SUSTAINABLE FUNDING FOR FOUNDATIONAL PUBLIC HEALTH SERVICES: A PROGRESS REPORT

June 2013

For Washington State Association of Local Public Health Officials

OUR PUBLIC HEALTH FUNDING SYSTEM IS BROKEN

- We consider it a legislative success when we don't get cut very much
- Meanwhile, inflation and population growth have steadily undermined our budgets for 15 years or more
- It's not just the Great Recession, it's a long term structural defect
- Now, in many local health agencies and at the Department of Health, the most basic public health services are threatened

WHAT DO WE NEED?

- Stable support for basic public health functions
- Funding that tracks with population growth and inflation
- Enough to assure every community has the basics needed for the public health system to work statewide

  What we need everywhere for the system to work anywhere

- Recognizing that the basics aren't all we should do but knowing that the system cannot work if the basics are not in place

→ We've called this Foundational Public Health

THE QUESTION

- If you ask decision makers for such funding, they soon ask, What would we get for the money?
- If your answer is Trust Us, the conversation soon ends
- To have any hope for sustainable funding, we have to answer this question clearly
- This requires a list of boundaries…
- Not a list of everything we could ever do, but an honest list of the things we consider basic, taking into account our responsibility for population based health

WHY FOUNDATIONAL PUBLIC HEALTH?

To secure sustainable funding for basic public health services statewide

INSTITUTE OF MEDICINE AGREES

- In late 2012, the institute of Medicine issued a report on public health funding called

  For the Public's Health: Investing in a Healthier Future

- They showed that basic public health funding is a national problem
- And they made the very same connection we did
- You can't be effective pursuing basic funding if you can't clearly state what the basics are
- CDC is also getting involved
- Public Health Basics – becoming a national discussion

WHAT'S OUR PLAN?

- Define Foundational Public Health Services
- Cost them out statewide
- Develop practical policy options for sustainable foundational funding
- Develop a broad based coalition of supporters and advocate for the necessary legislation
- Don't quit

FOUNDATIONAL PUBLIC HEALTH

- Chose this term instead of minimum, basic, or core
- The idea of a foundation seems right – it's not the whole house, but the rest of the house doesn't work unless the foundation is solid
- A PHIP workgroup began in 2012
- Last spring and summer, the proposed list was widely shared, discussed and modified

