

Report to the Legislature

Rebuilding and  
Transforming  
Washington's  
Public Health  
System:  
Preliminary Report

December 2017

2017 Budget Proviso



Prepared by:  
Office of the Secretary  
Foundational Public Health Services



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For more information or additional copies of this report:

Washington State Department of Health

Office of the Secretary

P.O. Box 47890

Olympia, WA 98504-7890

Phone 360.236-4063

Email: [Marie.Flake@doh.wa.gov](mailto:Marie.Flake@doh.wa.gov)

## **Report Authors**

Marie Flake, Office of the Secretary, Washington State Department of Health

Allene Mares, Office of the Secretary, Washington State Department of Health



John Wiesman, DrPH

Secretary of Health

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# Executive Summary

**A responsive and viable governmental public health system is essential for healthy and economically vital communities across Washington.**

Over the last decade, the governmental public health system has eroded and is now in crisis. Demands for services have largely outstripped the capacity to respond. There is no guarantee that public health agencies across the state can respond to current and future threats and provide the services the public relies on, such as safe drinking water and communicable disease control. This places our communities at an unacceptable risk.

**↑ Demand + ↓ Funding = CRISIS**

This is an update on the work underway to rebuild and transform the public health system in Washington State by fully funding and implementing the Foundational Public Health Services (FPHS) framework. FPHS are a defined, basic set of capabilities and programs that must be present in every community in order to efficiently and effectively protect all people in Washington.

## **Progress:**

- With the 2017-19 one-time initial investment from the legislature, funding is being used to begin to implement FPHS across the system; provide capacity for health impact reviews at the State Board of Health; and to shore up communicable disease prevention and control efforts at the Department of Health, in all 35 local health jurisdictions (LHJs) and through three shared service demonstration projects. See [Appendix B](#) for the LHJ investments.
- An assessment of the public health system was launched in November to describe current capacity, capabilities and funding and to provide information for future structure and funding recommendations.
- Public health leaders and others partners continue to work together and are transforming the public health system to better meet the demands of the 21<sup>st</sup> century.

## **Recommendations:**

- Fully implementing FPHS across the state will require a phased, multi-year effort. It is important that the one-time initial investment provided by the state legislature for 2017-19 continue in future biennia and be built upon.
- Local investments need to be incentivized, including options to raise revenues, so local priorities can be addressed.

The one-time biennial funding from the state legislature is an initial investment to help rebuild and transform the public health system. But more is needed from the legislature to protect our residents and communities from current and future public health threats.

# Main Section

## Purpose

This is a status report on the important work underway to transform Washington's Public Health System.

The public health system described in this report applies to the Washington State Department of Health (DOH), the State Board of Health (SBOH) and the 35 local health jurisdictions (LHJs).

The overall public health system is much larger and includes Tribal Nations, other government organizations, and partners, such as healthcare systems and community-based organizations. All of these partners are needed to move the needle on important health problems.

A public health system steering committee (SC) guides this work. Members of the SC include the Secretary of Health, other DOH leaders, the Executive Director of the State Board of Health and the Washington Association of Counties (WSAC), and representatives from the Washington Association of Public Health Officials (WSALPHO) ([Appendix A](#)).

## Background

### **Problem:**

Over the last century, Washington's public health system has been effective in preventing illness and premature death and increasing the length and quality of life for our residents. The role of public health is to interrupt the transmission of diseases and to protect the public's health.

Without adequate resources, the ability to respond quickly is compromised. This allows disease to spread to more people and across communities. This results in unnecessary suffering and lost productivity and weakens the vitality of our communities.

When there is capacity, the public health system has a proven track record. Great progress has been made in reducing HIV infections and the possibility of ending AIDS is in view.

But the capacity isn't there to prevent or respond to many disease threats. The public health system is now in crisis and that jeopardizes the health and safety of people in Washington.

### **Why is there a crisis?**

**The nature of preventable disease has changed.** Washingtonians are at increased risk from new diseases and conditions, such as Zika and opioid misuse. Other diseases, such as tuberculosis, measles, mumps, syphilis and gonorrhea are increasing across the country and in parts of our state. On top of this, there are stark inequities in health status and life expectancy in communities due to income, race, ethnicity and geography that could be reduced by taking collective action with key partners.

