

**REPORT TO THE TWENTY-EIGHTH LEGISLATURE
STATE OF HAWAI'I
2015**

**PURSUANT TO SECTION 321-291, HAWAI'I REVISED STATUTES
REQUIRING THE DEPARTMENT OF HEALTH TO GIVE AN
ANNUAL FINANCIAL REPORT FOR THE
NEWBORN METABOLIC SCREENING SPECIAL FUND**

**PREPARED BY:
STATE OF HAWAI'I
DEPARTMENT OF HEALTH
FAMILY HEALTH SERVICES DIVISION
DECEMBER 2014**

EXECUTIVE SUMMARY

The Hawai'i Newborn Metabolic Screening Program (NBMSPP) is administered by Children with Special Health Needs Branch, Family Health Services Division, Hawai'i State Department of Health. NBMSPP has statewide responsibilities for assuring that all infants born in the State of Hawai'i are tested for phenylketonuria (PKU), congenital hypothyroidism, and other diseases which if left untreated could cause intellectual disabilities, developmental disorders, severe health problems, and even death. This program tracks and follows up on infants to assure satisfactory testing and to assure that infants with the specified diseases are detected and provided with appropriate and timely treatment.

In 1996, legislation was passed, Hawai'i Revised Statutes (HRS) §321-291, which established a Newborn Metabolic Screening Special Fund (NBMSPPF) which is used for operating expenditures. The Hawai'i Administrative Rules, Chapter 11-143, last revised and adopted on January 22, 2009, pertains to NBMSPP. The newborn screening fee effective January 22, 2009 is \$55.00 per specimen kit. The monies are deposited in the NBMSPPF which pays for the following expenses:

- Centralized laboratory testing for thirty-two (32) disorders. The Oregon State Public Health Laboratory was selected to be Hawai'i's newborn screening testing laboratory awarded the contract through process. None of the laboratories in Hawai'i have the equipment or resources to do newborn screening testing.
- Repeat testing for initial specimens collected at less than 24 hours of age.
- Confirmatory testing up to the point of diagnosis if specimens are sent to the designated testing laboratory.
- Specimen collection and handling.
- Overnight mailing costs of the initial specimens to the testing laboratory. Courier services must include tracking and overnight delivery capabilities to ensure that newborn screening specimens are not delayed, misplaced or lost. Timely screening tests performed on the newborn screening blood specimens are essential for early medical detection of thirty-two (32) disorders that can cause mental and growth retardation, severe illness, and even death if not treated early in the newborn period.
- Newborn Metabolic Screening Program staff salaries and fringe benefits.
- Hawai'i Community Genetics for contracted Metabolic Clinic and Hemoglobinopathy Clinic follow-up services.
- Contracted alpha thalassemia DNA testing for alpha thalassemia follow-up.
- Screening and diagnostic costs for the uninsured indigent.

- Tracking and follow-up, and the administration of the statewide newborn screening system.
- Continuing education and educational materials.
- Quality assurance.
- Equipment.
- Indirect costs.
- Administrative overhead and other operating expenses.

The attached financial report for FY 2014 (July 1, 2013 to June 30, 2014), required by H.R.S. §321-291, identifies all fund balances, transfers, and expenditures made from the NBMSSF and the purposes for each expenditure.

**Report on Non-General Fund Information
For Submittal to the 2015 Legislature**

Department: HEALTH

Date: November 6, 2014

Prepared by: Paul Takishita

Phone: 733-9062

Name of Fund: Newborn Metabolic Screening Special Fund

Legal Authority: Section 321-291, H.R.S.

Fund Type (MOF): B

Approp. Acct. No.: S 302 H

Intended Purpose:

This fund is to be used for payment of its lawful operating expenditures, including, but not limited to laboratory testing, follow-up testing, educational materials, continuing education, quality assurance, equipment, and indirect costs.

Current Program Activities:

The Newborn Metabolic Screening Program (NBMSPP) has statewide responsibilities for assuring that infants born in the State of Hawai'i are satisfactorily tested for thirty-two (32) disorders which can cause mental retardation and even death, if not detected and treated early in the newborn period. NBMSPP tracks and follows-up on infants to assure that the infants with the specified diseases are detected and provided with appropriate and timely treatment. Other activities are assessment, quality assurance, continuing education, and standard setting.

Financial Data		
	FY 2014	FY 2015
Beginning Cash Balance	1,175,795	957,724
Beginning Encumbrances	287,358.79	164,454.20
Revenues	1,240,500	
Internal Transfers		
Expenditures	1,458,571	
Transfers (List Each Transfer by JV# and Date)		
Net Total Transfers		
Amount Derived from Bond Proceeds		
Ending Cash Balance	957,724	
Amount Required for Bond Covenants as of 7/1/13		
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/13		

PURPOSES FOR EXPENDITURES FOR FY 2014

I.	Newborn Metabolic Screening Program Personnel Costs	
	A. Payroll (4 FTE authorized) – includes salaries, overtime, differential, and fringe benefits.	427,353.79
	B. Subsistence Allowance, Intra-State and Out-of-State Employee Travel	3,221.89
II.	Implementation of newborn screening system utilizing a centralized laboratory	
	A. Oregon State Public Health Laboratory	667,094.74
	B. Air freight charges to deliver specimens to the testing laboratory	32,166.53
	C. Stationery and office supplies	2,273.53
	D. Training and educational materials and other supplies	865.95
	E. Queen’s Genetics Laboratory	7,900.00
	F. Thalassemia Clinic	0
	G. Laboratory services for the uninsured	3,922.39
	H. Repair and maintenance of office equipment	576.86
	I. Central Service Assessment and Administrative Fees	65,231.00
	J. Other Miscellaneous Current Expenditures	83,510.22
	TOTAL	1,294,116.90

BEGINNING ENCUMBRANCES FY 2015

Other Non-State Employees Services on a Fee Basis (Contracts)	140,062.72
Other Miscellaneous Current Expenditures	24,391.48
TOTAL	164,454.20