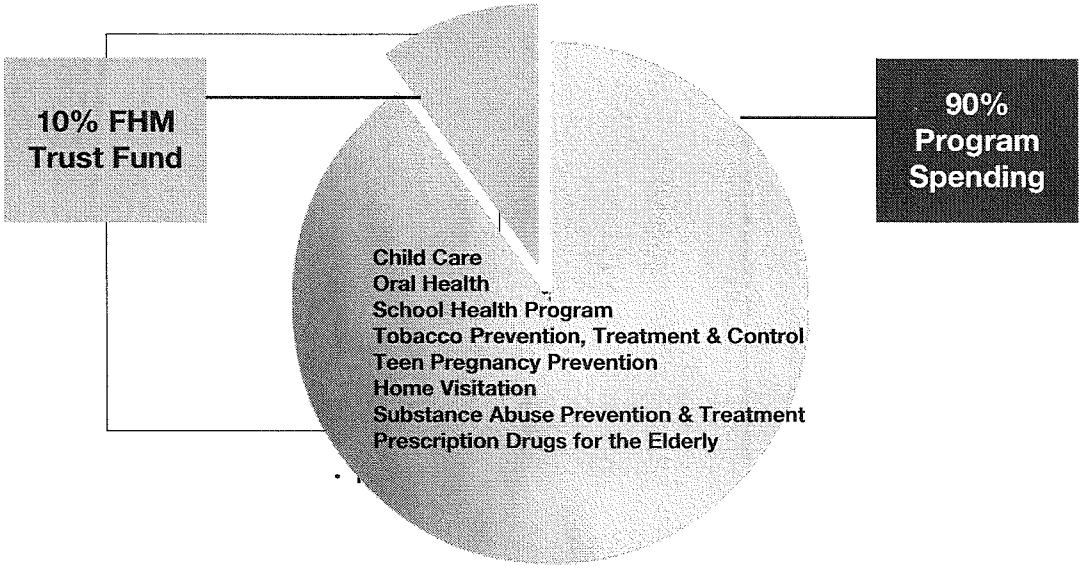
Original Allocation Vision



FUND FOR A HEALTHY MAINE

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FHM Timeline

1998- Landmark Master Tobacco Settlement Case Win in Federal Court. Maine participated in the national tobacco settlement because many Maine people suffered disease and death as a result of tobacco use encouraged by the deceptive practices of the tobacco industry.

1999- The Fund for a Healthy Maine (FHM) was created by the Maine Legislature to receive and disburse Maine's annual tobacco settlement payments.

2000- Allocations began to 8 categories of the FHM.

2009- OPEGA review of the FHM.

2011- Legislative Study Commission of the FHM.

FUND FOR A HEALTHY MAINE

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Legislative Study Commission Recommendations (8)

1. **Change the Fund for a Healthy Maine to a separate fund.** Amend the Fund for a Healthy Maine law to change the Fund for a Healthy Maine from a group of programs within Other Special Revenue Funds to a separate fund. Maintain current law on revenues paid into the fund.
   Legislation passed 125th, LD 1884 - never implemented

2. **Include health promotion and prevention and overweight and obesity to the list of health purposes for the Fund for a Healthy Maine.** Amend the Fund for a Healthy Maine law to broaden "health-related purposes" to "prevention and health promotion purposes." Also amend the list of prevention and health promotion purposes to include overweight and obesity prevention, education and treatment activities.
   Legislation Passed 125th, LD 1855 was implemented

3. **Require separate accounts and annual reporting about the use of Fund for a Healthy Maine funds.** Amend the Fund for a Healthy Maine law to require contractors, vendors and state agencies receiving funding from the Fund for a Healthy Maine to maintain money received from the Fund for a Healthy Maine in separate accounts and to provide a description of how Fund for a Healthy Maine funds for the prior state fiscal year were targeted to the prevention and health promotion purposes specified in the law. Require the Commissioner of Administrative and Financial Services to compile reports and forward information to the Legislature annually.
   Legislation Passed 125th, LD 1884 - never implemented

4. **Require Health and Human Services Committee review of Fund for a Healthy Maine legislation.** Amend the Fund for a Healthy Maine law to require review by the joint standing committee having jurisdiction over health and human services all matters of legislative proposals that affect the Fund for a Healthy Maine that have majority support in the committee to which the legislation was referred. This mirrors the provision currently in Joint Rule 317. This recommendation was adopted by a majority vote of 9 to 3. The minority supported continuing to impose review requirements under Joint Rule317.
   Legislation Passed 125th, LD 1884, was implemented

Legislative Study Commission Recommendations (8)

5. Require study commission review of Fund for a Healthy Maine allocations every four years. Amend the Fund for a Healthy Maine statute to require the Legislature to establish a study commission to review allocations of the Fund for a Healthy Maine beginning in 2015 and every four years thereafter. The composition and duties of the commission would mirror the current commission under Resolve 2011, chapter 112. ***Not Implemented***

6. Recommendations regarding separate program accounts. Direct the Commissioner of Administrative and Financial Services to review program structure for the programs of the Fund for a Healthy Maine and to recommend a new program structure, including a program for overweight and obesity prevention, education and treatment, beginning in state fiscal year 2014-2015. Funding for the new overweight and obesity program is from funding currently provided for this purpose under existing programs.

