



# DHHS Nonlapsing Report

State of Utah  
Utah Department of Health and Human Services  
October 1, 2023

To: Social Services Appropriation Subcommittee and the Executive Offices and Criminal Justice Appropriation Subcommittee  
From: Taylor Kauffman - Director, Office of Budget  
Subject: DHHS nonlapsing report as required by 63J-1-602(4)

## Purpose

This report provides information about the Utah Department of Health and Human Services' (DHHS) actual, estimated, or planned nonlapsing balances and the planned use of those funds, as required by 63J-1-602(4).

## Executive summary

DHHS works hard to prudently manage its available resources to best serve its clients, which include some of the most vulnerable populations in Utah. With legislative approval and/or statutory authority, DHHS offices and divisions effectively use and plan for nonlapsing balances to continue providing seamless services to the residents of Utah.

## Potential legislative action/Follow-up

No action or follow up is needed.

## Primary report

DHHS reports the following information concerning nonlapsing balances for its 11 line items:

### KMAA - Operations

- FY 2023 Beginning nonlapsing balance: \$3,737,900
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) Transition funds of \$1.4M were used for new signage for DHHS, office furnishings related to

the merger, personnel expenses related to department consolidation activities, and \$918,700 remained unused to carry forward into FY 2024; (2) \$1.2M were used for a clawback of indirect revenue to the federal government; (3) Upgrades to the Vital Records Applications Portal (VRAP); (4) Improvements to system architecture and ongoing maintenance of all Office of Vital Records and Statistics databases; and (5) Replaced aging computers and printers within the Division of Data, Systems, and Evaluation, and for ongoing maintenance, incorporated two-factor authentication into each of the applications (including the Electronic Death Entry Network and the database for the Office of the Medical Examiner) and planning for revisions to the database table for all Vital Records applications.

- FY 2024 Beginning nonlapsing balance: \$5,067,600
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$918k to complete signage changes for DHHS, personnel costs and contracts for consolidation-related activities; (2) \$2.9M to promote and further the work of the Utah Sustainable Health Collaborative including covering personnel and contracting costs in this effort; (3) Facility costs associated with consolidating the DHHS physical footprint; (4) Continue to upgrade the Vital Records Applications Portal (VRAP), including UMAP (Utah Mortality Application Portal); (5) Improve system architecture and ongoing maintenance of all Office of Vital Records and Statistics databases; (6) Replace aging computers and printers within the Division of Data, Systems, and Evaluation; and (7) In conjunction with the funding above for ongoing maintenance, incorporating two-factor authentication into each of the applications (including the Electronic Death Entry Network and the database for the Office of the Medical Examiner), the move to AWS, and planning for revisions to the database table for all Vital Records applications.
- FY25 Estimated maximum beginning nonlapsing balance: \$8,700,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) \$400k to complete activities related to the consolidation of DHS and DOH; (2) \$2M to promote and further the work of the Utah Sustainable Health Collaborative including covering personnel and contracting costs in this effort; (3) Data processing and technology based expenditures; (4) Facility repairs, maintenance, and improvements; (5) Short-term projects and studies that promote efficiency and service improvement; and (6) \$5.6M to be passed through to The Children's Center Utah to build a children's mental health campus in Utah County to provide mental health services and auxiliary support to young children, their families, and community partners.

#### KMBA - Clinical Services

- FY23 Beginning nonlapsing balance: \$3,782,400

- Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) Increases in investigator expenses; (2) Locum Tenen expenses; (3) Other contractual costs such as lab testing for the Office of the Medical Examiner; and (4) Upgrade or replace outdated or broken laboratory equipment, (5) Contracts with rural health clinics, (6) Personnel, communications, and other expenses related to administering the Veterans Health Access program, and (7) Personnel and other related expenses to further the initiatives of the Healthcare Workforce Advisory Council.
- FY24 Beginning nonlapsing balance: \$9,519,400
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) Replace outdated or broken laboratory equipment; (2) Sustain operations at the Office of the Medical Examiner that would not be possible otherwise; (3) Funding for the Maliheh Free Clinic; (4) Funding for services of eligible clients in the Assistance for People with Bleeding Disorders Program, funding for the Phenylketonuria (PKU) Formula Program; (5) Funding to help maintain the existing Veterans Health Access Program; (6) Primary care grants; (7) The Medical Education program and graduate medical education in accordance with Subsection 26B-4-708(4); (8) The Residency Grant program to provide training for graduates of a D.O. program or an M.D. program; (9) To facilitate the creation of a single forensic psychiatrist fellowship program; (10) To fund the Rural Physician Loan Repayment Program; and (11) Fund the creation of the Utah Healthcare Workforce Financial Assistance Program.
- FY25 Estimated maximum beginning nonlapsing balance: \$1,447,200
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) support the Primary Care grants program; and (2) similar uses as described for the Fiscal Year 2024 nonlapsing funds.

