A Legislative Perspective on Program Budgeting for Public Health in Georgia

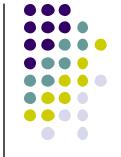
A guide to legislative concerns about budgetary accountability and control.

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- Prior to SFY 2006, the Georgia General Assembly held state agencies accountable for expenditures at the object class level (salaries, rent, travel, computer charges, etc.).
- Concentrating on inputs helped to control corruption and the misuse of government resources.
- Agencies could only increase a particular object class budget by 2% and the extra funds had to come from decreasing another object class.
- Agencies could not be creative with their funding (i.e. automating a system with technology rather than using labor)
- Legislators were micromanaging inputs ("how many conferences are your staff going to?").
- As a part time legislature, whose members do not necessarily have expertise in areas they oversee, a legislative focus on inputs rather than outcomes leads to low levels of agency accountability.



The Switch to Program Budgeting

- Agency officials are better geared to the day to day operations of implementing policy.
- Legislators are more knowledgeable than agency officials about the priorities, expectations, and goals of the public.
- In the SFY 2006 budget, the Georgia General Assembly switched legal accountability for agencies from object classes to programs.



What is a program?

- Textbook Definition: A cluster of activities oriented towards achieving a single objective or end product.
- Fundamental dilemma of program budgeting is that the definition can encompass different types of programmatic arrangements.
- Structure is important because agencies are only legally permitted to transfer 2% between programs without legislative approval.
- Results of this restriction: Agencies prefer broad programs with long term outcomes and the legislature prefers discrete programs with distinct outcomes.

Consideration #1: Linking resources to outcomes



- Does a program encompass a single product, service (or core business) associated with a distinct set of outcomes?
- Can the outcomes can be assessed over a budgetary cycle (12-18 months in Georgia)?

Example:

Proposed Program:

Health Information and Assessment (Activities-Epidemiology and Vital Records)

Appropriations Act Program 1: Epidemiology

Appropriations Act Program 2: Vital Records

Consideration #2: Aggregate or Disaggregate?



- Might be useful to have discrete programs for evaluation purposes
- Might be useful to have "big" programs for cost accounting or managerial concerns
- Example:

Appropriations Act Program: Injury Prevention
(Activities-Suicide Prevention, Automobile Safety)

Consideration #3: Political Will (throwing all the rules out!)



- Agency Trust- Is there a history of agency mismanagement or going against legislative will?
- Visibility- Does the legislature want activities hidden or exposed for political reasons?
- Short Term Items-Does the legislature want to make sure that special funding doesn't get buried (i.e. Y2K upgrade funding)?
- Political Capital-Are legislators willing to expend political capital to get their program structure?

Department Proposed Structure

Final Structure Passed (HB1027)

<u>Chronic Disease Prevention & Health</u> Promotion:

- •Cancer Screening & Prevention
- •Teen Pregnancy/STD Prevention
- Injury Prevention
- Tobacco Use Prevention
- Domestic Violence Prevention
- •Early intervention for children with developmental disabilities
- •Family Planning
- •Federal Women, Infant, and Children (WIC) nutritional program
- •General Child Health and Nutrition Promotion
- •Genetics / Sickle Cell
- •Newborn Screening for Metabolic and Sickle Cell Disorders
- •Prenatal Care for Low Income Women
- Stroke and Heart Attack Prevention
- •Related Laboratory Services

Adolescent & Adult Health Promotion

Cancer Screening & Prevention Domestic Violence Prevention Family Planning Related Laboratory Services Stroke and Heart Attack Prevention

Teen Pregnancy/STD Prevention

Tobacco Use Prevention

Injury Prevention

Infant & Child Health Promotion

Women, Infant, and Children (WIC) nutritional program

General Child Health and Nutrition Promotion Newborn Screening for Metabolic and Sickle Cell Disorders

Prenatal Care for Low Income Women

Infant & Child Essential Health Services

Child Health Services
Early intervention for children with
developmental disabilities
Genetics / Sickle Cell
Infant & Child Oral Health
Prenatal Care for Low Income Women
Specialty Health Care Services for Low
Income Children