

1996 SESSION

HOUSE SUBSTITUTE

967521649

SENATE BILL NO. 21

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health, Welfare and Institutions
on February 20, 1996)

(Patron Prior to Substitute—Senator Earley)

A BILL requiring the Department of Health to develop a needs-based allocation formula.

Whereas, in 1989, the Virginia Department of Health developed a needs-based allocation formula for use in the state/local cooperative budget—the mechanism for funding district and local health departments; and

Whereas, although the need for this formula has not been refuted, the formula has never been implemented because of state funding crises; and

Whereas, local health departments are diverse in terms of the quantity and scope of health services actually delivered, with some local health departments delivering extensive health services to the working poor and other individuals such as school children; and

Whereas, these local health departments are funded primarily with local funds to carry out many state requirements, thereby presenting a fairness issue related to distribution of state resources to localities; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. §1. A. *The Department of Health shall develop a proposed needs-based allocation formula for the calculation of the local shares of state funds appropriated for district and local health departments as allocated in the state/local cooperative budget. The needs-based allocation formula developed by the Department shall consider local demographic factors, including, but not limited to, growth rates, population density, local wealth, mortality data, teen pregnancy rates, disease incidences, environmental concerns, and other factors influencing local public health costs.*

B. *The Department shall include representatives from local governments nominated by the Virginia Municipal League and the Virginia Association of Counties on any work group used to develop the proposed allocation formula.*

C. *The Department shall report to the House Committees on Appropriations and Health, Welfare and Institutions and the Senate Committees on Finance and Education and Health on or before September 30, 1996. The report shall include the proposed new formula, the methodology used to develop the formula, and the fiscal impact of the proposed formula on local health departments.*

HOUSE
SUBSTITUTE

SB21H1