

## NEW JERSEY STATE ANIMAL POPULATION CONTROL

### I. INTRODUCTION

This report on the Animal Population Control (APC), Low Cost Spaying and Neutering Program is respectfully submitted to the Legislature. The report examines the program effectiveness and recommendations for future legislation and administrative actions.

Previous reports to the legislature examined the program from January 1985 to December 1991, submitted in September 1992; July 1, 1992 to June 30, 1999, submitted March 2001; and July 1, 1999 to June 30, 2000, submitted October 2001; and July 1, 2000 to June 30, 2001, submitted February 2003.

### II. HISTORICAL BACKAGROUND

In May of 1983, Assembly Bill 1917 was signed into law and became P.L. 1983, c. 172 (Appendix A). This law directed the Department of Health and Senior Services (DHSS) to establish a low cost spay/neuter program to be called the Animal Population Control (APC) Program that would utilize the private sector (i.e., participating veterinarians) to provide the spay/neuter services. Veterinarians who wished to participate in the program were required to have their facilities inspected by the New Jersey Veterinary Medical Association (NJVMA) Hospital Inspection Program and submit their normal fee schedules for spay/neuter surgeries for both dogs and cats. Upon review and acceptance by the DHSS, veterinarians would be reimbursed for 80 percent of their normal fees. Client eligibility to participate was based on the client being a recipient of any one of a number of public assistance programs, specifically: Food Stamp Program, Supplemental Security Income Program, Medical Assistance Program (Medicaid), Aid to Families with Dependent Children Program (Temporary Assistance to Needy Families), General Public assistant Program, Pharmaceutical Assistance to the Aged and Disabled Program, Rental Assistance Program, Lifeline Credit Program, and Tenants Lifeline Assistance Program. Upon presentation to the veterinarian of proof of eligibility for any of the above-mentioned programs, the client's pet would receive a \$10 copayment fee, all necessary presurgical immunizations, presurgical examination, surgery, and post surgical care.

On December 17, 1986, the DHSS was charged with implementing P.L. 1986, c. 192 (Appendix B). The law became effective immediately. This law permits any dog or cat adopted from a licensed non-profit shelter or pound and licensed pursuant to state and municipal law to be eligible to participate in the Low Cost Spaying and Neutering Program for a \$20 copayment fee. The objective was to encourage shelter adoptions and increase the number of altered pets reentering the pet ownership cycle. Cats that were adopted from an approved facility but not licensed in the municipality in which the owner resided, were ineligible for the low cost spaying and neutering services.

In January 1990, Senate Bill 2977 was signed and became P.L. 1989, c. 238 (Appendix C). This law removed certain eligibility requirements for adopted dogs and cats to be spayed or neutered at veterinary hospitals participating in the Low Cost Spaying and Neutering Program. Specifically, adopted cats were no longer required to be licensed and shelters and pounds participating in the program were no longer required to be nonprofit.

P.L. 1991, c. 405 (Appendix D), was approved January 17, 1992. This law opened the spay/neuter program up to dogs and cats adopted from nonprofit, incorporated, animal adoption referral agencies, which do not operate holding facilities. There have been more than 137,000 surgeries conducted on dogs and cats since the inception of the program in 1984.

III. ANIMAL POPULATION CONTROL PROGRAM ACTIVITIES

REVENUE COLLECTION

The program is funded by two sources of revenue, the collection of a \$3 surcharge for each unaltered dog that is licensed at the municipal level, and more recently, the sale of the Animal Friendly License Plates. The \$3 surcharge is collected by municipalities and forwarded to the APC Program. The program transmits the fees through the Department of Treasury for deposit into the APC Fund.

In 1992, the DHSS, in conjunction with other groups, such as the Humane Society of the United States and the New Jersey Veterinary Medical Association, began working to identify potential sources for increased funding for the APC Program, and in 1994, the Animal Friendly License Plate became available to the public. All proceeds from the sale of these plates, available at all Division of Motor Vehicles offices, are used to reimburse participating veterinarians for spaying and neutering services, none are used to pay for departmental administrative operating costs.