Legislation Passed 125th, LD 1855 - never implemented

7. Issue a statement of support for funding continued enforcement by the Office of the Attorney General. Include in the recommendations of the Commission a statement of support for continued funding for the Office of the Attorney General from the Fund for a Healthy Maine to enable the office to continue diligent enforcement of the tobacco master settlement agreement in accordance with the requirements of Title 22, chapter 263, subchapters 3 and 4. ***Legislation Not Required - Implemented***

8. Issue a statement of support for investments in public health and prevention and for the original intent of the funding. Include in the recommendations of the Commission a statement that the Commission recognizes the importance of investments in public health and prevention and believes that the original intent of the funding should be maintained and efforts should be made to eliminate health disparities. The statement will also include the following: "Access to adequate health coverage and support for building relationships with health care providers and the health care system are critical to the individual's ability to access important prevention, education and treatment resources related to smoking and tobacco, overweight and obesity, prenatal and young children's care, child care, health care, prescription drugs, dental and oral health care, substance abuse, school health and nutrition programs and counseling on ways to improve individual health behaviors." ***Legislation Not Required - Not Implemented***

Obesity Successes

- 56.2% of adults are meeting physical activity recommendations, a 12% increase since 2011.
- There was a statistically significant increase from 2009 to 2013 in the percentage of students in grades 5 (18% increase) and 9-12 (5% increase) who reported daily intake of 5 or more fruits and vegetables.
- Students who report drinking zero surgary beverages per day has increased by 5% since 2011.
- From 2011 to 2013, the prevalence of obesity and overweight for students in grades 5 and 7-12 remains steady with no statistically significant changes. While decreasing the prevalence of obesity is the ultimate goal, a positive first step is having rates remain steady.

Community & School Grants/Tobacco

HMPs fill the gaps where private health care falls short.
School health, workplace wellness, youth smoking and alcohol and substance abuse, obesity, and senior wellness are some areas where HMPs deliver programmatic prevention and control strategies based on community needs.

HMP programs affect 100% of your constituents.
Babies, older youth, adults and the elderly benefit from HMP programs.

HMPs have the goal of long-term prevention versus short-term treatment. Medicine prescribed by a doctor helps one person, while the comprehensive public health prevention programs of HMPs help thousands avoid unhealthy choices that lead to illness or chronic disease.

HMPs are highly localized to Maine communities. The coalition-based approach to the work of HMPs helps identify specific community and region needs. The approach also ensures that HMP funding is used efficiently and put to use where it is most needed.

HMPs assess and address emerging health threats. Recent examples include the response to the H1N1 and the rapid growth of electronic cigarettes.

FUND FOR A HEALTHY MAINE
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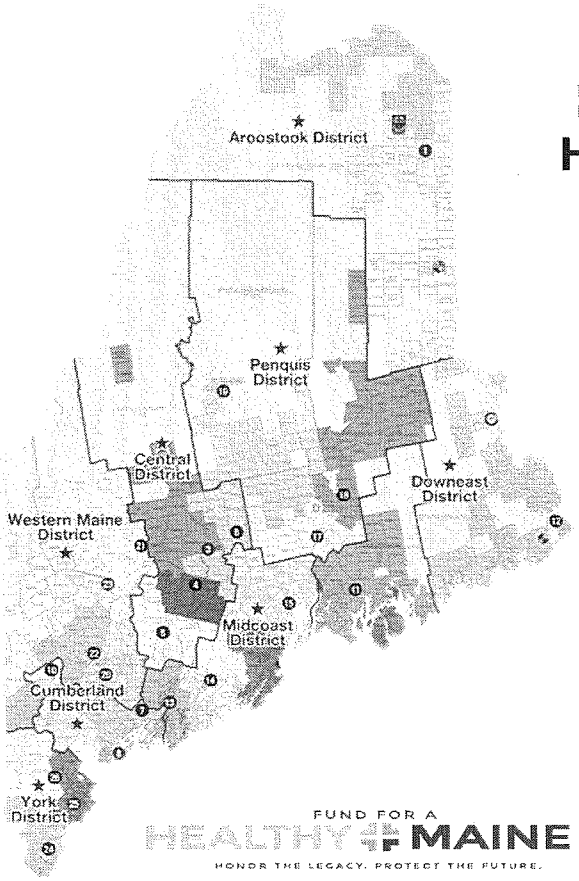

Creation of a Public Health Delivery System & Infrastructure

HMP's rely on monies from the Fund to continue to support community-based outreach – otherwise they would not exist.

Total investment in HMPs is $90 million total over 14 years.

HMPs have leveraged over 19 million dollars in private and federal funds.

HMPs fill the gaps where private healthcare falls short. School health, workplace wellness, youth smoking and alcohol and substance abuse, obesity, and senior wellness are some areas where HMPs deliver programmatic prevention and control strategies based on community needs.