#### KMCA - Department oversight

- FY23 Beginning nonlapsing balance: \$4,600,700
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) \$150k was used for one time projects; (2) \$24k was used for database upgrades, training for providers and staff, or assistance for individuals during facility shutdown; (3) \$111k was used for approved nursing home projects; (4) \$80k was used to help cover plan review activities; and (5) the remainder was nonlapsed into Fiscal Year 2024.
- FY24 Beginning nonlapsing balance: \$4,546,300
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$145k to purchase new live scan machines; (2) \$136k one time projects; (3) \$500k to provide employee trainings, a portion required to be retained to assist in the event of a facility shutdown; (4) \$3,484,900 for federal CMS Medicaid Sanctions, future use pending approval of CMS; (5) \$130 to cover plan review activities; and (6) \$150k for health

facility licensure and certification activities.

- FY25 Estimated maximum beginning nonlapsing balance: \$1,155,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) Upgrades to databases; (2) Training for providers and staff; (3) Assistance of individuals during a facility shutdown; (4) Health facility plan review activities in Health Facility Licensing and Certification; (5) Health facility licensure and certification activities in Health Facility Licensing and Certification; (6) Office of Background Processing for replacement of live scan machines and enhancements and maintenance of the Direct Access Clearing System; (7) Data processing and technology based expenditures; (8) Facility repairs, maintenance, and improvements; and (9) short-term projects and studies that promote efficiency and service improvement.

#### KMDA - Correctional Health Services

- Correctional Health Services was a new operational unit for DHHS in FY 2023 and all unexpended funds at the end of FY 2023 were lapsed back to the Correctional Institution Clinical Services Transition Account.

#### KPAA - Health Care Administration

- FY23 Beginning nonlapsing balance: \$12,224,800
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) a rate study; (2) Provider enrollment catch-up activities; (3) One-time DTS costs; (4) Mainframe charges; (5) Additional mailing costs for unwinding notices; (6) Design and development of the PRISM system, and (7) Other administrative costs.
- FY24 Beginning nonlapsing balance: \$12,182,300
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$216,700 applicable to long-term services and supports for contractor training, professional services, and one-time administrative costs (2) \$7,835,900 for the operation and stabilization of the new Medicaid Management Information System; (3) \$500,000 for providing application level security and redundancy for core Medicaid applications (4) \$475,000 for compliance with unfunded mandates and the purchase of computer equipment for the Division of Integrated Healthcare; and (5) \$3,154,700 for core set reporting, a quality and pharmacy consultant, time-limited positions to help with provider enrollment catch-up, pharmacy study, quality initiatives, Point of Sale system development, unwinding projects, and pursuing value based agreements with pharmaceutical manufacturers.

- FY25 Estimated maximum beginning nonlapsing balance: \$9,875,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds will consist of projects mentioned in the Fiscal Year 2024 description which are still in process.

#### KPBA - Integrated Health Care Services

- FY23 Beginning nonlapsing balance: \$112,983,800
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) \$188,100 in DTS expenses and one-time administrative expenses for the Office of Substance Use and Mental Health; (2) \$65,700 in facility repairs, maintenance, improvements for the Utah State Hospital (USH); (3) \$234,400 in data processing and technology for USH; (4) \$764,300 in USH cost settlement audit variances; (5) \$72,000 in insurance paybacks for USH; (6) \$22,982,300 for the ARPA Home- and Community-Based Services plan approved by CMS was spent on activities approved under the plan; (7) \$48,251,500 is being carried forward to SFY24 for similar uses; and (8) The remainder was factored into the Medicaid consensus process for Medicaid and CHIP program expenditures.
- FY24 Beginning nonlapsing balance: \$72,640,900
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$2,163,100 for the development and implementation of a behavioral health receiving center; (2) \$1,148,800 for behavioral health treatment and crisis response activities; (3) \$165,000 for data processing and technology expenses, employee retention, facility repairs, and maintenance and improvements for the Office of Substance Use and Mental Health; (4) \$280,900 for recruitment and retention to aid in the opening of the new Utah State Hospital (USH) unit; (5) \$1,280,000 to cover unexpected cost increases specific to full time care of patients and facilities needed to house patients at USH; (6) \$1,026,000 for one-time costs to improve buildings, treatment, and housing areas for USH; (7) \$48,251,500 for activities approved by CMS in the ARPA Home- and Community-Based Services plan in state Fiscal Year 2024 and 2025; and (8) \$18,125,800 will be factored into the Medicaid consensus process to be spent on Medicaid and CHIP expenses to providers.
- FY25 Estimated maximum beginning nonlapsing balance: \$21,550,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) \$500,000 to provide application level security and redundancy for core Medicaid applications; (2) \$200,000 to be used for behavioral health crisis response activities as outlined in the requirements of the Tobacco Settlement Account (59-1-201); (3) \$350,000 for the item [Cherish Families](#) be spent between FY 2023-25, as intended by the legislature; (4) \$3,850,000 to be used for behavioral health crisis response activities as outlined in the requirements of the Opioid Litigation Settlement