In State Fiscal Year (SFY) 2001, Senator Robert J. Martin initiated a \$400,000 State budget appropriation to be used for spay/neuter surgeries.

VETERINARIAN REIMBURSEMENT

Participating veterinarians are reimbursed 80 percent of their agreed upon fees for each of the ten various animal weight and sex categories. Invoices for surgeries conducted are submitted on a monthly basis to the program. The invoices for surgeries conducted are submitted on a monthly basis to the program. The invoices and corresponding forms, such as the individual sterilization consent forms, are reviewed by the program. Client and pet eligibility, as well as the veterinarians' fee verification, are reviewed for accuracy. Upon program approval, invoices are submitted to the Department of the Treasury for reimbursement to the veterinarians.

Veterinarians are required by law to submit pet owner co-payment fees to the program on a monthly basis. The \$10 public assistance eligibility co-payment fees and the \$20 shelter/pound adoption referral agency co-payment fees are transmitted from the program to the Department of the Treasury for deposit into the APC fund to be used exclusively for the spaying and neutering of dogs and cats through the program.

A. The veterinarian fees have been increased as follows:

SFY 1993	No increase
SFY 1994	No increase
SFY 1995	2.4 percent*
SFY 1996	2.8 percent*
SFY 1997	2.8 percent*
SFY 1998	6.0 percent**
SFY 1999	6.0 percent**
SFY 2000	6.0 percent**
SFY 2001	3.2 percent*
SFY 2002	2.0 percent*

\* Increase based on CONSUMER PRICE INDEX FOR ESCALATION

APC LOW COST SPAYING AND NEUTERING SURGERIES

Calendar <u>Year</u>	<u>Dogs</u>	(%)	<u>Cats</u>	(%)	<u>Total</u>
1984	158	38	262	62	420
1985	921	38	1,473	62	2,394
1986	1,222	37	2,604	63	3,286
1987	2,038	41	2,893	59	4,931
1988	3,313	53	2,888	47	6,201
1989	4,120	55	3,367	45	7,487
1990	5,402	44	6,875	56	12,277

Fiscal <u>Year</u>	<u>Dogs</u>	(%)	<u>Cats</u>	(%)	<u>Total</u>
1991	5,802	40	8,538	60	14,340
1992	8,801	43	11,900	57	20,701
*1993	1,104	35	2,070	65	3,174
1994	664	26	1,856	74	2,520
1995	3,200	37	5,470	63	8,670
1996	3,936	37	6,660	63	10,596
1997	3,720	37	6,418	63	10,138
1998	3,833	39	5,953	61	9,786
1999	4,387	40	6,544	60	10,931
2000	3,448	37	5,917	63	9,365
***2001	4,000	34	7,929	66	11,929
2002	2,855	34	5,645	66	8,500

- Carry-forward funds were no longer available. Program funding was based on dog license revenue and co-payment fee revenue only.

\*\* Animal Friendly license plate revenue became available.

\*\*\* A one time \$400,000 State budget appropriation became available.

\*\* A survey was conducted to determine the difference between APC Program surgery fees and actual veterinary practice fees charge to non-program eligible clients. As stated in Public Law 1983, chapter 172, the

veterinary practice fees are to be 80 percent of the normal fees for surgery. The survey results indicated a difference of 18 percent. An increase of 6 percent per year for the next three years was allowed to close this gap.

The average reimbursements were:

SFY 1993	\$67 per pet
SFY 1994	\$67 per pet
SFY 1995	\$68 per pet
SFY 1996	\$72 per pet
SFY 1997	\$74 per pet
SFY 1998	\$77 per pet
SFY 1999	\$81 per pet
SFY 2000	\$84 per pet
SFY 2001	\$85 per pet
SFY 2002	\$87 per pet

B. Total reimbursement to veterinarians for surgeries performed:

SFY 1993	\$211,218
SFY 1994	\$168,040
SFY 1995	\$593,564
SFY 1996	\$759,045
SFY 1997	\$697,916
SFY 1998	\$758,973
SFY 1999	\$882,891
SFY 2000	\$784,400
SFY 2001	\$997,689
SFY 2002	\$740,054