Tobacco Success

- **67% drop in youth smoking** since Maine created its tobacco program in 1997 along with a tobacco tax increase.
- The FHM took over the program funding and is the only state money dedicated to decreasing the **#1 killer in Maine**.
- **Cigarette use declined from 18% in 2009 to 13% in 2013.**
- The Maine Tobacco Helpline has **helped over 100,000 clients** since its inception.
- **Decreased the high school smoking rate from 39% to 18%.**

FUND FOR A HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

School Based Health Center Success

- The Fund helps **16 SBHC's provide access to care for close to 12,000 students,** allowing parents to stay at work and decreasing absenteeism and drop-out rates in students.
- More than one third **(35%) of students who smoke and were seen at a SBHC** reported that they reduced their smoking or quit smoking as a result of their visit.
- More than **half of SBHC encounters were with a behavioral health specialist** and **57% of medical visits were for preventative screenings** such as immunization or well-child visits.
- **45% of students in a school with a SBHC were enrolled with the center.**

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Substance Abuse Success

- **Decreased** the alcohol use rate among Maine's 6th to 12th grade students from **71% to 48%.**
- The proportion of high school students in Maine who report consuming alcohol in the past month has decreased notably since 2009- **dropping from 32% in 2009 to 26% in 2013.**
- Binge drinking in high school age youth has **declined from 19% in 2009 to 15% in 2013.**
- Alcohol and/or drug related crashes among 16-20 year **olds decreased from 151 crashes in 2009 to 82 crashes in 2013, representing a 46% reduction.**

FUND FOR A
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Oral Health Success

- 25% of Maine dentists participate in the Donated Dental Services Program, providing free services to qualified disabled and elderly individuals- average value of these services was over $3,300 in SFY 14, and the total was close to $376,000.
- 37 loans to dental students who already have or will return to Maine (with return service obligations) and 23 loan repayment awards to dentists practicing in underserved areas. The overall retention of dentists – that is, of dentists who have stayed in Maine to practice after completing their obligations – is about 72%.
- FHM supports 5 community based agencies in providing over 4,600 dental services to about 2360 patients in 10 locations in SFY14. The Subsidy Program, intended to help offset costs of providing reduced fee services to low income patients, has been reduced considerably since SFY 11, when 13 agencies with dental clinics in 19 locations participated and provided just under 37,000 dental services to 19,259 people, for a total of $714,033.
- Support preventive programs in about 180 elementary schools, mostly in rural areas, where children are more likely to encounter challenges in finding regular access to dental care. These programs offer classroom-based education, and about half also provide dental sealants and fluoride for second-graders. Between the 2013 and 2014 school years, an average of 94 schools provided sealants to over 1600 children, who received an average of 3.2 sealants each.

FUND FOR A
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Teen Pregnancy Prevention Success (DEFUNDED)

- Maine's teen **pregnancy rate decreased by 48%** between 1988 and 2005, one of the most dramatic decreases in the nation.
- **Maine's rates of teen pregnancy and teen birth are among the lowest in the nation,** down from 70 per thousand girls in 1992 to 37 per thousand in 2010.
- The percentage of high school students who have ever had sexual intercourse has **declined from 52% in 1997 to 45% in 2007**.
- Among high school students who are sexually active, the percentage who **used a condom during their last sexual intercourse has increased significantly from 51% in 1997 to 59% in 2007**. The percentage who used birth control pills has increased from 30% in 1997 to 41% in 2007.

FUND FOR A HEALTHY MAINE

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Child Care Success

- **About 3,000 children, ages birth – 12, currently receive child care, Head Start, or after-school programs.**
- Nearly **2,500 children, ages 12 - 15, participate** in a range of recreational, cultural, academic, and arts programs after school and in the summer.

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Home Visitation Success (DEFUNDED)

- **92% of Maine Families participants' children were up to date with immunizations** as a result of home visitors providing education and support to address barriers to timely immunizations.
- As a result of routine screening by professional home visitors, **more than 177 children of Maine Families participants were identified with possible developmental delays** and provided supports to help address those delays early before more costly remediation is needed in school.
- Among the **15% of babies who were exposed to second-hand smoke, over half who were exposed at 3 months of age were no longer exposed by 9 months of age.**
- **99.4% of children of Maine Families participants were connected to a primary care provider** compared to about two-thirds of children who have a medical home statewide.

FUND FOR A HEALTHY MAINE

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MAINE LANDSCAPE

- Maine spends approximately **$11 billion on healthcare** costs each year.
- The Fund for a Healthy Maine, Maine's only source of State funds for prevention, **accounts for only .48%** of Maine's total health care expenditure.
- Every $1 of these vital resources **saves taxpayers** from $5 to $29 depending on the program *(Trust for America's Health).*
- ME does not have a system of health departments, so FHM infrastructure is critical.
- The Fund for a Healthy Maine has **saved Maine $4 billion** over the past ten years in long- term health care costs.
- **91% of Maine voters feel the tobacco settlement funds should be used to promote good health for all Mainers.**

FUND FOR A HEALTHY MAINE

HONOR THE LEGACY. PROTECT THE FUTURE.

Prevention is an Investment that Pays

Every $1 taken from FHM prevention programs will add at least $7.50 to Maine's future health costs. Savings estimates go higher, but one thing is clear: the FHM is an investment in our future health and financial well-being *(Trust for America's Health).*

Every **$1 taken from the FHM today will be $1 that is <u>not</u> available** to fund prevention programs for our most at-risk citizens.

The FHM is a nationally recognized success story. Maine's use of tobacco settlement dollars and specifically Maine's tobacco prevention and treatment program continue to draw both national and international recognition for their comprehensive approaches to preventing costly healthcare.

FUND FOR A HEALTHY MAINE

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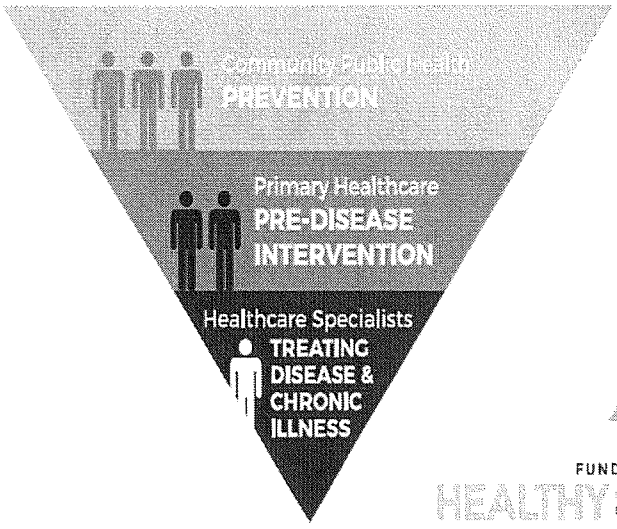
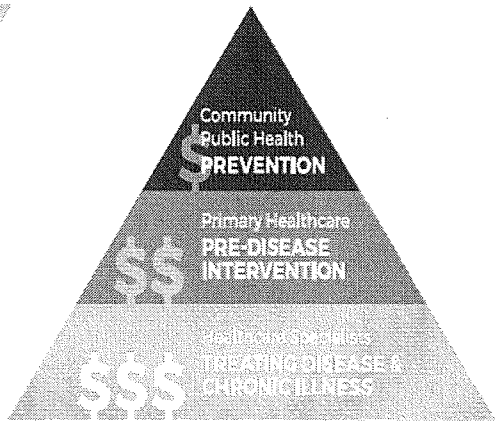
The Path to Healthy People and Strong Communities

REDUCING CHRONIC ILLNESS REQUIRES BOTH PREVENTION AND EARLY INTERVENTION



PREVENTION IS OUR SMARTEST INVESTMENT IN SAVING LIVES AND REDUCING HIGH HEALTH CARE COSTS



FUND FOR A HEALTHY MAINE

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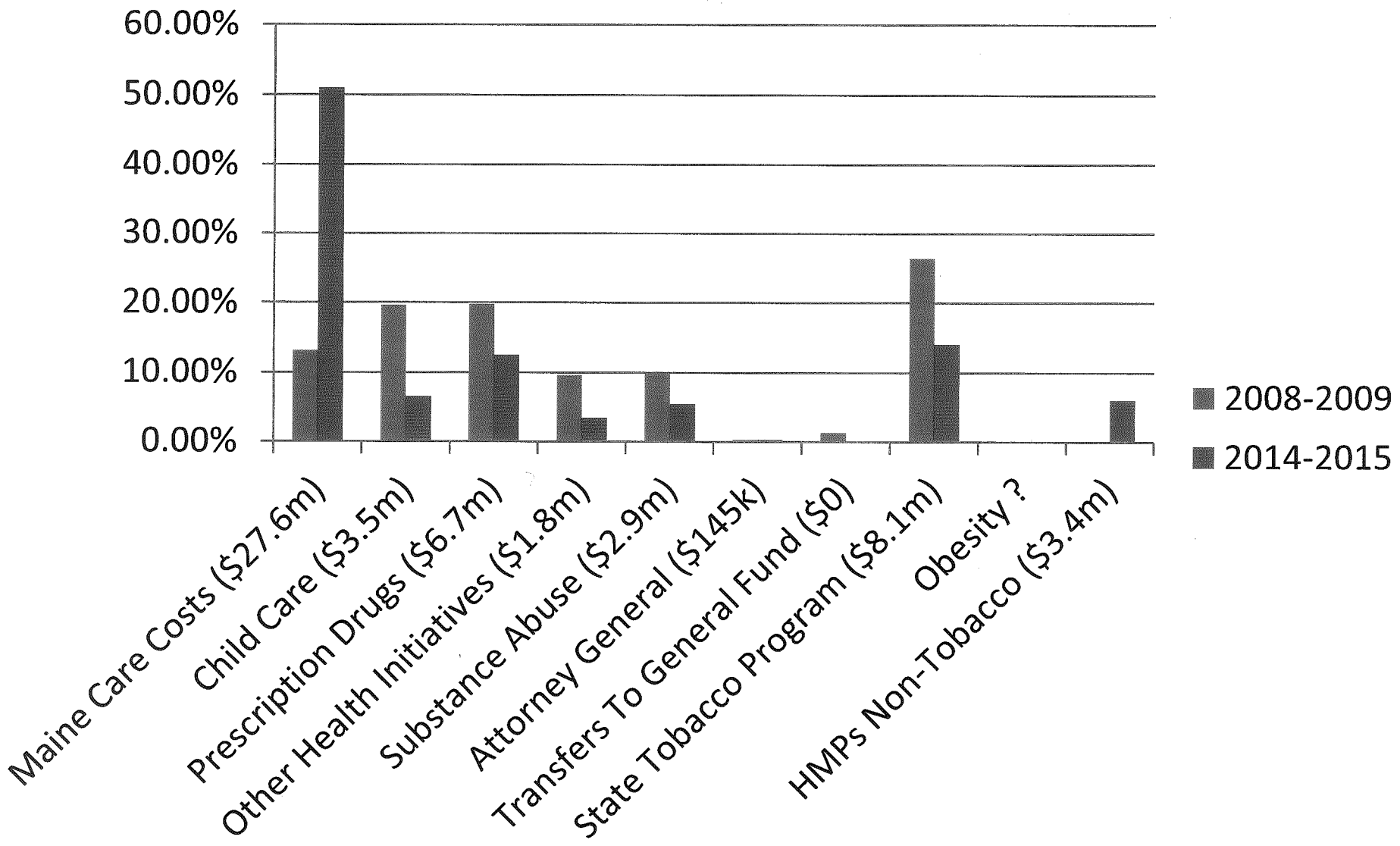
FundForAHealthyMaine.org