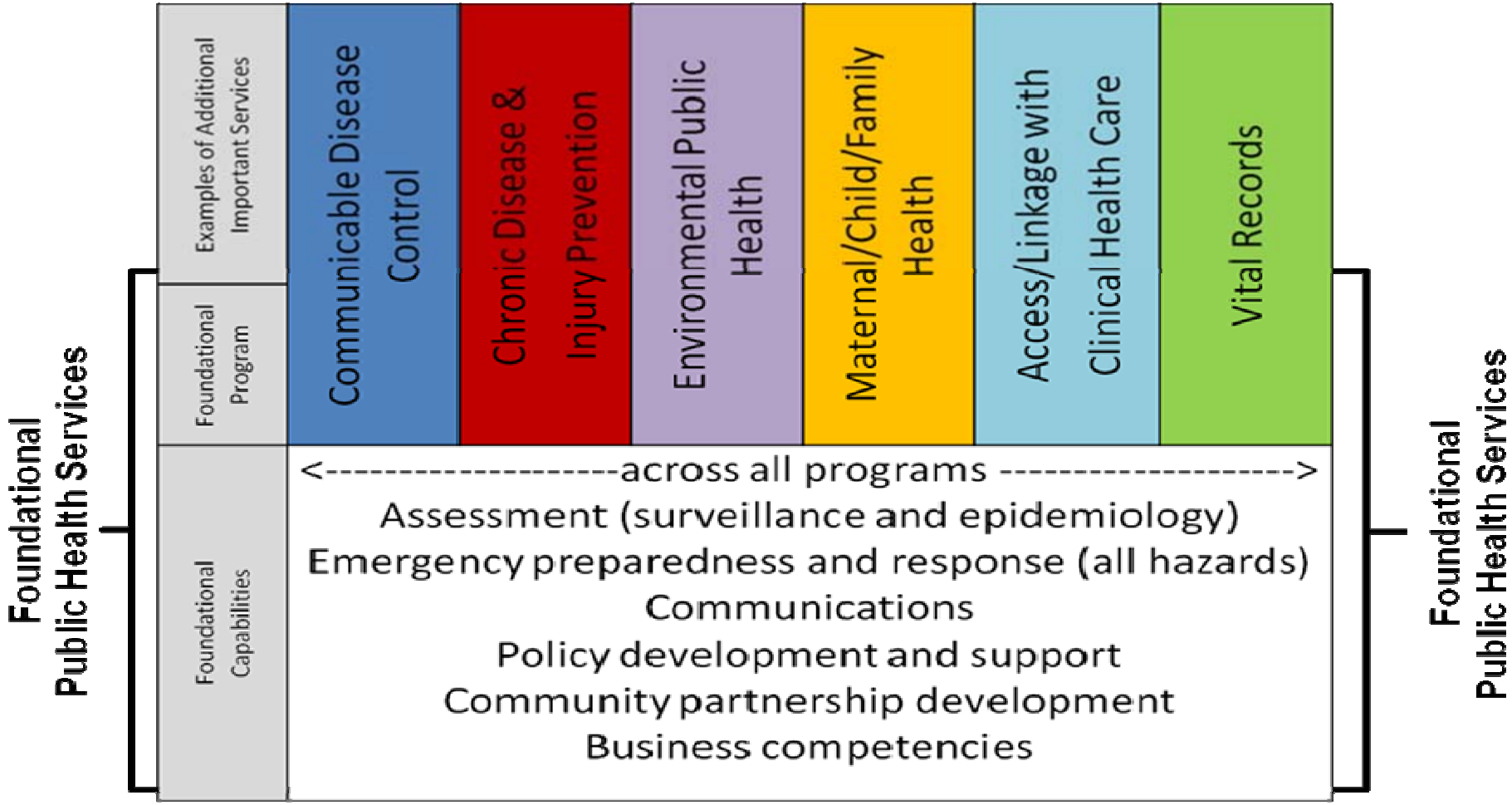
DEFINING FOUNDATIONAL SERVICES

- What we need to do everywhere for the system to work anywhere
- It's not everything we need to do. There are important categorical services that go beyond the basics and which vary according to local needs and priorities.
- The list had to be specific enough to cost it out
- It had to take into account our unique responsibility for population based issues and services

THE LIST

- The Foundational Public Health Services include: Capabilities and Programs
- Foundational capabilities cut across all program areas
- Foundational programs include specific activities such as basic environmental health regulatory programs and communicable disease surveillance and response
- As an appendix we also showed examples of additional important services to demonstrate that there are necessary categorical services that go beyond the basics in response to local needs and priorities

THE CHART



Foundational Public Health Services

Washington State Public Health Improvement Partnership – Agenda for Change – 01/10/13

