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Public health finance management needs and how public health agencies are funded

5, May, 2011

IOM Washington, DC

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Services Research

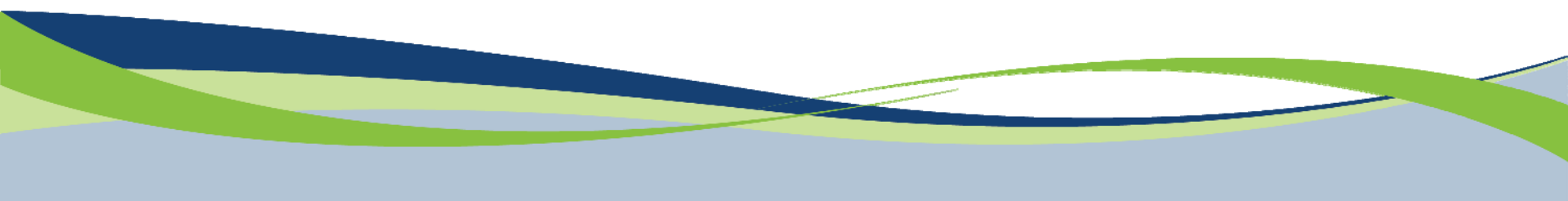
Disclaimer

This data and information is all preliminary, has not been published and is not final-it is draft only!

Please do not quote without permission of authors or funding agencies!

Intended to be formative in deliberations, not summative, inform only.

Much of this work has been funded by the CDC and RWJF, to who we owe a debt of thanks!



Data Harmonization of Health Department Surveys

- Players, NALBOH, NACCHO, ASTHO, RWJF, CDC, UK
- Shared Methods: fielded in sequence, same vendor, data dictionary
 - A. Same geographic and demographic questions
 - B. Questions peculiar to each jurisdiction are separate, but use shared language and data dictionary
 - C. Cross-thematic questions addressing key areas
- New baseline, if the surveys are continued