**The demand for public health services has never been greater.** Public health workers have been deployed to respond to natural disasters, such as fires and floods. At the same time, public health is responding to communicable disease threats, such as pertussis, mumps, *E. coli* and syphilis. Many public health leaders are also actively working with community partners to address the ongoing opioid epidemic.

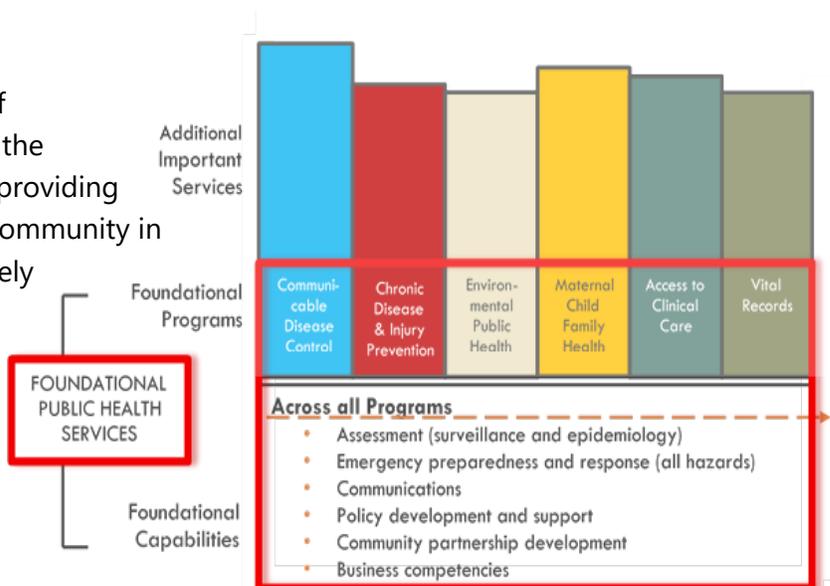
**Funding for core public health services has been eroding over the past decade.** State and county budgets have been impacted by the Great Recession and tax-limiting measures. There is wide variability of funding and services across the state, leaving many of our communities vulnerable to sickness and disease.

**↑ Demand + ↓ Funding = CRISIS**

**What must the state legislature, local government, boards of health, and public health leaders do?**

1. Adopt a limited statewide set of core public health services, called Foundational Public Health Services (FPHS).

FPHS are a defined, basic set of capabilities and programs that the government is responsible for providing and must be present in every community in order to efficiently and effectively protect all people in Washington.



2. Fund FPHS primarily through state funds and fees that are predictable, sustainable and responsive to changes in both demand and cost.

3. Provide and use local revenue-generating options to address local public health priorities.
4. Deliver FPHS in ways that maximize efficiency and effectiveness and are standardized, measured, tracked and evaluated.

### The Vision for This Work

A responsive and viable governmental public health system is **essential** for healthy and economically vital communities across Washington.

## 2017-18 Investment Plan

The 2017-19 Omnibus Operating Budget allocated an initial one-time investment of \$12 million in biennial funding for FPHS.

From the budget proviso:

- One-time funding is provided to the Department of Health (DOH) to support local health jurisdictions (LHJs) to improve their ability to address communicable disease monitoring and prevention and chronic disease and injury prevention. DOH and representatives of LHJs are to work together to arrive at a mutually acceptable allocation and distribution of funds and to determine the best accountability measures to ensure efficient and effective use of funds.
- In addition, one-time funding is provided to DOH as part of FPHS, to implement strategies to control the spread of communicable diseases and other health threats. DOH must also develop a statewide government public health plan by Nov. 30, 2018.

This is a vital one-time initial investment in the transformation process.

As a first step, this funding will be invested in communicable disease prevention and control. This includes surveillance, outbreak investigations, identify and controlling the cause(s), prevention, follow-up and education.

Why invest in communicable disease prevention and control? Communicable diseases, from tuberculosis to measles, present a serious threat to our communities. A lack of investment in prevention and control will result in an increase in preventable diseases that impact families, schools, employers and the healthcare delivery system.

Investments at the state and local level in capabilities such as lab capacity, technology and trained staff are needed.