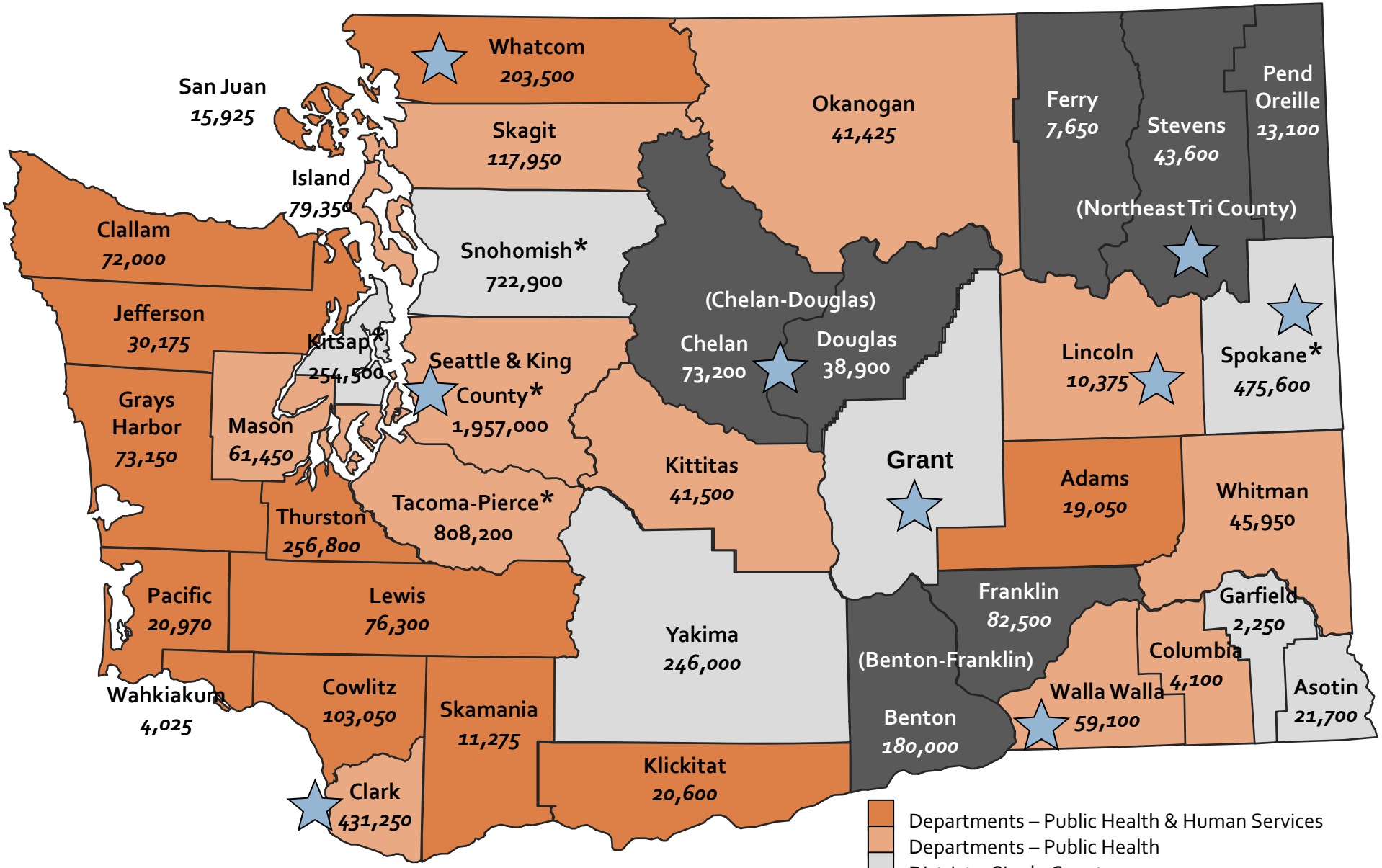
THE COSTS

- Through PHIP (with Department of Health dollars), retained Berk & Associates as consultants to help develop a cost model for Foundational Public Health
- Worked with 9 local health agencies and the Department of Health to develop a detailed cost model

From Lincoln County to Public Health – Seattle & King County

- Each participant filled out a long questionnaire and participated in in-depth follow up interviews
- Cost data then extrapolated for statewide estimates

LOCAL HEALTH JURISDICTIONS IN WASHINGTON



Washington State Total Population, 6/2012 – 6,817,770
Source: Office of Financial Management

CONCLUSIONS ABOUT THE COST MODEL

- The model is flexible and able to provide information for different assumptions
- The cost data that is being used to extrapolate for statewide costs is solid and reasonable
- The revenue data allows us to identify costs not covered by grant/contract or fee, that should be funded by state and local tax dollars
- The model is a good tool for better understanding our current funding system and determining options and recommendations for a model of predictable funding
- Final report on the cost model early July

POLICY QUESTIONS

- ✓ Funding for what? (Foundational Public Health Services are defined)
- ✓ How much funding? (Can make estimate based on various assumptions)
- What is the right mix of revenue
  - Who should pay how much for what?
  - Should there be a local match for state dollars? Or vice versa?
  - Should there be an expected/minimum % of cost recovery for fee-based services?
- How should funds be distributed across the state? Across services? What is fair/equitable?
- How should payers/funders monitor the impact of the funds (e.g. accountability, Return on Investment)?

REVIEW: Where we've been and what we need to do…

- ✓ Defined Foundational Public Health Services
- ✓ Costed them out statewide
- ☐ Develop practical policy options for sustainable foundational funding
- ☐ Develop a broad based coalition of supporters and advocate for the necessary legislation
- ☐ Don't quit

NEXT STEPS: Policy options

PHIP Foundational Public Health Services Workgroup Phase II

- Recruiting members, including beyond public health officials
- Will continue meeting over the next year
- Developing specific policy options and proposals for sustainable funding of the foundational capacities and services

- Target: June 2014

NEXT STEPS: Advocacy

- WSALPHO will coordinate development of broad support for sustainable funding proposals, in parallel with policy work
- Doctors, nurses, hospitals, clinics, employers, professional organizations, special interest groups, unions…
- Aiming to have proposals ready for the next biennial legislative session in 2015
- And beyond as needed…

NEXT STEPS: Don't quit

- Odds are it won't pass the first time
- It took 8 years of struggle to get a separate state department of health
- If this takes that long, it will be worth it
- We need to have the staying power to see this through

QUESTIONS AND DISCUSSION