

AGENCY NAME:	South Carolina Area Health Education Consortium (South Carolina AHEC)		
AGENCY CODE:	H53	SECTION:	24



Fiscal Year 2017-18 Agency Budget Plan

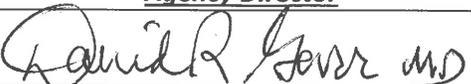
FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	<p>My agency is submitting the following recurring decision packages listed in <u>priority order</u> (Form B): Rural Physician Program (10853), Allocation of Statewide Employee Pay Plan, SCRS Increase, and Health & Dental Insurance Increase (10812)</p> <p>For FY 2017-18, my agency is (mark "X"):</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;"><input checked="" type="checkbox"/></td> <td>Requesting a net increase in recurring General Fund appropriations.</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Not requesting a net increase in recurring General Fund Appropriations.</td> </tr> </table>	<input checked="" type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.	<input type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.		
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CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	<p>My agency is submitting the following one-time decision packages listed in <u>priority order</u> (Form C):</p> <p>For FY 2017-18, my agency is (mark "X"):</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;"><input type="checkbox"/></td> <td>Requesting capital and/or non-recurring funds.</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Not requesting capital and/or non-recurring funds.</td> </tr> </table>	<input type="checkbox"/>	Requesting capital and/or non-recurring funds.	<input checked="" type="checkbox"/>	Not requesting capital and/or non-recurring funds.		
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<input checked="" type="checkbox"/>	Not requesting capital and/or non-recurring funds.						
PROVISOS (FORM D)	<p>For FY 2017-18, my agency is (mark "X"):</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;"><input type="checkbox"/></td> <td>Requesting a new proviso and/or substantive changes to existing provisos.</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Only requesting technical proviso changes (such as date references).</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Not requesting any proviso changes.</td> </tr> </table>	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).	<input checked="" type="checkbox"/>	Not requesting any proviso changes.
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<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).						
<input checked="" type="checkbox"/>	Not requesting any proviso changes.						

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Donald N. Tyner	843-792-4427	tynerd@musc.edu
SECONDARY CONTACT:	David R. Garr, MD	843-792-4431	garrdr@musc.edu

I have reviewed and approved the enclosed FY 2017-18 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:	David R. Garr, MD	

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	10853
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	The Rural Physician Program
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Provide a brief, descriptive title for this request.

AMOUNT	\$500,000 in recurring funds
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	South Carolina Code of Laws Section 59-123-125
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input checked="" type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
<input type="checkbox"/> Loss of federal or other external financial support for existing program.	
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	Primary care physicians, advanced practice nurses and physician assistants who practice in rural and /or underserved areas will receive these funds. Funds are allocated through a competitive process based upon predetermined eligibility criteria and reviewed by the Rural Physician Board whose membership is defined by South Carolina Code of Laws Section 59-123-125.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing

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formula, through a competitive process, based upon predetermined eligibility criteria?

ACCOUNTABILITY OF FUNDS	<p>The increased funding will permit the recruitment and retention of additional healthcare providers for rural and underserved South Carolina communities. Current Rural Physician funding is not sufficient to meet the need for more physicians, advanced practice nurses and physician assistants to serve the healthcare needs in these communities.</p>
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	<p>N/A</p>
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	<p>An annual contract with SC DHHS reimburses \$0.50 for every dollar expended for primary care physician incentive grants.</p>
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

FUNDING ALTERNATIVES	<p>There are no other funding sources or agency fund balances available to sustain this program.</p>
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

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SUMMARY	<p>The Rural Physician Program was initiated by the South Carolina legislature in 1989 to address the undersupply and maldistribution of physicians in rural and underserved communities and is currently funded in the amount of \$500,000. The program provides incentive grants for primary care physicians and advanced practice professionals (nurse practitioners, nurse midwives, and physician assistants) who commit to practice in rural and medically underserved communities in South Carolina for at least four years. Once a practice becomes established, health care providers are much more likely to remain in areas of need. South Carolina continues to rank in the bottom half of the country in terms of sufficient access to healthcare services¹ and in the supply of actively practicing primary care physicians.² This situation is made more severe for rural residents by the fact that relatively few (only 13%) of the primary care physicians practicing in 2014 were located in rural counties.³ A study by the Robert Graham Center for Policy Studies in 2007 indicated that the annual economic impact of one family physician in South Carolina is in excess of \$900,000. Since the program’s inception, 429 physicians and 66 advanced practice professionals have received rural practice incentive grants from the Rural Physician Program. Every South Carolina county has benefited from this program.</p> <p>The enabling legislation for the Rural Physician Program, including the composition of the Rural Physician Advisory Board, can be found in the South Carolina Code of Laws, Section 59-123-125. The South Carolina AHEC (Agency H-53) requests an additional \$500,000 in recurring funds to increase the number of primary care providers who will practice in rural and underserved communities.</p> <p>¹The Commonwealth Fund, 2015 State Scorecard interactive website accessed August 23, 2016 at http://www.commonwealthfund.org/~media/files/publications/fund-report/2015/dec/2015_scorecard_v5.pdf</p> <p>² 2015 State Physician Workforce Data Book, Center for Workforce Studies, Association of American Medical Colleges.</p> <p>³South Carolina Health Professions Data Book. Office for healthcare Workforce Analysis and Planning, 2014.</p>
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency’s security or technology plan.