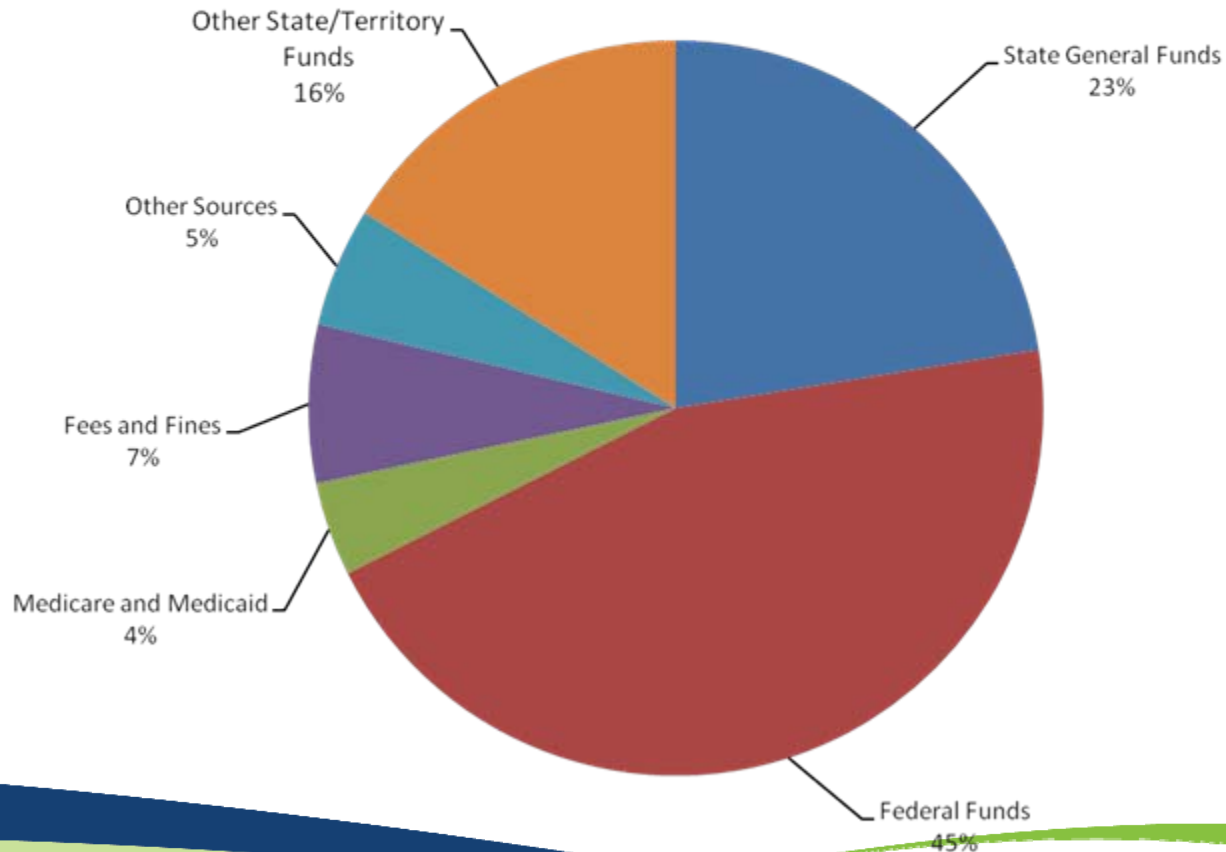
ASTHO Financial Data

2007 Profile	2010 Profile
<p>SPHA's service expenditures went to the provision of the following services:</p> <ul style="list-style-type: none"> % Clinical services % Non-clinical prevention services 	<p>Report the funds (to the nearest dollar amount) received by the state/territorial health agency from each source ex. State general funds</p>
<p>State public health agency's total expenditures</p>	<p>Actual expenditures (to the nearest dollar amount) for the state/territorial health agency for each category ex. Chronic disease, infectious disease</p>
<p>Of the expenditure monies your agency awards, what percentage of these expenditures were awarded to: % local public health agencies</p>	<p>Report dollars distributed by your agency to the recipient types ex. State/territory-run local health agencies</p>
<p>Percent of the state public health agency's revenues came from: ex. Medicaid</p>	



Results: State Public Health Funding

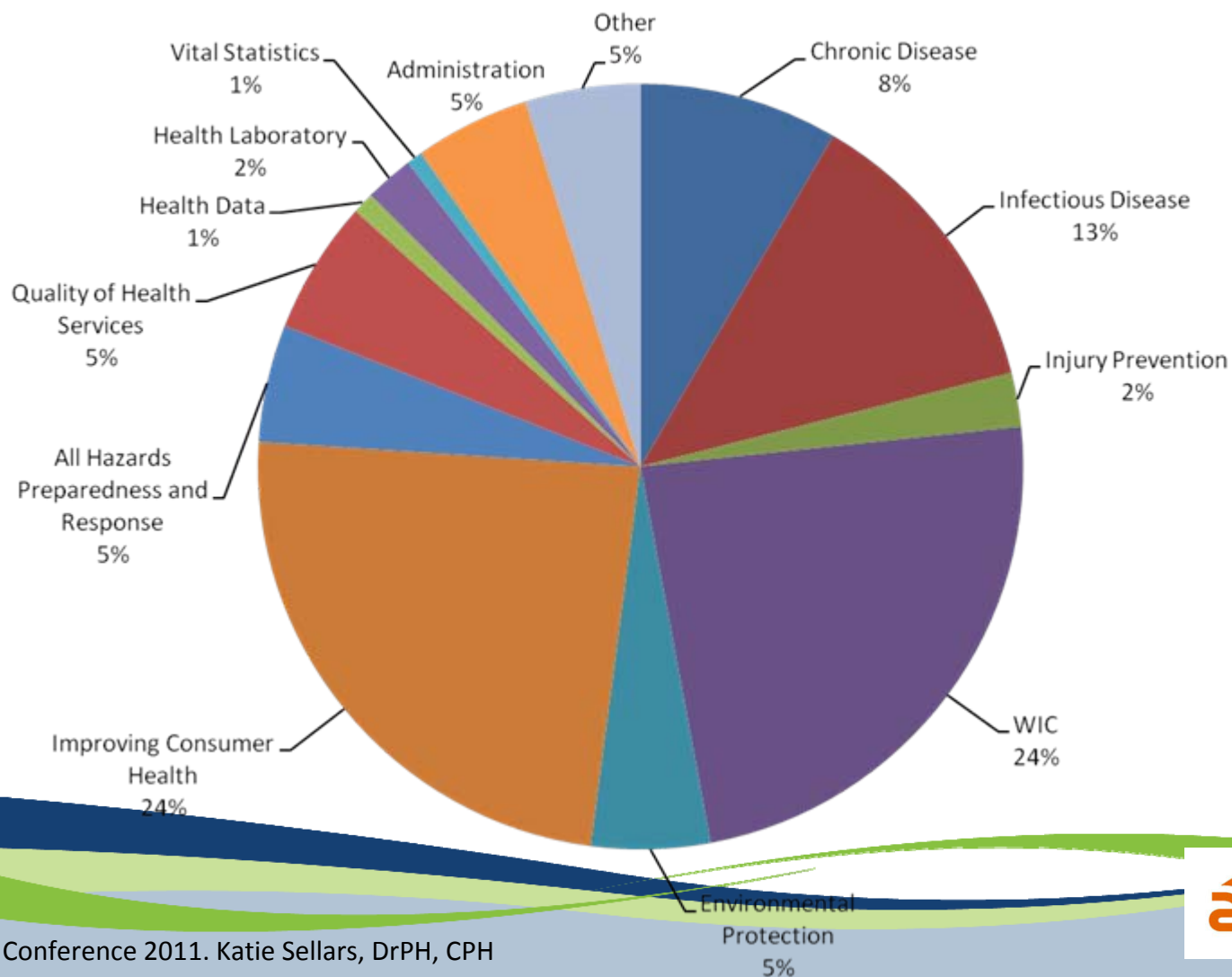
Percentage of SHA Revenue by Funding Source, **FY2009**





