

## Summary of Reduction Options for FY 2009-10

Agency	Item Description	Appropriation	FTE
<u>Dept. of Health &amp; Human Services</u>			
<b>Central Administration</b>			
	Reduce Operating Expenses - Secretary's Office	\$ 20,000	
	Special Appropriations	\$ 89,250	
	Reduce Funds to NC Housing Finance Agency	\$ 458,850	
	Reduce Operating Expenses - Controller's Office	\$ 164,406	
		<b>\$ 732,506</b>	
<b>Office of Rural Health</b>			
	Reduce Operating Expenses - Office of Rural Health\Community Care	\$ 164,829	
	Reduction in Rural Health Loan Repayment (1 Yr NR)	\$ 248,200	
	Reduction in Psychiatric Loan Repayment (1Yr NR)	\$ 248,200	
	Reduction in CCNC Grants	\$ 120,596	
	Reduction in Rural Health Center Operational Support	\$ 49,699	
	Reduction to Community Health Program Grants	\$ 140,000	
		<b>\$ 971,524</b>	
<b>Division of Aging and Adult Services</b>			
	Reduce Home and Community Care Block Grant	\$ 2,394,744	
	Reduce Consultation Program for Adult Care Homes	\$ 190,204	1.00
	Eliminate Senior Center Outreach and Development Program	\$ 100,000	
		<b>\$ 2,684,948</b>	<b>1.00</b>
<b>Division of Child Development</b>			
	Increase Licensing Fees For Child Care Centers	\$ 377,500	
	Reduce Professional Development Funding	\$ 59,860	
	Eliminate One Administrative Position	\$ 36,050	1.00
	Reduce Smart Start Funding	\$ 14,673,598	
	Reduce TEACH Scholarship Funding	\$ 266,000	
	Replace State Funding with Federal for Child Care Services	\$ 10,000,000	
		<b>\$ 25,413,008</b>	<b>1.00</b>
<b>Office of Education Services</b>			
	Reduce Operating Expenses at All Locations	\$ 703,191	
	Reduce Contractual Services	\$ 254,931	
	Eliminating Vacant Positions	\$ 1,350,212	32.00
		<b>\$ 2,308,334</b>	<b>32.00</b>
<b>Division of Public Health</b>			
	Eliminate Epilepsy Medical Care Services	\$ 196,977	
	Eliminate Cystic Fibrosis Medical Care Services	\$ 210,088	
	Reduce Contracts - Children and Youth	\$ 1,708,913	
	Oral Health-Fluoride Mouth rinse Program	\$ 125,000	
	Reduce Aid and Public Assistance for Maternity Clinics	\$ 249,935	
	Reduce Operating Expenses - Women's and Children's Health Section	\$ 40,000	
	Replace State Funding with Federal for Maternity Care Coordination	\$ 333,207	
	HIV/STD Prevention-Aids Drug Assistance Program (2 YR NR)	\$ 2,074,119	
	Replace State Funding with Federal for Women's Health Contracts	\$ 261,032	
	Vital Records-Fee Increase	\$ 1,209,864	
	Eliminate Vacant Positions and Reduce Operating Expenses in the Early Intervention Program	\$ 1,970,467	27.00
	Contract Reductions	\$ 100,000	
	Reduce Operating Expenses in Immunization Branch	\$ 162,238	
	WIC-State Portion of Regional Consultant Salaries	\$ 13,387	
	Reduce Unobligated Contract Funding in Health Disparities Initiative	\$ 50,000	
	Reduce Operating Expenses for Local Health Services	\$ 30,000	
	Local Aid to Counties (1 Yr NR)	\$ 4,954,062	
		<b>\$ 13,689,289</b>	<b>27.00</b>
<b>Division of Social Services</b>			
	Reduce Work First Cash Assistance (1 Yr NR)	\$ 2,495,377	-
	Replace Electing Counties State Funding with Federal (1 Yr NR)	\$ 2,378,213	-
	Eliminate Abortion Fund	\$ 50,000	-
	Reduce Operating Costs in DSS Central Administration	\$ 223,164	-
	Reduce Operating Costs in Economic Services	\$ 100,000	-
	Reduce Operating Costs in Child Support Enforcement	\$ 372,000	-
	Reduce State County Special Assistance	\$ 5,382,151	-
	Reduce Funding for NC Reach Scholarships (1 Yr NR)	\$ 1,500,000	-
	Reduce Funding for Child Advocacy Centers	\$ 200,000	-
	Reduce State Aid to County Funding (1 Yr NR)	\$ 4,188,171	-
		<b>\$ 16,889,076</b>	<b>-</b>
<b>Division of Medical Assistance</b>			

