



CALIFORNIA STATE AUDITOR

Elaine M. Howle, State Auditor

FACT SHEET

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Report: 2010-103R

**The California State Auditor released the following report today:
Department of Public Health**

*It Faces Significant Fiscal Challenges and Lacks Transparency in Its Administration of
the Every Woman Counts Program*

BACKGROUND

Nearly 350,000 women received services through the Every Woman Counts (EWC) program during fiscal year 2008–09—a program established by law in 1994 in an effort to save lives by using federal and state resources to screen women for breast and cervical cancer. The EWC, administered by the Department of Public Health (Public Health), provides health-related services to underserved low-income women. The majority of the funding for this program comes from the Proposition 99 tobacco tax initiative—between July 1, 2006 and December 31, 2009, these tobacco tax funds paid for 62.1 percent of total expenditures for the EWC program while a cigarette tax paid for 24.6 percent of the expenditures and a federal grant paid for the remaining 13.4 percent.

KEY FINDINGS

During our review of Public Health's administration of the EWC program, we noted that Public Health:

- Faces funding difficulties due to declining proceeds from tobacco and cigarette taxes and fiscal pressures on the State's budget resulting from the economic recession. It also took steps to impose more stringent eligibility standards and froze new enrollment for six months beginning in January 2010 to reduce expenditures.
- Incorrectly claimed it could not redirect funds within the EWC program from other areas—such as outreach or training—to pay for more screening services when it requested an additional \$13.8 million in June 2009. By redirecting one-half of the amount it spent on nonclinical activities in fiscal year 2008–09, it could have provided screening services to an additional 27,500 women.
- Cannot determine how much its contractors spend on specific services that support the EWC program—hampering its ability to redirect funds toward activities, such as mammograms or other screening activities that directly support women.
- Has not complied with certain state laws that would allow the Legislature and the public to exercise oversight. Public Health has:
 - ✓ Yet to develop state required regulations that implement the EWC program even though the program began nearly 16 years ago. Doing so would have provided the public with an opportunity to comment and provide input on important aspects of the program such as eligibility requirements.
 - ✓ Only submitted one report to the Legislature—in August 1996—evaluating the program's effectiveness, although the requirement for an annual report was placed in state law in 1994.

KEY RECOMMENDATIONS

We made several recommendations to Public Health, including that it:

- Maximize available funding for breast cancer services by evaluating the EWC's existing contracts to determine whether funds spent on nonclinical activities could be better spent on screening services, and that it establish and properly monitor expectations concerning the amounts contractors spend on various activities.
- Ensure it maintains fiscal control over the EWC program by developing budgets that clearly communicate the level of service it can provide based on the funding provided. For example, it could estimate the number of women that can be screened at various levels of funding.
- Provide better public transparency and accountability for how the program is administered by developing regulations—based on public input—for administering the EWC program, defining the eligibility criteria for women seeking access to screening services, and reporting annually to the Legislature and the public on the effectiveness of the EWC program.