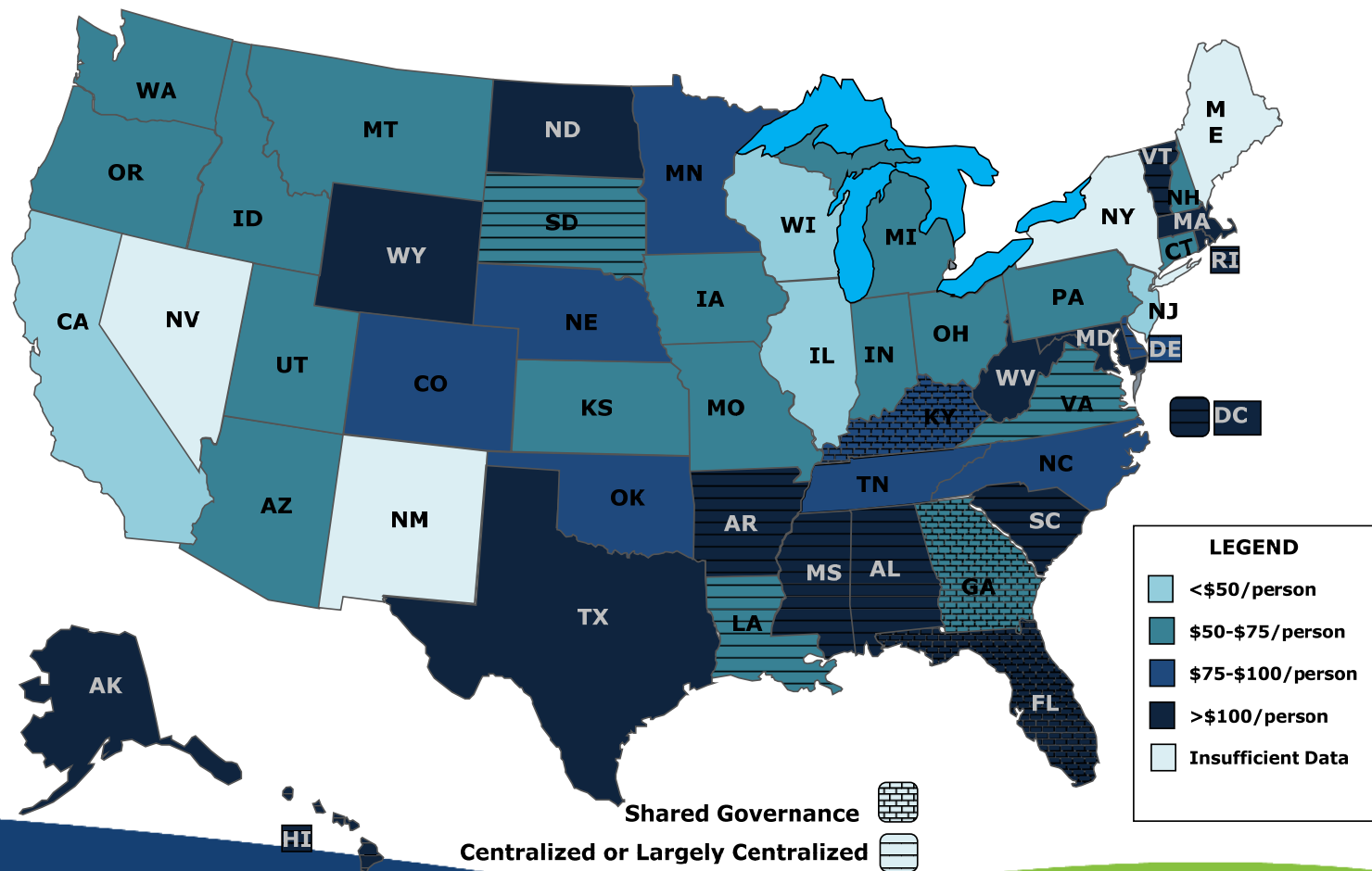
Results: State Public Health Expenditures

Percentage of SHA Expenditures by Category, **FY 2009**





Results: Per capita expenditures, FY 2009



Limitations of ASTHO

1. Missing fiscal data for four states
2. Caveats to fiscal data reported
 - a) Different fiscal year
 - b) Difficulties reporting within expenditure categories
3. “Big CMS” reported from several states
4. Carry forward dollars were not reported in revenues for at least one state
5. Unclear about federal pass through dollars as Contracts
6. Survey instructions did not address if/how to report developmental disability support expenditures