**Table 1: Initial Investment (\$12 million / biennium) Summary**

Public Health System	Proviso	Allocation	Purpose
LHJs	\$10 M	\$9.0 M	Divided among the 35 LHJs to improve communicable disease response
		\$1.0 M	Divided among 3 shared service projects
DOH / SBOH	\$2 M	\$1.6 M	\$0.6M as match to draw down additional federal funding to help support data system consolidation and modernization (~2.5 FTE)
			\$0.9M to support existing microbiology lab staff to maintain current levels of services and to support increase demand for radiation testing (~2.5 FTE)
		\$0.3 M	To support ongoing public health transformation efforts, including a statewide FPHS assessment
		\$0.1 M	To increase capacity at the SBOH to conduct health impact reviews (~0.6 FTE)
TOTAL	\$12 M	\$12.0 M	

**LHJ Investments**

\$10 million was allocated to LHJs. Of that, \$9 million (90%) has been distributed to all 35 LHJs, as follows ([Appendix B](#)):

- Each LHJ received baseline funding of \$42,000.
- LHJs with a population greater than 75,000 received the baseline amount and additional funding based on population.
- Allocations ranged from \$42,000 to Garfield County (population 2,247) and \$1,193,608 to Public Health Seattle & King County (population 2,149,970)
- Each LHJ developed a work plan that describes how the funding will be used in their jurisdiction.

The remaining \$1 million (10%) is being invested in three shared services projects that will test new service delivery models for increased effectiveness and efficiency across the system. These projects were selected through a competitive process. Projects include providing:

- Tuberculosis prevention and control expertise, technical assistance, coordination and a response team to all LHJs, statewide. LHJ Lead: Public Health – Seattle & King County.
- Epidemiology and community health assessment expertise to multiple LHJs in Eastern Washington. LHJ Lead: Spokane Regional Health District.

- Expertise and technical assistance to LHJs in making timely information available to health care providers in their communities. LHJ Lead: Tacoma-Pierce County Health Department.

### **DOH Investments**

\$2 million was allocated to DOH to support statewide efforts for communicable disease prevention and control and ongoing system transformation:

- \$1,525,838 (77%) to fill gaps in the State Public Health Lab and to support data system consolidation and modernization
- \$329,912 (16%) to fund ongoing public health transformation efforts, including a statewide FPHS assessment

### **SBOH Investments**

- \$144,250 (7%) to the SBOH to increase capacity for conducting health impact reviews.

## **Overall Investment Impact Measures**

These investments are being tracked using the State Auditor’s Office chart of accounts called [\*Budget, Accounting and Reporting System \(BARS\)\*](#) and DOH accounting system. Impact of the investments are being measured in the following areas:

1. Childhood immunization rates – one of the most effective and efficient way to prevent disease.
2. Hepatitis C case reporting and follow-up and partner notification for people who may have been exposed to sexually transmitted disease – to reduce long-term and costly impacts of these conditions and prevent the spread of disease to others.

## **Vital Work in the Proviso Not Funded**

The budget proviso called for local investments in communicable disease, chronic disease and injury prevention. Current funding isn’t sufficient to tackle many of these important issues. So LHJs and DOH will focus on the most effective and important aspects of our communicable disease work—promoting immunizations and monitoring and responding to diseases to interrupt transmission. Other important communicable disease work, including disease prevention, and chronic disease and injury prevention weren’t funded.

Four shared services projects also weren’t funded in the 2017-19 operating budget. These were proposals for:

- Immunization promotion.
- Shared epidemiology services focusing on communicable disease control and working with healthcare providers.
- Enhanced epidemiology services with a focus on communicable diseases and opioids.

- Increased business capacity in multiple counties.

The proviso also directed DOH to implement strategies to control communicable diseases and other health threats, along with other investments. With the available funding, DOH prioritized partial investments in the state public health laboratory microbiology and radiologic testing capacity and statewide data systems. However, funding isn't sufficient to:

- Address health inequities.
- Report on root causes of Adverse Events at healthcare facilities.
- Prevent adverse health consequences of hepatitis C.

The SBOH was able to partially fund the staff needed to complete health impact reviews.

## Up Next

In addition to the important work underway, the public health system has two other important initiatives:

### **Foundational Public Health Services (FPHS) Assessment**

- An assessment of the public health system to describe current capacity, capability and funding launched in November.
- The final results of the assessment will be available summer 2018.
- This information will help inform future structure and funding recommendations.

### **Ongoing work to transform the public health system**

- Further define FPHS.
- Implement and evaluate the shared services projects.
- Using information from the assessment, complete a governmental public health plan with options to improve the structure and funding.