FHM Allocation Changes



APPENDIX E

Department of Administrative and Financial Services report pursuant to Public Law 2011, chapter 701, section 2

STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
State House Station #58
Augusta, Maine 04333

DATE: October 1, 2015

TO: Senator Erik L. Brakey, Chair
Representative Andrew Gattine, Chair
Members, Joint Standing Committee on Health and Human Services

FROM: Richard Rosen, Commissioner

SUBJECT: Fund for a Healthy Maine

Please see the attached report containing expenditure detail for Fiscal Year 2015 that has been received from state agencies as required by Public Law 2011, chapter 701, section 2:

"A state agency that receives allocations from the fund and a contractor or vendor that receives funding allocated from the fund shall maintain that money in a separate account and shall report by September 1st of each year to the Commissioner of Administrative and Financial Services providing a description of how those funds for the prior state fiscal year were targeted to the prevention and health-related purposes listed in subsection 6. The Commissioner of Administrative and Financial Services shall by October 1st of each year compile the reports provided under this subsection and forward the information in a report to the Legislature."

As of this date, the Department of Administrative and Financial Services has not received any additional reporting describing Fiscal Year 2015 expenditures from contractors or vendors.

Cc: Office of Fiscal and Program Review

Fund for a Healthy Maine Expenditures by Agency - Fiscal Year 2015

Health and Human Services

Expenditure Category	Definition	OMS	CDC	OCFS	SAMHS	Total
6A	Smoking prevention, cessation and control activities, including, but not limited to, reducing smoking among the children of the State		8,475,672			8,475,672
6A1	Prevention, education and treatment activities concerning unhealthy weight and obesity		2,710,379			2,710,379
6B	Prenatal and young children's care including home visits and support for parents of children from birth to 6 years of age					-
6C	Child care for children up to 15 years of age, including after-school care			3,312,234		3,312,234
6D	Health care for children and adults, maximizing to the extent possible federal matching funds	6,612,022	674,759			7,286,781
6E	Prescription drugs for adults who are elderly or disabled, maximizing to the extent possible federal matching funds	27,846,495				27,846,495
6F	Dental and oral health care to low-income persons who lack adequate dental coverage		315,499			315,499
6G	Substance abuse prevention and treatment	1,166,851			1,785,130	2,951,981
6H	Comprehensive school health and nutrition programs, including school-based health centers		580,751			580,751
	Total by Office	35,625,368	12,757,060	3,312,234	1,785,130	53,479,792

Department of Education

Hungry students have a much harder time learning. The Child Nutrition program assists schools in providing a healthy breakfast and lunch to students in order to give them the sustenance they need to be able to learn. Fund for a Healthy Maine dollars are used to provide breakfast for those students who receive meals at a reduced cost. Public schools are reimbursed 30 cents per reduced meal. Breakfast is highly correlated with improved learning and higher test scores.

Office of the Attorney General

The Office of the Attorney General's Tobacco Enforcement section within the Consumer Protection Division works toward prevention and health-related purposes as those goals stem from tobacco use in the State in a number of ways. As a signatory state to the 1998 Tobacco Master Settlement Agreement, Maine is an active participant in multi-state efforts to promote public health awareness, education and legislative advances around myriad tobacco issues, including, but not limited to: marketing to youth; introduction and regulation of new tobacco products on the market; and smoking in movies and other mass-marketed depictions. The OAG also oversees the enforcement of the State's tobacco laws as they pertain to retailers, and to tobacco use in public and employment settings.

Finance Authority of Maine

The Finance Authority of Maine (FAME) receives via the biennial budget two FFHM allocations: one is for the FAME-administered Maine Dental Loan and Loan Repayment Programs ($237,740 in each year of the biennium), while the other is "pass-through money" that supports the University of New-England-administered Maine Area Health Education Centers ($110,000 in each year of the biennium). As required by statute, these allocations are indeed maintained by FAME in a separate account.

The Maine Dental Education Loan and Loan Repayment Programs provide need-based, forgivable loans to Maine residents pursuing post-graduate education in dentistry and loan repayment for dentists providing services to underserved populations in Maine. The FFHM allocations allow for the selection of new participants in the program and provide continued funding for students needing loans and loan repayment as dentists practicing in underserved areas in Maine. Through the funding, FAME is able to meet its commitment to existing program participants, as well as to add new participants. A commitment in this program is four years for both students receiving loans and for dentists receiving loan repayments. FAME has been able to leverage money in this program twice in the loan repayments program: once through a Health Resources and Services Administration (HRSA) grant, and another time with Delta Dental money. Thus, the program has been efficient and innovative.