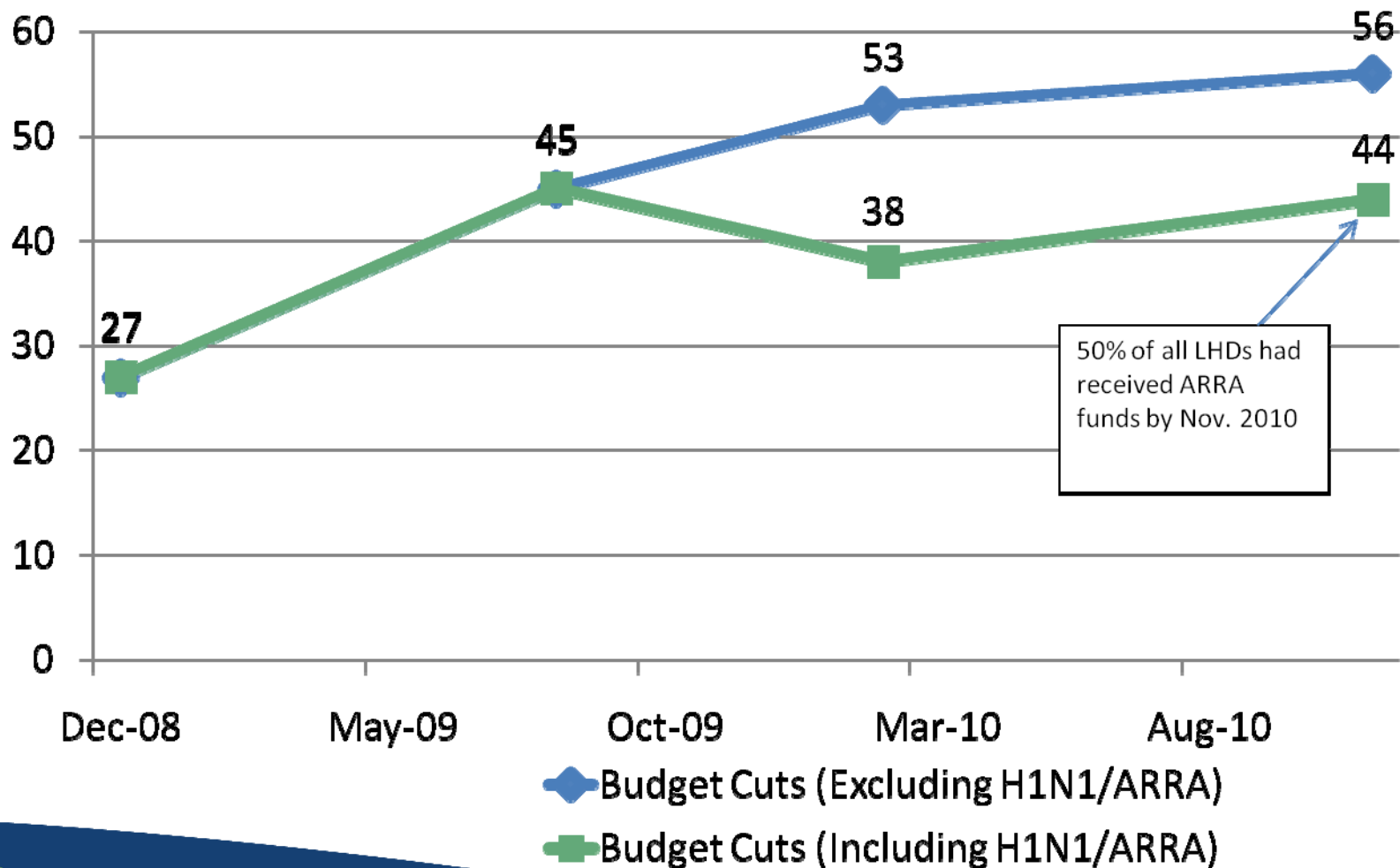


Local Health Department Financial 2010 Data

- Total expenditures and total revenues most recently completed fiscal year and fiscal year prior
- What were the total revenues
- Budget cuts-I expect my LHD's budget in the next fiscal year will be (less, same, etc)
- If you do not consider one-time funding such as H1N1 funding or funding from the American Recovery and Reinvestment Act, how does your LHD's current operating year budget compare to the previous year?
- Reserve Funding-Does your HD have a rollover reserve fund or contingency fund (restricted or unrestricted) that allows department to accumulate fund balances from year to year for use?