## Recommendations

The Steering Committee is making these recommendations to the legislature:

1. Fully implementing FPHS across the state will require a phased, multi-year effort. It is important that the one-time initial investment provided by the state legislature for 2017-19 continue in future biennia and be built upon.
2. Promote continued local investment in the public health system and consider opportunities to incentivize funding of community priorities by local government and partners, including options to raise revenue.

# Challenges Remain

## Local Funding

In Washington, funding public health is a shared responsibility of state and local government. State and local funds are used for basic infrastructure of the system (facilities, fiscal services, information technology, communications, etc.), and core public health services that are not covered by categorical grants.

A transformed public health system includes clear roles for state funding of FPHS and local funding for community priorities, or Additional Important Services (AIS).

However, by voter initiative and then passed into law by the Washington State Legislature, county property tax levies can only increase by 1% per year, plus revenue from new construction. This cap on revenue has resulted in the cost of maintaining services far outpacing income. At best, for calendar year 2018, the majority of LHJs anticipate receiving level funding from local government, while labor and other costs continue to rise. Some anticipate reduced funding from local government.

## Capital Budget:

The capital budget provides critical infrastructure funding for drinking water systems and the state public health laboratory. This funding is essential for keeping communities safe.

## Federal Funding Uncertainty

The federal budget hasn't been approved for the upcoming federal fiscal year. As of now, there is no confirmation that federal funding will be continued at current levels. This funding is critical and supports 22% of the local public health system and 49% of DOH. This funding is used for programs such as emergency preparedness, maternal child health and family planning.

## Disease Unpredictability

Flu season is now underway in Washington. The severity of this year's influenza is difficult to predict. Flu not only impacts individuals, but it can also impact schools, employers and healthcare facilities. And there may be another outbreak or epidemic on the horizon.

Washington needs a public health system with the capacity to respond to these threats and provide the healthcare system, schools, businesses and communities the expert assistance they expect and rely on.

## Conclusion

Washington's public health system continues to be at a critical juncture. Demands for services have largely outstripped the capacity to respond. This places our communities at an unacceptable risk.

 **↑ Demand + ↓ Funding = CRISIS**

Public health leaders are working together to stabilize and transform the public health system, including implementing shared services.

The one-time biennial funding from the state legislature is an important initial investment to help rebuild capacity in the public health system. But more is needed from the state legislature to protect our residents and communities from current and future public health threats.

## Appendices

A. Steering Committee Roster

B. Local FPHS Investments

## Appendix A:

### Steering Committee Members

**Co-Chair: John Wiesman**, Secretary of Health, Washington State

**Co-Chair: Dorene Hersh**, Past President, Washington Association of Local Public Health Officials (WSALPHO)

**Chris Bischoff**, Director, Wahkiakum County

**Jaime Boddin**, Managing Director, WSALPHO

**Drew Bouton**, Policy and Legislative Director, Washington State Department of Health (DOH)

**Michelle Davis**, Executive Director, Washington State Board of Health

**Amy Ferris**, Chief Financial Officer, DOH

**Marie Flake**, Special Projects, DOH

**Andre Fresco**, Director, Yakima County Health District

**Patty Hayes**, Director, Public Health – Seattle & King County

**Eric Johnson**, Executive Director, Washington State Association of Counties

**Jeff Ketchel**, Administrator, Snohomish County Health District

**Scott Lindquist**, State Epidemiologist, Communicable Diseases, DOH

**Allene Mares**, Special Assistant, DOH

**David Windom**, Director, Community Services for Mason County

**Dennis Worsham**, Prevention Division Manager, Public Health – Seattle & King County

### Project Management Team

**Chris Bischoff**, President, WSALPHO

**Jaime Boddin**, Liaison, WSALPHO

**Marie Flake**, DOH

**Patty Hayes**, Public Health – Seattle & King County

**Allene Mares**, DOH

## Appendix B:

### Foundational Public Health Services Allocations to Local Health Jurisdictions.

#### **Background:**

In the 2017-2019 State Biennial Budget, the legislature appropriated \$12 million of one-time funding to the public health system for Foundational Public Health Services (FPHS). \$10 million of this allocation directed toward local health jurisdictions (LHJs) to improve local ability to address communicable disease monitoring and prevention. DOH and WSALPHO were tasked to work together on a mutually acceptable allocation and distribution of funds and accountability measures to ensure efficient and effective use of funds.