## Summary of Reduction Options for FY 2009-10

Agency	Item Description	Appropriation	FTE
	Implement Preferred Drug List	\$ 12,672,990	-
	Co-Payment of \$25 on Non-Emergency Visits to the Emergency Room	\$ 1,354,082	-
	Reduce Inflationary Increases for 2010	\$ 59,853,099	-
	Defer Inflationary Increases from SFY 2009	\$ 22,172,226	-
	Reduce Fee Schedules for Provider Payments		
	Physicians	\$ 9,633,656	
	Dental	\$ 3,449,138	
	FQHC and Rural Health Centers	\$ 960,109	
	Optical	\$ 169,130	
	Practitioner - Nonphysician	\$ 9,311,786	
	Durable Medical Equipment	\$ 1,173,593	
	Hospital Outpatient and Laboratory/X-ray	\$ 4,668,422	
	Residential Care Providers	\$ 1,767,261	
	Adult Care Homes	\$ 1,686,309	
	Ambulance Services	\$ 369,144	
	Ambulatory Surgery	\$ 107,990	
	Hospice	\$ 596,494	
	Home Health and Home Care	\$ 1,496,412	
	Reduce Nursing Home Direct Cost Limit Ceiling	\$ 11,160,241	
	Reduce Average Wholesale Payment for Drugs	\$ 29,273,875	-
	Eliminate Chiropractic Services for Individuals over Age 20	\$ 457,777	-
	Eliminate Podiatric Services for Individuals over Age 20	\$ 1,286,061	-
	Other Optional Service Changes		
	Freeze CAP DA Slots	\$ 12,416,811	
	Freeze CAP MR/DD Slots	\$ 2,397,539	
	Implement Private Duty Nursing Utilization Review	\$ -	
	Eliminate Private Duty Nursing	\$ 10,137,676	
	Eliminate Orthotics and Prosthetics	\$ 2,064,416	
	Change PT/OT and Speech Benefits	\$ 2,490,405	
	Modify Personal Care Services Benefits	\$ 14,347,812	
	Eliminate HIV Case Management Service	\$ 1,668,027	
	Special Care Units in Adult Care Homes Moratorium	\$ 1,030,328	
	Implement Preferred Drug List for Atypical Psychotropic Drugs*		
	<u>Management Savings Recommendations:</u>		
	Enhance Overall Utilization Review*		
	Change Appeals for Recipient process*		
	Benchmark NC Medicaid Benefits to Other Carriers*		
	Enhance Third Party Liability Process and Recovery*	\$ 4,000,000	
		<b>\$ 224,172,808</b>	-
<b>Health Choice</b>			
	Freeze Health Choice Enrollment	\$ 4,860,538	
		<b>\$ 4,860,538</b>	-
<b>Division of Vocational Rehabilitation</b>			
	Reduce Basic Support Case Services	\$ 3,612,025	
		<b>\$ 3,612,025</b>	-
<b>Division of Services for the Deaf and Hard of Hearing</b>			
	Budget Additional Relay and Wireless TRS Receipts	\$ 150,000	
	Reduce Operating Costs in Regional Resource Centers	\$ 32,431	
		<b>\$ 182,431</b>	-
<b>Division of Services for the Blind</b>			
	Reduce Vocational Rehabilitation Funds	\$ 150,000	
		<b>\$ 150,000</b>	-
<b>Division of Mental Health\DD\SAS</b>			
	Reduce MH\DD\SA Community Services	\$ 25,910,044	
	Consolidated LME System Management	\$ 8,943,436	
	Reduce Operating Expenses - Central Administration	\$ 250,000	
	Close Two 25 adult beds units (Broughton, Cherry)	\$ 6,027,471	102.00
	Across the Board Reductions to ADATC's Facilities	\$ 1,863,726	
	Across the Board Reductions to Central & Western Regional	\$ 1,000,000	
	Close Wright and Whitaker Schools	\$ 5,779,982	98.00
		<b>\$ 49,774,659</b>	<b>200.00</b>
<b>Division of Health Services Regulation</b>			
	Charge Fee for Initial Facility License	\$ 169,850	
	Charge Annual Fee for Hospice Facilities	\$ 79,200	
	Vacant Position Elimination	\$ 164,640	2.00