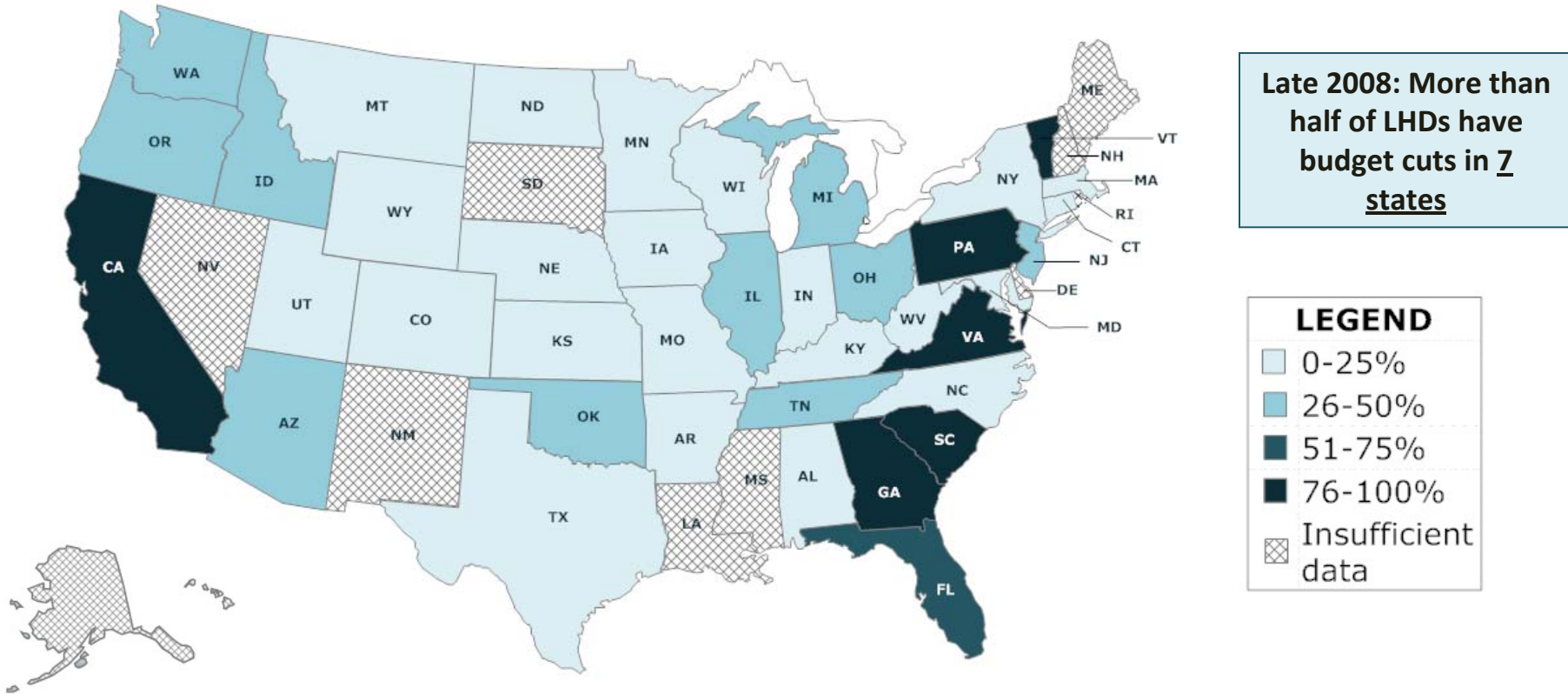
Percentage of LHDs with Budget Cuts (2008-2010), Including and Excluding Government Assistance





LHD Budget Cuts – 2008

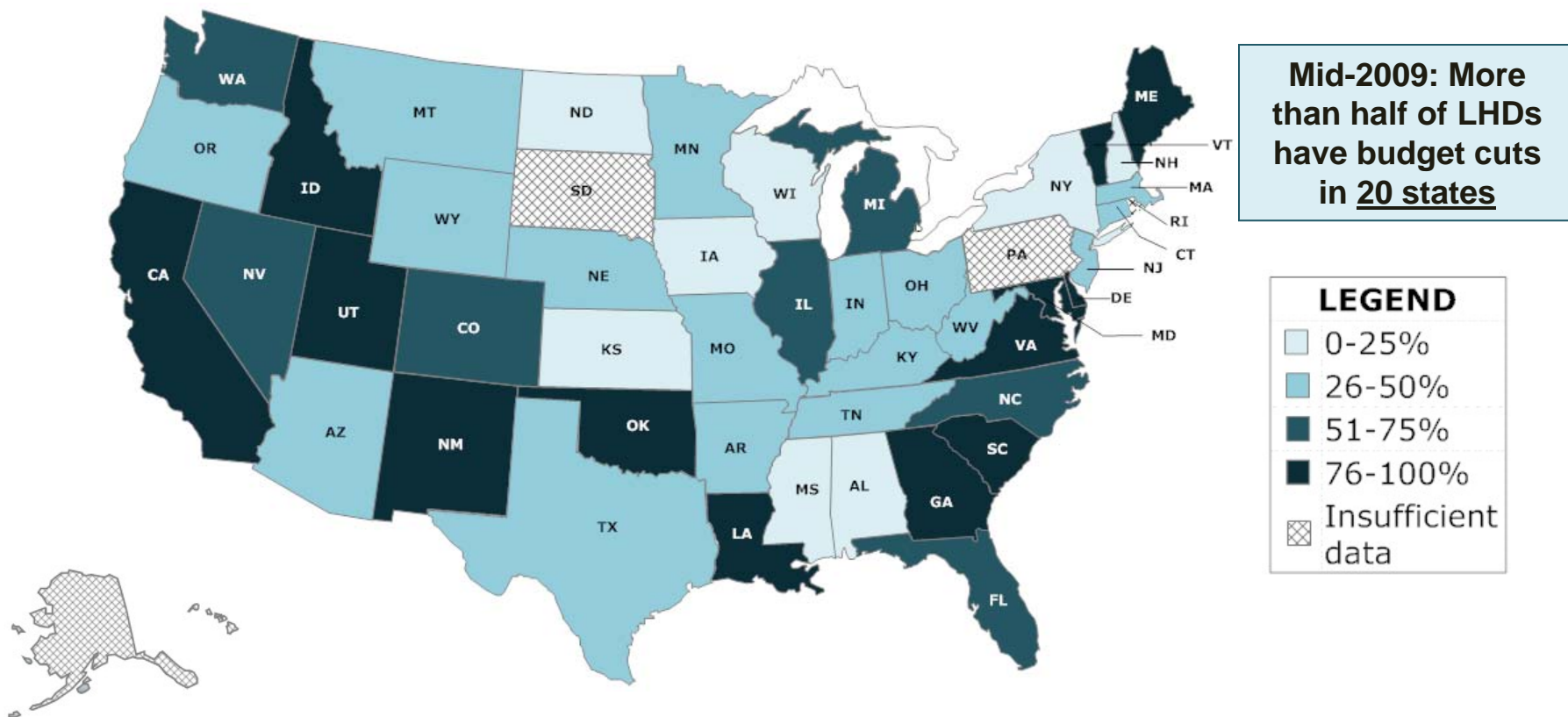
•Percentage of LHDs with Lower Budget in December 2008 as Compared to Previous Year