For FY 15, the Maine Dental Loan Program spent $260,000 to assist 13 students. These students received $20,000 each for their loans. The Maine Dental Loan Repayment Program spent $130,000 to assist 10 loan recipients. These loan repayment participants received payments ranging from $10,000 to $30,000, depending on the terms of their particular agreements.

The Maine Area Health Education Centers (AHEC) funding is "pass-through" money that FAME transfers to the University of New England. This money helps to fund the rural health workforce development programs in the Area Health Education Centers, which are located in Bangor, Farmington, and Presque Isle. These funds are matched 1:1 by HRSA.

The AHEC network works to alleviate shortages of health professionals in Maine's rural and underserved areas by actively engaging with academic and community partners to:

- Encourage Maine youth and mid-career professionals to explore health careers and create a "pipeline" to target those Maine residents, particularly those from rural areas with the most likelihood of staying within Maine to live and work;
- Provide rural, community-based clinical training experiences for medical and other health professions students. Evidence shows that where students' initial placements occur creates a likelihood that they will return to practice in those communities;
- Support practicing health professionals with continuing education and distance learning opportunities to train and retain Maine health professionals within the state of Maine.

Please find the FY 15 budget included in the following table by the Area Health Education Centers to FAME. As you can see, it includes the FFHM budgeted allocation for $110,000, as well as some carry-over funds of $459.03.

Maine Area Health Education Centers Network
FAME Budget FY15
July 1, 2014 – June 30, 2015

Activities	Budget Amount
Western Maine AHEC (Franklin Memorial Hospital) • Support retention and recruitment activities for health care personnel through program curriculum development, materials, training supplements, speakers, and conference support • Support youth related programs such as Scrub Club and Public Health Pipeline to increase interest in health careers • Hold health care career fair for college students, high school students and mid-career workers to expand interest in health careers	$27,000.00
Northern Maine AHEC (Northern Maine Community College) • Provide support for non-credit and short term health care training programs with program educational supplies, IT support for distance education opportunities, and training materials and equipment • Support travel related to AHEC program activities and staff development • Provide support for pipeline activities such as Survivor Aroostook and DOC4ADay to expose students to health careers	$27,000.00
Eastern Maine AHEC (Penobscot Community Health Care) • Support pipeline activities for high school students including DOC4ADay, Dentist4ADay, and Medical Outreach Maine in conjunction with Tufts/MMC students, UMaine Orono students and Waldo County public schools • Develop and implement new retention programs such as "Finance 101" and "Geriatric Issues" • Support placement of health profession students in clinical rotations including students in PA, Nurse Practitioners, Pharmacists, physicians, dental and other health profession programs	$25,000.00

Tribal Outreach Activities (Maine Indian Education) • Support the 4th Annual Career Expo for tribal students in Washington County to expose all Maine tribal students to a variety of careers including health careers	$7,000.00
Pipeline, Primary Care and Interprofessional Education Activities (Maine Medical Center) • Support pipeline activities such a DOC4ADay and activities to interest medical students in primary care such as conferences, speakers and community involvement activities • Support development of an Interprofessional Education clinical rotation placement program for UNE health profession students (DO, Pharmacy, Social Work)	$17,800.00
AHEC Program Office (University of New England) • Support implementation of interprofessional programs and community involvement projects during clinical placements through mini-grants and training opportunities • Increase interest in family medicine and primary care among health profession students through outreach, conferences and speakers/training support • Support pipeline activities such as summer enrichment or other pipeline activities	$6,659.03
Total	**$110,459.03**

Department of Administrative & Financial Services
Fund for a Healthy Maine
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Sources & Uses
For Fiscal Year 2015
As of June 30, 2015