The Steering Committee (SC) is made up of representatives from DOH, WSALPHO leadership, LHJs, and the State Board of Health. The SC tasked WSALPHO to create a proposed FPHS funding allocation plan to LHJs that would be presented and approved by the Steering Committee and DOH. The following plan, *Table 1. FPHS annual allocation to LHJs*, was approved by the WSALPHO Board and the FPHS Steering Committee in August 2017.

#### **Criteria:**

In developing a funding plan, there were a few concerns and “musts” that informed the process:

- LHJs be allocated a meaningful amount so the very smallest LHJs would be allocated a funding amount with which they could realistically address FPHS gaps identified as most critical for their individual jurisdiction.
- Funding allocation respect differences in population among LHJs. Washington State is made up of a very wide range in population among counties. WSALPHO felt it was important to respect this by allocating more to larger LHJs.
- Shared Services must be funded.

#### **Allocation Description and Funding:**

The WSALPHO Board voted to set aside some of the FPHS funding each year to specifically fund shared service demonstration projects. These projects, totaling \$1 million (\$500,000 each year) are not included in this funding plan and will be funded through a separate application. The total funding remaining for allocation to LHJs is \$9,000,000 million or \$4,500,000 each year.

A base allocation of \$42,000 was determined. All LHJs would be given this amount. For LHJs with a population over 75,000, a “Base PLUS” formula was created to determine allocation of the remaining funds. The formula used for this Base PLUS used a per capita factor multiplied with the total population (minus 75,000 Base). Total allocation for LHJs = Base + Base PLUS, bringing the total FPHS annual allocation to LHJs to \$4,497,559.

<b>Local Health Jurisdiction</b>	<b>Population, 2016 est.</b>	<b>Base Allocation</b>	<b>Base PLUS</b>	<b>Total Annual Allocation</b>
Garfield	2247	\$42,000	\$0	\$42,000
Columbia	3938	\$42,000	\$0	\$42,000
Wahkiakum	4139	\$42,000	\$0	\$42,000
Lincoln	10,350	\$42,000	\$0	\$42,000
Skamania	11,510	\$42,000	\$0	\$42,000
San Juan	16,339	\$42,000	\$0	\$42,000
Adams	19,238	\$42,000	\$0	\$42,000
Pacific	21,249	\$42,000	\$0	\$42,000
Klickitat	21,301	\$42,000	\$0	\$42,000
Asotin	22,306	\$42,000	\$0	\$42,000
Jefferson	31,139	\$42,000	\$0	\$42,000
Okanogan	41,554	\$42,000	\$0	\$42,000
Kittitas	44,866	\$42,000	\$0	\$42,000
Whitman	48,851	\$42,000	\$0	\$42,000
Walla Walla	60,340	\$42,000	\$0	\$42,000
Mason	62,198	\$42,000	\$0	\$42,000
NE Tri-County	65,528	\$42,000	\$0	\$42,000
Grays Harbor	71,628	\$42,000	\$0	\$42,000
Clallam	74,570	\$42,000	\$0	\$42,000
Lewis	77,066	\$42,000	\$1,147	\$43,147
Island	82,636	\$42,000	\$4,238	\$46,238
Grant	93,546	\$42,000	\$10,293	\$52,293
Cowlitz	105,160	\$42,000	\$16,739	\$58,739
Chelan Douglas	117,665	\$42,000	\$23,679	\$65,679
Skagit	123,681	\$42,000	\$27,018	\$69,018
Whatcom	216,800	\$42,000	\$78,699	\$120,699
Yakima	249,636	\$42,000	\$96,923	\$138,923
Kitsap	264,811	\$42,000	\$105,345	\$147,345
Thurston	275,222	\$42,000	\$111,123	\$153,123
Benton Franklin	283,846	\$42,000	\$115,910	\$157,910
Clark	467,018	\$42,000	\$217,570	\$259,570
Spokane	499,072	\$42,000	\$235,360	\$277,360
Snohomish	787,620	\$42,000	\$395,504	\$437,504
Tacoma-Pierce	861,312	\$42,000	\$436,403	\$478,403
Seattle-King	2,149,970	\$42,000	\$1,151,608	\$1,193,608
<b>TOTAL</b>	<b>7,288,352</b>	<b>\$1,470,000</b>	<b>\$3,027,559</b>	<b>\$4,497,559</b>