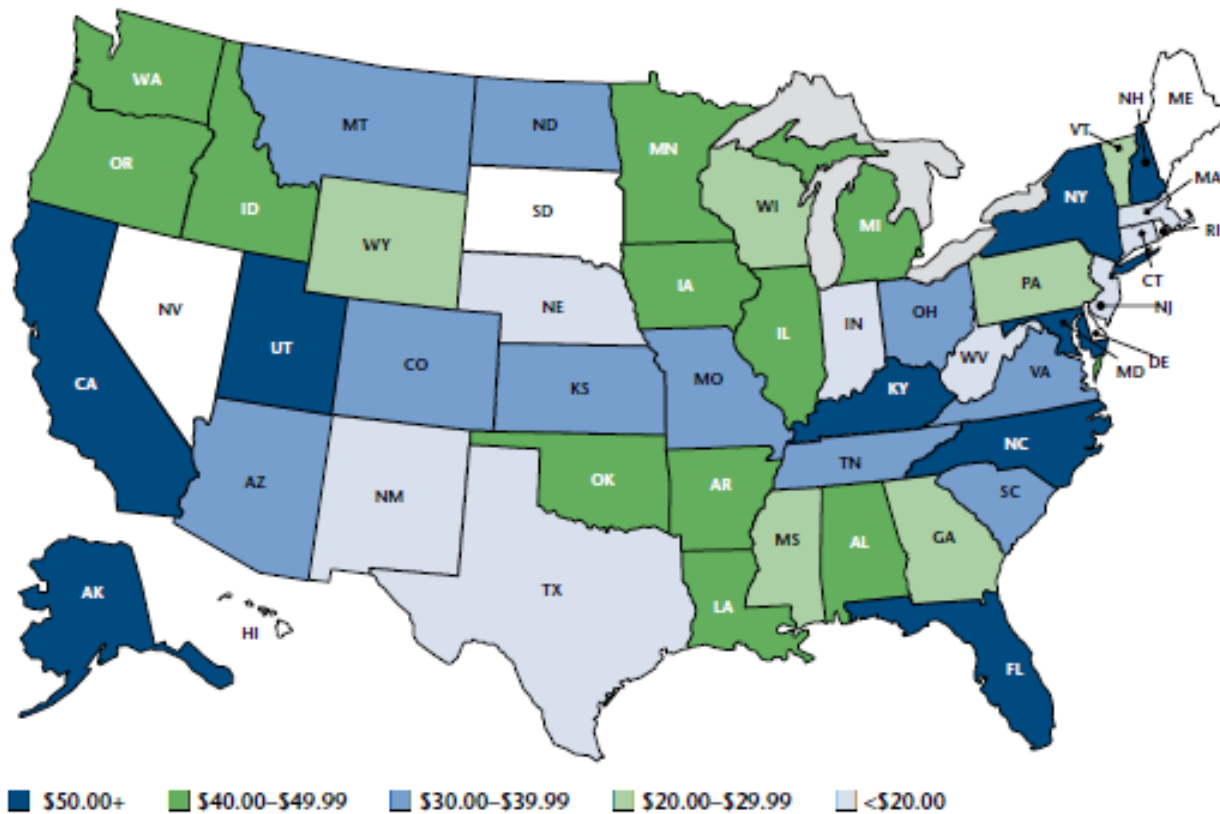
LHD Budget Cuts - 2009

•Percentage of LHDs with Lower Budget in July 2009 as Compared to Previous Year



Source: NACCHO Survey of LHD Budget Cuts & Workforce Reduction (July 2009).