		FY 2015 Budgeted Sources/Uses	Net FY 2014 Encumbrances Forward	FY 2015 Actual Year To Date Sources/Uses	FY 2014 Balances Forward *(see footnote 1)*	Actual Less Budget	Cash Outlays	Cash Balance	Net Encumbrances	Unobligated Balance
Sources										
Revenue From Settlement	2526	$ 48,832,108.00		$ 49,475,682.05		$ 643,574.05				
Revenue From Slot Machines	1322	4,288,409.00		4,107,613.86		(180,795.14)				
Interest Income	2105	7,826.00		8,956.27		1,130.27				
Prior Year Adjustments	2115, 2952, 2956	0.00		430,389.55		430,389.55				
Contributions from OSR	2719	0.00		-		0.00				
Transfers from Unapprop Surplus	2934	0.00		-		0.00				
Balance Forward		7,284,324.10		7,284,324.10		0.00				
General Fund Advance	2945	0.00		-		0.00				
Total Available		$ 60,412,667.10		$ 61,306,965.83		$ 894,298.73				
uses										
Tobacco Prevention & Control	01410A095302	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community School Grants	01410A095307	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Public Health Infrastructure	01410A095308	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchased Social Services	01410A096101	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Drugs for the Elderly	01410AZ01501	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Immunization	01410AZ04801	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Substance Abuse	01414G094801	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FHM - School Breakfast	02405AZ06801	213,720.00	0.00	201,972.90	0.00	(11,747.10)	201,972.90	0.00	0.00	0.00
FHM - Oral Health	02410A014325	300,000.00	0.00	298,500.00	0.00	(1,500.00)	279,036.00	19,464.00	19,464.00	0.00
FHM - Community/School Grants & Statewid	02410A014326	5,018,896.00	399,234.50	4,753,017.92	399,234.50	(265,878.08)	4,816,106.11	336,146.31	336,146.31	0.00
FHM - Public Health Infrastructure	02410A014327	1,355,923.00	104,148.00	1,149,165.29	104,148.00	(206,757.71)	1,185,403.63	67,909.66	67,909.66	0.00
FHM - Donated Dental	02410A014328	36,463.00	0.00	36,463.00	0.00	0.00	36,463.00	0.00	0.00	0.00
FHM - Immunization	02410A014329	1,078,884.00	27,452.10	647,306.71	27,452.10	(431,577.29)	674,758.81	0.00	0.00	0.00
FHM - Tobacco Prevention, Control & Treatm	02410A014330	6,417,178.00	1,241,111.27	5,327,636.78	1,241,111.27	(1,089,541.22)	5,765,293.02	803,455.03	803,455.03	0.00
FHM - Medical Care	02410A014701	27,668,900.00	0.00	27,668,899.28	0.00	(0.72)	27,668,899.28	0.00	0.00	0.00
FHM - Drugs for the Elderly & Disabled	02410A020201	2,275,081.00	154,568.41	2,691,751.07	154,568.41	416,670.07	2,682,003.61	164,315.87	164,315.87	0.00
FHM - Purchased Social Services	02410A022801	1,971,118.00	0.00	1,970,810.17	0.00	(307.83)	1,970,810.17	0.00	0.00	0.00
FHM - Head Start	02410A054504	1,354,580.00	35,795.90	1,341,288.25	35,795.90	(13,291.75)	1,341,424.25	35,659.90	35,659.90	(0.00)
FHM - Substance Abuse	02414G067901	1,848,306.00	54,078.75	1,813,898.96	54,078.75	(34,407.04)	1,785,129.77	82,847.94	82,847.94	0.00
FHM - Office of Substance Abuse Medicaid M	02414G084401	1,306,059.00	0.00	1,166,850.50	0.00	(139,208.50)	1,166,850.50	0.00	0.00	0.00
FHM - Attorney General	02426A094701	152,532.00	0.00	145,532.27	0.00	(6,999.73)	145,532.27	0.00	0.00	0.00
FHM - Health Education Centers	02494F095002	110,000.00	0.00	110,000.00	0.00	0.00	110,000.00	0.00	0.00	0.00
FHM - Dental Education	02494F095101	237,740.00	0.00	237,740.00	0.00	0.00	237,740.00	0.00	0.00	0.00
FHM - Drugs for the Elderly & Disabled - SLC	02410A020201	4,489,682.00	0.00	4,107,613.86	0.00	(382,068.14)	4,107,613.86	0.00	0.00	0.00
TOTAL		55,835,062.00	2,016,388.93	53,668,446.96	2,016,388.93	(2,166,615.04)	54,175,037.18	1,509,798.71	1,509,798.71	0.00
UNDISTRIBUTED NET BALANCE		$ 4,577,605.10	$ (2,016,388.93)	$ 7,638,518.87	$ (2,016,388.93)	$ 3,060,913.77				

Footnotes

1 All other balances are to satisfy encumbrances carried forward. This is also recognized in the encumbrances column as a liability.
The balances forward shown have also been reduced by the amounts returned to the Fund as a result of lapsed prior year encmbrances.

APPENDIX F

Suggested legislation

Title: An Act to Require an Annual Report on the Fund for a Healthy Maine

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §1511, sub-§16 is enacted to read:

16. Annual report by Commissioner. Beginning January 2017, the Commissioner shall report annually no later than January 1st of each year to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over health and human services matters. The report must include the following information from the previous state fiscal year:

A. Detailed spending from the fund showing annual expenditures in all programs;

B. Progress the department is making toward health priorities identified by the department as improving health status in the State using expenditures from the fund;

C. Information relating to any audit conducted by the department, the Department of Administrative and Financial Services or the Office of the State Auditor of any programs funded by the fund including summary information, frequency of any audit, the level of detail of any audit, and how often correction action plans were developed and applied; and

D. Any data submitted to the Department of Administrative and Financial Services pursuant to subsection 13.

SUMMARY

This bill requires the Commissioner of Health and Human Services to submit an annual report to the joint standing committee having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over health and human services by January 1st of each year. The report must include: detailed spending from the Fund for a Healthy Maine; progress the department is making toward health priorities using Fund for a Healthy Maine funding identified as improving health status in the State; information relating to any audit from the Department of Health and Human Services, the Department of Administrative and Financial Services and the Office of the State Auditor; and any data submitted to the Department of Administrative and Financial Services pursuant to Title 22, section 1511, subsection 13.