## Summary of Reduction Options for FY 2009-10

Agency	Item Description	Appropriation	FTE
	Fee Increase for License Renewals	\$ 1,093,788	
		<b>\$ 1,507,478</b>	<b>2.00</b>
<b>Department of Administration</b>			
	Reduce Governor's Page Program	\$ 14,000	
	Reduce various operating accounts	\$ 2,729,040	
	Eliminate 19 positions	\$ 1,012,160	19.00
	Eliminate 2 Regional Offices for the NC Council for Women/Domestic Violence Commission	\$ 181,056	3.00
	Reduce State Government Internship Program	\$ 71,617	
	Reduce temporary positions	\$ 11,842	
	Shift positions to receipt supported	\$ 114,175	3.00
	Reduce payments to County Veterans Offices	\$ 188,000	
	Reduce various pass-through grants	\$ 577,228	
		<b>\$ 4,899,118</b>	<b>25.00</b>
<b>Department of Revenue</b>			
	Eliminate monthly stipend for Interstate Auditors	\$ 132,030	
	Reduce IT support for Project Compliance	\$ 337,757	
	Reduce operating support for Guest Worker Program	\$ 450,000	
	Close one field office	\$ 3,540	
	Reduce telecommunications expenses	\$ 2,034	
	Eliminate 17 vacant positions	\$ 823,304	17.00
	Convert the Property Tax Division to receipt supported	\$ 1,461,744	
	Eliminate temporary positions	\$ 2,798,900	
	Reduce conference registration fee expenses	\$ 50,000	
	Reduce postage expenses	\$ 196,162	
		<b>\$ 6,255,471</b>	<b>17.00</b>
<b>Department of Cultural Resources</b>			
	Reduce various operating accounts	\$ 2,004,043	
	Eliminate 16.5 vacant positions	\$ 696,644	16.50
	Eliminate salary reserve	\$ 15,687	
	Shift operating expenses to receipt supported	\$ 6,345	
	Shift portion of position to receipt supported	\$ 45,906	0.75
	Eliminate temporary positions	\$ 299,147	
	Reduce various pass-through grants	\$ 1,826,984	
		<b>\$ 4,894,756</b>	<b>17.25</b>
<b>Governor's Office</b>			
	Reduce funding for salaries	\$ 226,842	
	Reduce temporary positions	\$ 8,572	
	Reduce various operating accounts	\$ 227,000	
		<b>\$ 462,414</b>	<b>0.00</b>
<b>Department of Crime Control and Public Safety</b>			
	Eliminate administrative positions	\$ 231,151	3.00
	Reduce various operating accounts	\$ 1,053,699	
	Shift positions to receipt supported	\$ 355,019	5.00
	Reduce appropriation for Victims Compensation	\$ 472,619	
	Reduce funding for state match requirements for federal grants	\$ 60,091	
	Reduce contributions to the National Guard Pension Fund	\$ 1,056,672	
		<b>\$ 3,229,251</b>	<b>8.00</b>
<b>Department of Correction</b>			
	Shift positions to receipt supported	\$ 149,056	3.00
	Reduce various operating accounts	\$ 17,609,159	
	Reduce drug testing frequency for inmate population	\$ 130,000	
	Eliminate temporary/contractual positions	\$ 8,732,622	
	Increase Work Release fee for inmates	\$ 500,000	
	Eliminate 214 positions	\$ 12,078,858	293.00
	Reduce salary reserve	\$ 500,000	
	Close McCain Correctional Hospital	\$ 15,456,311	343.00
	Increase receipts	\$ 1,372,000	
	Eliminate BRIDGE program	\$ 263,470	7.00
	Close Wilmington Residential Facility for Women	\$ 514,854	10.00
	Reduce budget for employee longevity payments	\$ 2,110,181	
	Close 5 Correctional Centers	\$ 8,059,428	181.00
	Reduce job orders for repair and renovation projects	\$ 299,529	
	Reduce various grants	\$ 2,002,293	

## Summary of Reduction Options for FY 2009-10

Agency	Item Description	Appropriation	FTE
	Eliminate contract with drug and substance abuse treatment facility for male inmates	\$ 2,526,481	
	Delay opening of three facilities	\$ 3,884,249	
	Eliminate Community Work Crews	\$ 4,780,105	127.00
	Eliminate Criminal Justice Partnership Program	\$ 9,760,448	5.00
		<b>\$ 90,729,044</b>	<b>969.00</b>
<b>Department of Environment and Natural Resources</b>			
	Reduce various operating accounts	\$ 8,324,262	
	Shift operating expenses to receipt supported	\$ 1,349,747	
	Abolish 14.5 positions and shift 27.33 positions to receipt supported	\$ 2,572,564	41.83
	Reduce temporary positions	\$ 1,120,049	
	Reduce various pass-through grants	\$ 639,972	
	Reduce funding for Beaver Control program	\$ 171,586	
		<b>\$ 14,178,180</b>	<b>41.83</b>
<b>Commerce</b>			
	Eliminate 7.5 filled and 7 vacant Positions	\$ 681,310	14.50
	Reduce various operating accounts	\$ 1,571,154	
	Eliminate tourist promotion grants	\$ 129,976	
		<b>\$ 2,382,440</b>	<b>14.50</b>
<b>Industrial Commission</b>			
	Shift operating expenses to receipt supported	\$ 422,837	
		<b>\$ 422,837</b>	<b>0</b>
<b>Transportation</b>			
	Highway Patrol	\$ 5,817,873	
	DPI Driver Training Program	\$ 1,018,490	
	Reserve for general maintenance (Disasters)	\$ 2,974,547	
	Information technology	\$ 4,630,000	
	Construction contingency	\$ 1,050,000	
	Maintenance primary	\$ 14,469,099	
	Maintenance secondary	\$ 20,638,763	
	Contract resurfacing	\$ 19,216,796	
	Ferry operations	\$ 2,155,497	
	Railroad program	\$ 1,197,081	
	Airports program	\$ 1,504,593	
	Public transportation	\$ 19,602,000	
	Small urban construction	\$ 1,470,000	
	System preservation	\$ 5,501,235	
	Reduce various operating and program accounts	\$ 4,837,172	
	Eliminate positions	\$ 2,471,890	36.00
		<b>\$ 108,555,036</b>	<b>36.00</b>