Median Annual per Capita LHD Expenditures, by State, 2008



Source : NACCHO
2008 National Profile
of
Local Health
Departments

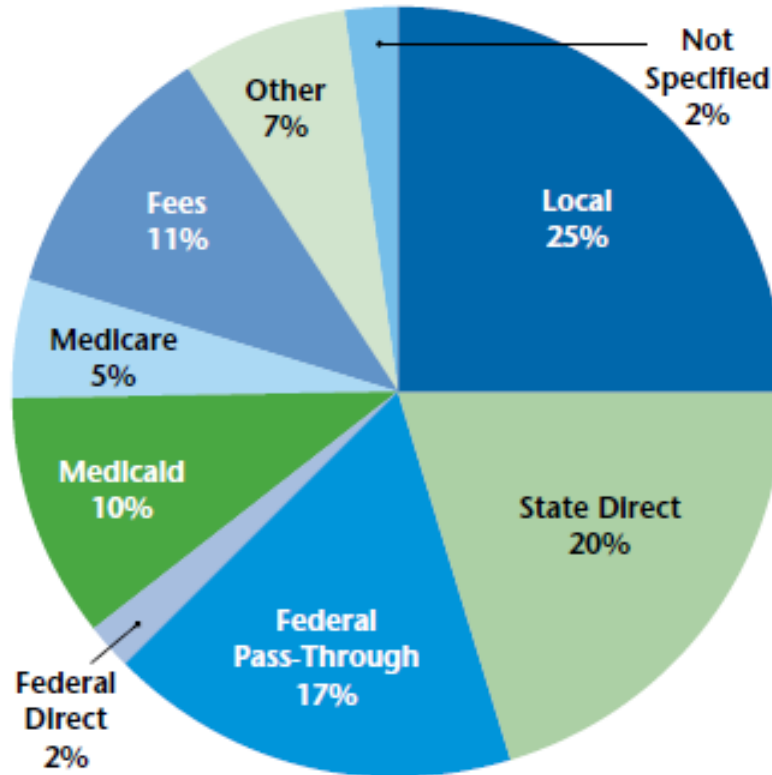
■ \$50.00+
 ■ \$40.00-\$49.99
 ■ \$30.00-\$39.99
 ■ \$20.00-\$29.99
 ■ <\$20.00
 | Non-participants: Hawaii and Rhode Island
 None or Insufficient data for Delaware, Maine, Nevada, and South Dakota.

n=2,097

*Based on a low response rate (44-60%) for these items in Georgia, Indiana, Massachusetts, New Mexico, and Texas.



Percentage Distribution of Total Annual LHD Revenues, by Revenue Source, 2008

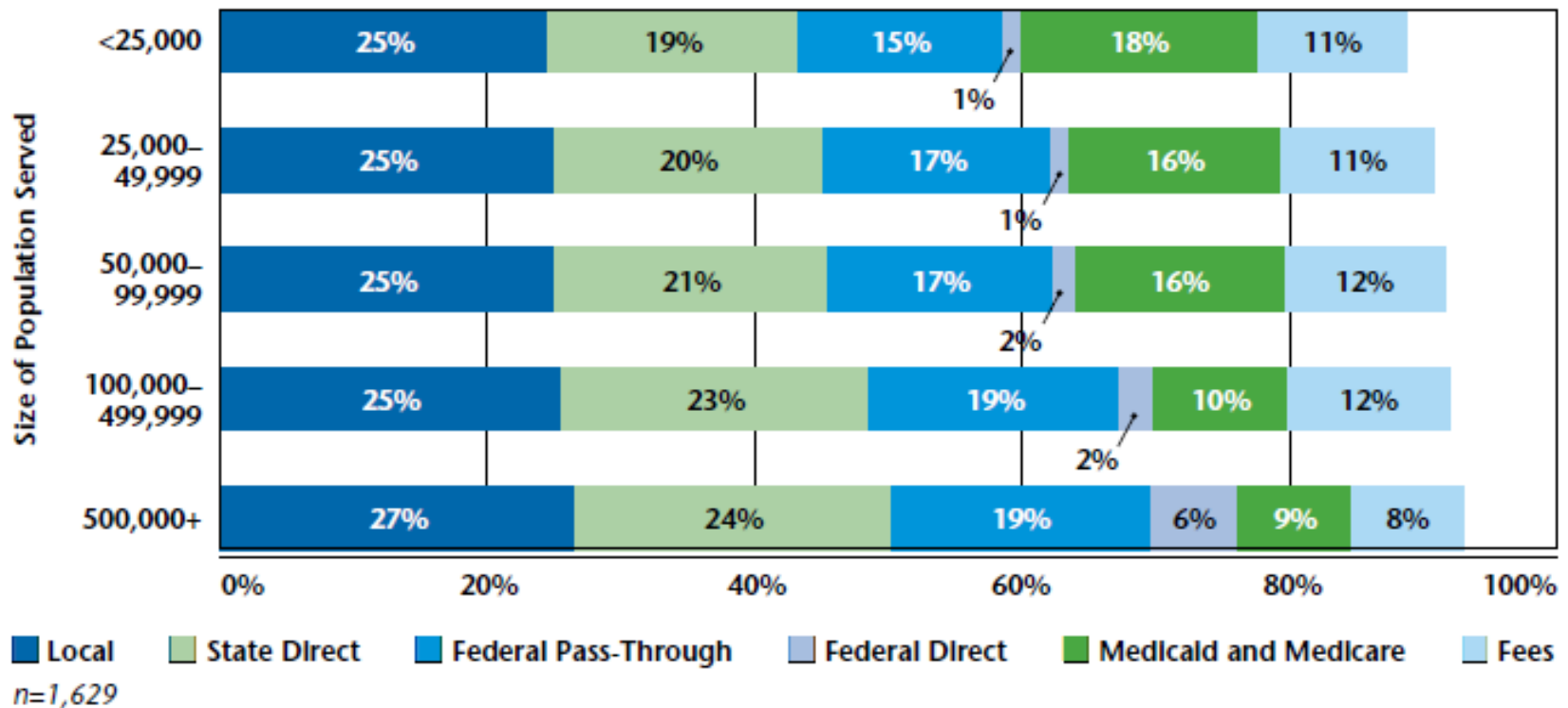


n ranged from 1,458 to 1,629 by revenue source

Note: Due to rounding, percentages do not add to 100.


*Among LHDs reporting detailed revenue data.

Mean Percentage of Total LHD Revenues from Selected Sources, by Size of Population Served, 2008



Source : NACCHO 2008 National Profile of Local Health Departments

PHSSR New Research Agenda Process

- Commissioned RWJF/CDC systematic reviews: workforce, quality improvement, research methods, structure and organizations
 - Altarum Institute systematic review
 - **Workgroups:** Workforce, Org/Struct., Finance, Data and Methods
 - Vetting at Keeneland Conference April 2011, AcademyHealth PHSR-IG June 2011
 - September 2011 joint RWJF/CDC meeting
- 



Systematic Review Findings

- There needs to be development of standardized method for measuring public health expenditures/revenues
- Public health financial management principles
- Financing of public health activities varies across states
- Difficult if not impossible to capture all the public health expenditures at a state and local level

PHSSR Questions Generated

Standard Definitions and Measures

What benchmark measures should be considered across public health systems?

Would there be benefit from financial data harmonization through the practice organizations in order to have a more direct comparison of financial data?

Which methods of measuring value and population health outcomes are feasible, predict outcomes, and impact health?

PHSSR Questions Generated

Standard Definitions and Measures

How are public health funding structures (e.g. governmental, community-level, etc.) understood?

How should data from other health systems (e.g. hospitals, federally qualified health centers) be gathered and incorporated into the broader public health system?

What natural experiments are needed to correlated funding mechanisms and system structures with health outcomes longitudinally and across states?

PHSSR Questions Generated

Frameworks for Fiscal Analyses

What metrics do other fields (e.g. port authorities, education, public safety) use to measure outcomes?

How are board categorical areas of public health (e.g. environmental health, maternal and child health) funded? How are public health essential services funded? How do decisions about funding these areas impact other areas?

How do public health systems funding patterns vary by the type of local public health systems framework as defined by state or local infrastructure (i.e. laws and regulations)?

PHSSR Questions Generated

Public Health Financing Mechanisms

How can financing mechanisms be broadened beyond governmental sources?

How much resource shifting could occur if existing or new partnerships are leveraged?

What are entrepreneurs' contributions to financing public health systems?

How are state and local health departments presently addressing financial shortfalls?

PHSSR Questions Generated

Public Health Financing Mechanisms/ Workforce

Given ubiquitous financial shortfalls, how should chief health officers make decisions on what to cut between relatively comparable programs?

What models or opportunities exist for interaction and collaboration between federally qualified health centers (FQHCs) and local health departments?

How could financial core knowledge be incorporated into public health workforce development activities?

PHSSR Questions Generated

Effects of Shirting Laws and Policies on Public Health Services and Systems Financing

What factors in a state legislatures' determination of how to allocate funding to health departments?

What legal models currently exist or could be developed to promote public health funding that is sustainable and facilitates the necessary public health function?

How should value be measured? What methods are applicable? Do health departments have staff capabilities/capacity to use such methods?

Have state legislatures addressed financing a systematic or ad hoc way? Does variation exist at state level as a function of centralization/decentralization?

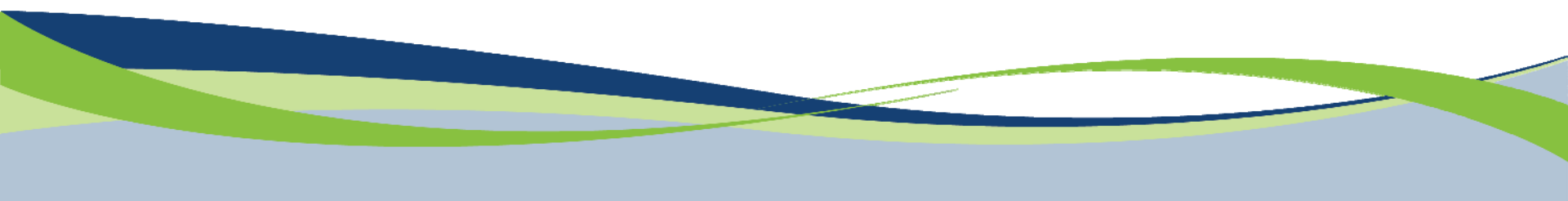
PHSSR Questions Generated

Fiscal Determinants of Public Health Systems Performance and Health Outcomes

What are useful short-term and intermediate outcomes to determine the adequacy of governmental public health systems financing and performance?

What are the inputs leading to such immediate and long-term outcomes?

Summary

- Limited financial data collected-survey fatigue, definitions
 - Lack of comparability-HCFMA Standards
 - Variation in state and local Service organization, services and financial methods
 - How do we value PH, process for allocative decisions politically, programmatically
 - What are the consequences of financial allocations and expenditures, does it make a difference
- 

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- 2007/2010 ASTHO Survey Questionnaire:
<http://astho.org/Research/Data-and-Analysis/>
- 2008/2010 NACCHO Survey Instrument:
<http://www.naccho.org/topics/infrastructure/profile/techdoc.cfm>

That's All Folks, Questions?



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