Restricted Account (51-9-801); (5) \$9,000,000, to be used for behavioral health crisis response activities as outlined in the requirements of the Statewide Behavioral Health Crisis Response Account (26B-1-324); (6) \$150,000 to be used for behavioral health crisis response activities as outlined in the requirements of the Electronic Cigarette Substance and Nicotine Product Tax Restricted Account (59-14-807); (7) \$4,000,000 for the following expenditures at the USH: data processing and technology based expenditures, incentive awards and bonuses, facility repairs, maintenance, and improvements, other charges and pass through expenditures, Utah State Hospital cost settlement audit variances, insurance paybacks, short-term projects and studies that promote efficiency and service improvement, trainings, appropriated one-time projects, and appropriated restricted fund purposes; and (8) \$3,500,000 for the following expenditures related to the Office of Substance Use and Mental Health: data processing and technology based expenditures; incentive awards and bonuses, facility repairs, maintenance, and improvements, other charges and pass through expenditures, short-term projects and studies that promote efficiency and service improvement, trainings, appropriated one-time projects, and appropriated restricted fund purposes.

#### KPCA - Long-term Services & Supports

- FY23 Beginning nonlapsing balance: \$18,801,000
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1)\$264,500 was used for computer replacements in the Division of Aging and Adult Services (DAAS); \$18,536,500 was used for the following projects related to the Division of Services for People with Disabilities (DSPD): (2) \$3,904,800 deposit into the new DSPD Restricted Account-\$3,904,800; (3) \$3,255,600 one-time respite funding for individuals on the waitlist; (4) \$2,519,000 for facility repairs, maintenance, improvement and DSW wages for the Utah State Developmental Center (USDC); (5) \$72,200 professional services; (6) \$493,400 reallocated to FY24-FY25 for USDC Behavioral Health Unit-\$493,400; (7) \$3,000,000 reallocated to FY24 for respite/supported living pilot program; (8) \$1,901,800 reserved for FY24 for caregiver compensation; (9) \$2,922,000 reallocated to FY24 for USDC capital projects; and (10) Reallocated to FY24 for professional services.
- FY24 Beginning nonlapsing balance: \$17,232,300
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$305,000 to cover one-time costs in DAAS administration; (2) \$16,926,600 is intended to be used for the following projects in DSPD: (3) \$3,000,000 respite/supported living pilot; (4) \$1,885,000 for one time funding for individuals in service; (5) \$493,400 for USDC behavioral health unit; (6) \$1,401,000 for one time funding for housing assistance; (7) \$10,300 for volunteer compensation pilot program; (8) \$3,708,000 for USDC facility repairs, maintenance and improvement; (9) \$2,800,000 for USDC direct

service worker salaries; (10) \$434,700 for professional services; (11) \$2,922,000 for USDC capital projects; and (12) the remainder for unexpected expenses.

- FY25 Estimated maximum beginning nonlapsing balance: \$628,900
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) \$300,000 for one-time administrative expenses in DAAS; and (2) \$328,900 for the behavioral health unit at USDC.