#### STRAY ANIMAL INTAKE AND DISPOSITION SURVEY

The APC Program conducts an annual survey of sheltering and impounding facilities to determine the number of dogs and cats impounded by all 567 municipalities in New Jersey. The survey provides information on the number of dogs and cats impounded, redeemed by owners, adopted, and euthanized. The program uses the survey to determine long-term trends of the number of dogs and cats impounded by the municipalities, and thus, the potential effect of an increase in spaying and neutering and other influencing factors. There have been more than 145,000 surgeries conducted on dogs and cats since the inception of the program. Since 1984, survey results show that there has been a 27 percent reduction of the number of dogs and cats impounded and a 45 percent reduction of the number of dogs and cats euthanized at New Jersey shelters and pounds. The adoption rate increased from 20 to 39 percent.

#### IV. CONCLUSIONS

Innovative legislation has made the APC, Low Cost Spaying and Neutering Program a model program with New Jersey being recognized as a national leader in this important aspect of animal welfare. Several other state governments have consulted with the Program for advice on developing a spay/neuter program to be modeled after the New Jersey Program.

The Program has been successful in recruiting and coordinating the efforts of private practice veterinarians, various statewide humane groups, and municipal animal control agencies to work together in controlling the stray and unwanted pet overpopulation problem. The Program has successfully used the private sector in partnership with the government sector to address a community health, safety, and fiscal problem.

Since the APC Program's commencement in 1984, several legislative actions occurred which sufficiently expanded participant eligibility, subsequently resulting in an increased demand for services. From SFY 1996 through FY 1998, a statewide total of \$800,000 was allocated annually for the reimbursement of low cost spaying and neutering surgeries. The allocation amount is based on the total revenue collected, minus APC Program administrative costs. The \$800,000 annual allocations are made available on a quarterly basis (\$200,000 per quarter) and are allocated to veterinary hospitals on a first come, first serve basis. During SFY 1999, an additional \$200,000 from carry-forward funds was allocated for the fourth quarter of that fiscal year. The annual allocation for SFY 1999 was one million dollars. During State Fiscal Year 2000, an additional \$50,000 from carry-forward funds was utilized during that year. The annual allocation for State Fiscal Year 2000 was \$850,000. With the availability of the \$400,000 State budget allocation, the annual allocation for SFY 2001 was \$1.1 million. In SFY 2002, a \$360,000 budget appropriation was to be used for the program. Due to a budget deficit crisis, these funds were removed as part of the Governor's budget reduction request. The annual allocation for SFY 2002 was \$800,000.

A new telephone pre-surgical authorization system went into effect July 1995. This telephone response system allows each participating veterinary hospital to receive authorization numbers for each surgical case on a 24 hours, seven days a week basis. The system keeps track of the "draw-down" on the APC Fund and signals when it is approaching depletion, at which time authorization numbers are no longer issued. Once the quarterly allocation is exhausted, no more surgeries can be authorized until the beginning of the following quarter. Demand for the program services has increased dramatically, and generally results in the exhaustion of quarterly allocations within four weeks.

The Governor's Domestic Companion Animal Council was established per P.L.1995, g.145. The Council began meeting in May 1997 and continues to meet monthly. Council members consist of representatives from the Humane Society of the United States, the New Jersey Veterinary Medical Association, New Jersey Health Officers Association, New Jersey Federation of Dog Clubs, Cat Fanciers Association, New Jersey Society for the Prevention and Cruelty to Animals, Associated Humane Societies, and animal shelters. The Council focuses on issues concerning New Jersey animal population control, animal welfare and other programs related to domestic animals. The Council focuses on issues concerning New Jersey animal population control, animal welfare and other programs related to domestic animals. The Council was instrumental in obtaining the \$400,000 state budget allocation in SFY 2001.

The DHSS continues to work with the Governor's Domestic Companion Animal Council to identify ways to increase revenue for the APC Program and to meet the demand for spay and neuter services without exhausting funds so early in each quarter. It is projected that with the current demand for service, approximately 30,000 surgeries could be performed annually at a cost of \$2.4 million per year.