METHOD OF CALCULATION	<p>The amount of the request was calculated by reviewing the number of applicants for the existing funds during for the past four years. There are no increased FTE costs associated with this request.</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

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FUTURE IMPACT

There are no additional maintenance-of-effort or other obligations associated with this decision package.

Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION

If no new funds are available to meet this need, the South Carolina AHEC will defer action on this request in FY2017-2018.

If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT

The impact of this decision package will be an increase in the number of primary care providers for rural and underserved South Carolina communities annually.

What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION

The South Carolina AHEC will evaluate programmatic outcomes based on the increased numbers of primary care providers funded and the retention rates of those providers once their period of commitment has ended.

How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	10812
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Allocation of Statewide Employee Pay Plan, SCRS Increase, and Health & Dental Insurance Increase
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Provide a brief, descriptive title for this request.

AMOUNT	\$201,309
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What is the net change in requested appropriations for FY 2017-18? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	Executive Budget Office, State of South Carolina
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What specific state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority? Please avoid citing general provisions of law where possible, and instead cite to the most specific legal authority supporting the request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input checked="" type="checkbox"/> (Base Adjustment) Allocation of statewide employee benefits.
	<input type="checkbox"/> (Base Adjustment) Realignment within existing programs and lines.
	<input type="checkbox"/> (Base Adjustment) Restructuring of agency programs – <i>requires pre-approval.</i>
	<input type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
	<input type="checkbox"/> Related to a Non-Recurring request – If so, Decision Package # _____
	<input type="checkbox"/> Change in cost of providing current services to existing program audience.
	<input type="checkbox"/> Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/> Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/> Non-mandated program change in service levels or areas.
	<input type="checkbox"/> Proposed establishment of a new program or initiative.
	<input type="checkbox"/> Loss of federal or other external financial support for existing program.
<input type="checkbox"/> Exhaustion of fund balances previously used to support program.	

RECIPIENTS OF FUNDS	South Carolina Area Health Education Consortium Employees (South Carolina AHEC Employees are actually Medical University of South Carolina (H51) Employees who are paid with South Carolina AHEC (H53) Funds)
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

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ACCOUNTABILITY OF FUNDS	N/A
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What specific agency objective, as outlined in the agency's accountability report, does this funding request support? How would this request advance that objective?

POTENTIAL OFFSETS	N/A
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For decision packages that request non-mandatory funding increases to programs or initiatives, please identify a potential offset within an existing lower priority or ineffective program(s).

MATCHING FUNDS	The requested funds would not be matched.
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source, amount, and terms of the match requirement.

FUNDING ALTERNATIVES	N/A
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

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SUMMARY	<p>Allocation of Statewide Employee Benefits for FY2017-18: Statewide Employee Pay Plan SCRS Increase Health & Dental Insurance Increase</p>
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Using as much detail as necessary to make an informed decision regarding this request, provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used? If the request is related to information security or information technology, explain its relationship to the agency's security or technology plan.

METHOD OF CALCULATION	<p>Per letter from the Executive Budget Office for Allocation of State Funds for FY2017-18.</p>
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How was the amount of the request calculated? List the per unit or per FTE costs of implementation. What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

FUTURE IMPACT	<p>N/A</p>
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

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PRIORITIZATION	N/A
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2017-18? Please be specific.

INTENDED IMPACT	N/A
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	N/A
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?

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FORM E – 3% GENERAL FUND REDUCTION

DECISION PACKAGE	11426
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Agency General Fund Reduction Analysis
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Provide a brief, descriptive title for this request.

AMOUNT	-\$312,706
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What is the General Fund reduction amount (minimum based on the FY 2016-17 recurring appropriations)? This amount should correspond to the decision package's total in PBF.

METHOD OF CALCULATION	If a 3% reduction were implemented, SC AHEC would reduce funding proportionally across all programs and services.
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Describe the method of calculation for determining the reduction in General Funds.

ASSOCIATED FTE REDUCTIONS	N/A
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT	The SC AHEC Program Office and the four regional AHEC Centers, the eight family medicine residency training centers in South Carolina, the Rural Physician Program and the Office for Healthcare Workforce.
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What programs or activities are supported by the General Funds identified?

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SUMMARY	<p>If a 3% reduction were implemented, the SC AHEC would reduce each program and service by 3% across the board. It is difficult to project which services would be affected in the four regional AHEC Centers or the eight family medicine residency training programs. The Office for Healthcare Workforce would be forced to reduce certain workforce studies for specific groups of providers and the Rural Physician Program would be forced to reduce incentive grants to providers who practice in rural and underserved areas.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations.