

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: June 2, 2009

**Action Agenda
Item No.** 4ff

SUBJECT: Resolution Opposing Section 10.26 of Senate Bill 202 – “Public Health Improvement Plan”

DEPARTMENT: Health

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

Resolution
Section 10.26 of Senate Bill 202

INFORMATION CONTACT:

Rosemary Summers, 245-2411

PURPOSE: To approve a Resolution Opposing Section 10.26 of Senate Bill 202, “Public Health Improvement Plan”, and forwarding the resolution to Orange County’s legislative delegation.

BACKGROUND: The North Carolina Senate’s Appropriation Act of 2009 (Senate Bill 202) contains a special provision (Section 10.26) to establish a Public Health Task Force to develop a Public Health Improvement Plan. The entire provision was added without input from local government officials or local and State public health professionals. The Public Health Improvement Plan includes the establishment of the flexible spending formula and the flexible spending account would be based upon funds already received by public health. The flexible spending account is equivalent to single stream funding which would disrupt the reallocation in funding streams and be unnecessarily stressful to an already fragile public health system, a system that is funded with too few dollars. State dollars directly provided to local public health amount to less than 5% of the total local expenditures. In addition the Plan is directed to redefine core public health services and directs the North Carolina Department of Health and Human Services (DHHS) on the distribution of funds beginning July 2010. The majority of funds currently allocated to local public health are federal block grant funds that carry federal restrictions on their use and require a certain level of state match to draw these funds into the state.

A comprehensive statewide Public Health Improvement Plan, updated in 2008 by a Task Force with broad representation from across the State, was reviewed and approved by the legislatively appointed Public Health Study Commission. In addition, in 2008, the NC Division of Public Health commissioned the NC Institute of Medicine to establish a 1-year Prevention Task Force. This group is charged with collecting and sanctioning evidence-based strategies to improve public health. An interim report has been published and the study concludes this fall.

The Senate has passed the budget bill and it is now in the House for consideration. This provision is being heard in the House Health Subcommittee. Representative Verla Insko is one of the co-chairs of the Health Subcommittee.

The North Carolina Association of County Commissioners (NCACC) staff have also expressed concern about this action as a further shift from state to local resources for public health.

The attached resolution opposes Section 10.26 of Senate Bill 202 and calls for input from local government officials and local public health professionals should any reform be proposed.

FINANCIAL IMPACT: There is no financial impact with adoption of this resolution. There may be significant financial impact should Section 10.26 of Senate Bill 202 be adopted.

RECOMMENDATION(S): The Manager recommends the Board approve the Resolution Opposing Section 10.26 of Senate Bill 202, authorize the Chair to sign the resolution, and direct the Clerk to the Board and the Health Director to draft a letter for the Chair's signature forwarding the resolution to Orange County's legislative delegation.



ORANGE COUNTY BOARD OF COMMISSIONERS
Resolution

Whereas, Section 10.26 of Senate Bill 202 contains a provision entitled “Public Health Improvement Plan”, and

Whereas, the Public Health Improvement Plan was proposed with no input from local government officials or local and State public health professionals, and

Whereas, the plan sets out an unreasonable timeline for such reform of the current public health system, and

Whereas, the plan calls for no additional public health funding, rather a redistribution of the existing, insufficient funds with no defined distribution formulas, and

Whereas, the plan calls for the creation of a Public Health Improvement Plan Task Force which is a duplication of the existing Public Health Task Force, and

Whereas, many North Carolina counties are in the process of rebuilding the Mental Health infrastructure requiring greater contributions of local funds, and

Whereas, Orange County can ill afford alteration of the public health infrastructure requiring greater local funding to provide core public health services;

Now Therefore Be It Resolved that the Orange County Board of Commissioners is opposed to Section 10.26 of Senate Bill 202 or any other budget provision entitled “Public Health Improvement Plan” and stands opposed to any efforts to reform public health absent appropriate planning and input from local government officials and local public health professionals.

Adopted, this 2nd day of June 2009.

ATTEST:

Valerie Foushee, Chair

Donna Baker, Clerk

Excerpt from Senate Bill 202

PUBLIC HEALTH IMPROVEMENT PLAN

SECTION 10.26.(a) The Department of Health and Human Services (DHHS) shall develop a five-year Public Health Improvement Plan (Plan) by March 31, 2010. In developing the Plan the Secretary shall:

- (1) Adopt a list of services and activities performed by local health departments that qualify as core public health functions of statewide significance.
- (2) Adopt a list of performance measures with the intent of improving health status indicators applicable to core public health functions of statewide significance that local health departments (LHDs) must provide.
- (3) Identify a set of health status indicators to be given priority by LHDs.