APPENDIX G

Committee letters to the Government Oversight Committee, the Department of Administrative and Financial Services and Department of Health and Human Services

SENATE

ERIC L. BRAKEY, DISTRICT 20, CHAIR
EARLE L. MCCORMICK, DISTRICT 14
ANNE M. HASKELL, DISTRICT 28

ANNA BROOME, LEGISLATIVE ANALYST
MICHAEL O'BRIEN, LEGISLATIVE ANALYST
ANNIE BUCKMAN, COMMITTEE CLERK

HOUSE

DREW GATTINE, WESTBROOK, CHAIR
PETER C. STUCKEY, PORTLAND,
MATTHEW J. PETERSON, RUMFORD
SCOTT M. HAMANN, SOUTH PORTLAND
CHRISTINE S. BURSTEIN, LINCOLNVILLE
PATRICIA HYMANSON, YORK
DEBORAH J. SANDERSON, CHELSEA
RICHARD S. MALABY, HANCOCK
FRANCES M. HEAD, BETHEL
KAREN VACHON, SCARBOROUGH

STATE OF MAINE
ONE HUNDRED AND TWENTY-SEVENTH LEGISLATURE
COMMITTEE ON HEALTH AND HUMAN SERVICES

TO: Roger Katz, Senate Chair
Charles Kruger, House Chair
Joint Standing Committee on Government Oversight

FROM: Eric L. Brakey, Senate Chair EB
Drew Gattine, House Chair DG
Joint Standing Committee on Health and Human Services

DATE: December 15, 2015

RE: Support of study of Department of Health and Human Services audit functions

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We are writing to express our support for the task on OPEGA's work plan related to the Department of Health and Human Services audit functions.

Our Committee recently completed a study of the allocations of the Fund for a Healthy Maine. Throughout the study, we had several conversations about auditing related to FHM contracts, and several questions remain. Although vendors receiving FHM funding told us that they routinely file financial reports required by their contract, it is unclear whether the Department of Health and Human Services is regularly conducting audits as part of routine contract management. If audits are being regularly conducted, our Committee would like the results to be more readily available. Our Committee needs this information to make informed decisions about whether FHM funding should be adjusted.

We understand that the task on OPEGA's work plan concerns the effectiveness of the Department of Health and Human Services' audit functions in identifying and addressing fraud, waste and abuse in programs they administer. Although this task is not entirely related to our above-mentioned concerns, we would like to go on record as supporting the task on OPEGA's work plan and alert your Committee to our recent discussions related to FHM-related auditing.

Please let us know if you have any questions. Thank you.

SENATE

ERIC L. BRAKEY, DISTRICT 20, CHAIR
EARLE L. MCCORMICK, DISTRICT 14
ANNE M. HASKELL, DISTRICT 28

ANNA BROOME, LEGISLATIVE ANALYST
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STATE OF MAINE
ONE HUNDRED AND TWENTY-SEVENTH LEGISLATURE
COMMITTEE ON HEALTH AND HUMAN SERVICES

December 15, 2015

Richard W. Rosen, Commissioner
Department of Administrative and Financial Services
78 State House Station
Augusta, ME 04333-0078

Dear Commissioner Rosen,

Thank you for your recent participation in our study of allocations of the Fund for a Healthy Maine, including your presentation on the first annual report submitted pursuant to section 2 of Public Law 2011, chapter 701 – "An Act To Revise the Laws Regarding the Fund for a Healthy Maine." We are writing to request an update on your progress implementing the following two statutory provisions, which were enacted by the Legislature following the report from the 2011 Commission to Study the Allocations of the Fund for a Healthy Maine.

1. Public Law 2011, chapter 701, section 2. In addition to state agencies receiving allocations from the Fund for a Healthy Maine, the report submitted pursuant to this section requires contractors and vendors that receive funding from the Fund for a Healthy Maine to describe how the funds for the previous fiscal year were targeted to the prevention and health-related purposes listed in the Fund for a Healthy Maine statute (Title 22, section 1511, subsection 6). The 2015 report that we received from your Department did not include this valuable information. We respectfully request that this information be made available to us now and included in all future annual reports.

2. Public Law 2011, chapter 617, section 2. This statute requires the Department of Administrative and Financial Services to create a separate budget entry or new account for prevention, education and treatment activities concerning unhealthy weight and obesity. The intent of this legislation was to separate anti-obesity efforts from tobacco cessation efforts in the accounting system and thereby increase the transparency of these public health activities. To our knowledge, this has not yet occurred.

Please let us know if you have any questions. We thank you for your cooperation and look forward to hearing from you soon.

Sincerely,

Eric L. Brakey

Sen. Eric L. Brakey
Senate Chair

Rep. Drew Gattine
House Chair

SENATE

ERIC L. BRAKEY, DISTRICT 20, CHAIR
EARLE L. MCCORMICK, DISTRICT 14
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STATE OF MAINE
ONE HUNDRED AND TWENTY-SEVENTH LEGISLATURE
COMMITTEE ON HEALTH AND HUMAN SERVICES

December 15, 2015

Mary Mayhew, Commissioner
Department of Health and Human Services
221 State Street
Augusta, ME 04333-0040

Dear Commissioner Mayhew,

As you know, our Committee met this interim to study the allocations of the Fund for a Healthy Maine. During this process, we were briefed by the Healthy Maine Partnerships and learned that considerable uncertainty exists among the Partnerships and the public health community on the content and funding levels of the new contracts, beginning July 1, 2017.

We voted unanimously to request regular updates from the Department of Health and Human Services on the progress and content of the Request for Proposals that will be issued in the near future for Healthy Maine Partnership contracts (replacing those that will end on June 30, 2016). We respectfully request that these updates begin when the Legislature reconvenes in January 2016 for the Second Regular Session.

We thank you in advance for your cooperation. Please let us know if you have any questions.

Sincerely,

Eric L. Brakey

Sen. Eric L. Brakey
Senate Chair

Rep. Drew Gattine
House Chair

100 STATE HOUSE STATION, AUGUSTA, MAINE 04333-0100 TELEPHONE 207-287-1692