#### KTAA - Public Health, Prevention, & Epidemiology

- FY23 Beginning nonlapsing balance: \$930,500
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) Alcohol, tobacco, and other drug prevention, reduction, cessation, and control programs or for emergent disease control and prevention needs; (2) Maintenance or replacement of computer equipment, software, or other purchases or services that improve or expand services provided by the Office of Communicable Disease; (3) Use of the Traumatic Brain Injury Fund; (4) Local health departments expenses in responding to a local health emergency; (5) To support the Utah Produce Incentive Program; (6) To support testing, certifications, background screenings, replacement of testing equipment and supplies in the Office of Emergency Medical Services and Preparedness; and (7) 63J-1-602.2 (10) -- emergency medical services grant program (26B-4-310).
- FY24 Beginning nonlapsing balance: \$1,251,200
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) Alcohol, tobacco, and other drug prevention, reduction, cessation, and control programs or for emergent disease control and prevention needs; (2) Maintenance or replacement of computer equipment, software, or other purchases or services that improve or expand services provided by the Office of Communicable Disease; (3) Use of the Traumatic Brain Injury Fund; (4) To local health departments expenses in responding to a local health emergency; (5) To support the Utah Produce Incentive Program; (6) To support testing, certifications, background screenings, replacement of testing equipment and supplies in the Office of Emergency Medical Services and Preparedness; (7) Local health departments for compliance with state standards; and (8) Emergency medical services grant program.
- FY25 Estimated maximum beginning nonlapsing balance: \$4,875,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) Alcohol, tobacco, and other drug prevention, reduction, cessation, and control programs or for emergent disease control and prevention needs; (2) Maintenance or replacement of computer equipment, software, or other purchases or services that improve or expand services provided by the Office of Communicable Disease; (3)

Use of the Traumatic Brain Injury Fund; (4) To local health departments expenses in responding to a local health emergency; (5) To support the Utah Produce Incentive Program; and (6) Local health departments for compliance with state standards.

#### KTBA - Children, Youth, & Families

- FY23 Beginning nonlapsing balance: \$2,435,500
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) Passed through to local agencies providing home visitation services; (2) Support the Children's Service Society GrandFamilies program, (3) Fund the DCFS' one-time operating needs; and (4) Meet the federal obligation on Adoption Assistance Maintenance of Effort.
- FY24 Beginning nonlapsing balance: \$2,021,600
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) \$30,700 will be used for evidence-based nurse home visiting services for at risk individuals with a priority focus on first-time mothers; (2) \$75,500 will be used for Children with Special Health Care Needs, Maternal and Child Health, Early Childhood and Coordinated Care and Regional Supports activities; (3) Support YCC Family Crisis Center one-time transitional housing project; (4) Utah Foster Care Foundation software purchase and customization; (5) Cover DCFS' one-time operating costs; and (5) meet the federal obligation on Adoption Assistance Maintenance of Effort.
- FY25 Estimated maximum beginning nonlapsing balance:: \$9,140,800
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) \$3,133,300 intended to be expended over three fiscal years for home visitation pilot project; (2) \$500,000 of non lapsing funds within the Division of Family Health will be passed through as grants to organizations providing services to adults with autism in Utah; (3) \$107,500 will be passed through to an outside organization for completing a study of the characteristics and needs of those experiencing homelessness in Utah; (4) \$100,000 for evidence-based nurse home visiting services for at risk individuals with a priority focus on first-time mothers and up to \$300,000 for Children with Special Health Care Needs, Maternal and Child Health, Early Childhood and Coordinated Care and Regional Supports activities; (5) Support Domestic Violence program one-time funding authorized for FY25 spending; (6) Cover DCFS' one-time operating costs; and (7) Meet the federal obligation on Adoption Assistance Maintenance of Effort.

#### KTCA - Office of Recovery Services

- The Office of Recovery Services did not nonlapse any funds in FY23, FY24, and has no plans



to do so in FY25.

#### KTDA - Juvenile Justice and Youth Services

- FY23 Beginning nonlapsing balance: \$1,972,777
  - Fiscal Year 2023 nonlapsing funds were spent for the following uses: (1) IT and data/electronic processing projects and equipment; (2) Unfinished capital developments/projects started in the prior fiscal year; (3) Critical needs projects for facilities, remodels, upgrades for facilities; and (4) Short term projects and studies that promote efficiency and service improvements.
- FY24 Beginning nonlapsing balance: \$1,790,300
  - Plans to use Fiscal Year 2024 nonlapsing funds include: (1) IT and data/electronic processing projects and equipment; (2) Unfinished capital developments/projects started in the prior fiscal year; (3) Critical needs projects for facilities, remodels, upgrades for facilities; and (4) Short term projects and studies that promote efficiency and service improvements.
- FY25 Estimated maximum beginning nonlapsing balance: \$4,500,000
  - Planned uses of the estimated maximum Fiscal Year 2025 nonlapsing funds include: (1) IT and data/electronic processing projects and equipment; (2) Unfinished capital developments/projects started in the prior fiscal year; (3) Critical needs projects for facilities, remodels, upgrades for facilities; and (4) Short term projects and studies that promote efficiency and service improvements.