Under the Plan, all priorities and health status indicators must incorporate as an essential activity the disparity of diseases amongst populations and locales.

SECTION 10.26.(b) In order for measurable benefits to be realized through the implementation of the Plan, the Plan shall include the adoption of levels of performance necessary to promote:

- (1) Uniformity across local health departments,
- (2) Best evidence-based services,
- (3) National standards of performance,
- (4) Innovations in public health practice, and
- (5) Reduction of geographic and racial health disparities.

LHDs shall have the flexibility and opportunity to use the resources available to achieve the required performance measures in a manner that best suits the LHD.

SECTION 10.26.(c) The Plan will address the need to provide county health departments with financial incentives to encourage and increase local investment in public health functions. County governments shall not supplant existing local funding with State incentive resources. The Secretary may revise the list of activities and performance measures as appropriate, but before doing so, the Secretary shall provide a written explanation of the rationale for the addition, deletion, or revision.

SECTION 10.26.(d) In developing the Plan the Secretary shall establish and chair the Public Health Improvement Plan Task Force (Task Force), the members and expertise of which shall include:

- (1) Local health departments,
- (2) Department staff,
- (3) Individuals and entities with expertise in the development of performance measures, accountability, and systems management,
- (4) Experts in development of evidence-based medical guidelines or public health practice guidelines, and
- (5) Individuals and entities that will be affected by the performance measures.

SECTION 10.26.(e) The implementation schedule for the Plan shall be as follows:

- (1) July 1, 2009, establish the Task Force to develop the Plan,
- (2) March 31, 2010, submit the Plan to the 2010 Regular Session of the 2009 General Assembly,
- (3) July 1, 2010, implement the Plan, and
- (4) November 15, 2011, and annually thereafter, report on Plan implementation.

SECTION 10.26.(f) The Department will identify the programmatic activities and funding in the Division of Public Health associated with the core functions and activities in the Plan. Funds associated with these activities shall be subject to a flexible spending formula adopted by the Department, as follows:

- (1) Beginning in SFY 2010-2011, the flexible spending formula will begin to replace the current spending with a more effective method of funding public health activities at the local level and achieving the results expected.
- (2) The Task Force shall identify a reliable and consistent source of State revenue to fund the flexible spending formula.
- (3) If sufficient additional revenue is available to implement the Plan, a separate set-aside of available funds would be created. This set-aside would be available to contiguous LHDs that seek to address a specific women's health, child health, or adult health disease or chronic condition, and in doing so, choose to merge into a single Local Health District, thus saving administrative dollars to be focused on public health issues.

SECTION 10.26.(g) Funds appropriated to the Department for flexible spending shall be distributed to county health departments as follows:

- (1) Each of the county health departments will receive a base amount to be determined by the DHHS.
- (2) The balance of funds in the Flexible Spending Account is to be distributed to the counties on the basis of a formula that takes into consideration the following elements:
 - a. Population,
 - b. Per capita income,
 - c. Rates of:
 1. Infant mortality,
 2. Teenage pregnancy,
 3. Tobacco use,
 4. Cancer,
 5. Heart disease,
 6. Diabetes, and
 7. Stroke.
 - d. Percent of minorities in the county,
 - e. Body Mass Index (BMI) of public school students, and
 - f. Other factors as the Secretary may find necessary to achieve the goals of the Plan.
- (3) The use of the funds by the LHD would reflect the core public health functions. It will be incumbent upon the LHD to use the funds in a manner

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that assures its achievement of the performance measures adopted by the Secretary.

SECTION 10.26.(h) To ensure compliance with Department directives, the Task Force shall consider requiring each county health department to submit to the Secretary such data as the Secretary determines is necessary to allow the Secretary to assess whether the county health department has used the funds in a manner consistent with achieving the performance measures associated with this Plan.

SECTION 10.26.(i) Beginning November 15, 2011, and biannually thereafter, the Secretary shall report to the Governor and the General Assembly on:

- (1) The distribution of funds to LHDs,
- (2) The use of these funds by LHDs,
- (3) The specific effect the funding from this Plan has had on:
 - a. LHDs' performance,
 - b. Health status indicators, and
 - c. Health disparities.

The Secretary's initial report will focus on implementation. Subsequent reports will evaluate trends in performance and expenditures.