Ohio | Department of Health

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Governor DeWine's Executive Budget Proposal: FY22- FY23
Stephanie McCloud, Director
House Finance Subcommittee on Health and Human Services
March 3, 2021

Chairman Roemer, Ranking Member West, and members of the subcommittee, thank you for the opportunity to share the public health priorities and funding requests in Governor Mike DeWine's proposed executive budget. I am Stephanie McCloud, Director of the Ohio Department of Health (ODH) and am pleased to submit ODH's FY22-23 biennial budget request.

The health of Ohioans and the health of our state's economy are unquestionably connected. The COVID-19 pandemic has shown us directly how physical health, mental health, accessibility to wellness services, and healthcare inequities in our communities affect an individual's ability to participate in the marketplace. Healthy people lead to renewed communities and a thriving economy. Our economy cannot rebound without healthy individuals.

ODH's request totals approximately $1.205 billion in FY22 and $888 million in FY23 to continue advancing public health in Ohio. This consists of an increase in General Revenue Funds (GRF) from $113.7 million in FY21 to $143.4 million in FY22 and $126.7 million in FY23. These resources will be used to fund the following initiatives: expand home visiting services for young families; reduce infant mortality; protect children from lead poisoning; combat drug use and overdoses; address social determinants of health and improve health equity; improve population health through locally led efforts; and ensure the safety of residents in nursing homes and patients in healthcare facilities.

Federal funding, which makes up more than 70% of ODH's FY21 budget, will decline from $992.8 million in FY21 to $791.6 million in FY22, and $591.6 million in FY23. This is due to an expected reduction in needed federal funding as we bring the COVID-19 pandemic under control.

As we look to the future, Governor DeWine remains dedicated to vigorously continuing our COVID-19 response, vaccination operation, and recovery efforts while also maintaining the pre-pandemic priorities of modernizing our public health system, protecting our most vulnerable, ensuring everyone has an opportunity to succeed, and addressing head-on the harmful social conditions that throw roadblocks in front of too many Ohioans. These budget requests align with those goals.

Investing in Children
All children deserve a strong foundation for a healthy future, a foundation that will foster future meaningful contributions to Ohio communities. To achieve this vision, the ODH budget invests in several initiatives, including those highlighted below.

Expanding Home Visiting — ODH has continued to make great strides in efforts to reach more families through home visiting, which provides access to in-home guidance on caring for babies and young children. Home visiting is proven to reduce infant mortality and promote child development and school readiness. ODH's evidence-based Help Me Grow program provides one-on-one parenting support to expectant families or new parents to build confidence and knowledge and to ensure successful connections with clinical and community resources.

Help Me Grow expects to serve 8,282 families in FY21, an increase of 1,827 families compared with FY19. In addition, families that exited the program in FY20 received services, on average, for 28 days longer and received three more home visits than families that exited in the previous year. This fiscal year, new services began in five counties (Champaign, Lawrence, Logan, Preble, and Seneca counties), bringing the total number of counties receiving services to 86. Delaware and Union counties are on track to be included in the program before the end of this fiscal year.

In this budget, we are asking for an additional $1.95 million each fiscal year for a total investment of $41.2 million in both FY22 and FY23. This additional funding will allow ODH to serve approximately 500 more families over the biennium.

We are also requesting language to increase maximum age eligibility from 3 to 5 years for children of families participating in home visiting. This increase will allow providers to continue to work with families to promote positive child growth and development and prepare children for kindergarten entry.

Reducing Infant Mortality —Black babies are nearly three times as likely as white babies to die before their first birthdays in Ohio. Alongside Help Me Grow, current infant mortality efforts include crib distribution, neighborhood navigators who visit families and connect them with needed services, group prenatal care, and several research activities.

Table 1: Ohio Infant Mortality by Race and Ethnicity (2015-2019)

	2015		2016		2017		2018		2019	
	Infant Deaths	IMR*	Infant Deaths	IMR*	Infant Deaths	IMR*	Infant Deaths	IMR*	Infant Deaths	IMR*
All Races**	1,005	7.2	1023	7.4	982	7.2	938	6.9	929	6.9
Race										
White	580	5.5	609	5.8	550	5.3	553	5.4	518	5.1
Black	367	15.1	369	15.2	384	15.6	339	13.9	356	14.3
American Indian	2	‡	2	‡	0	‡	2	‡	3	‡
Asian/Pacific Islander	16	3.7^	18	3.8^	20	4.2	18	3.8^	21	4.4
Ethnicity										
Hispanic	42	6.0	54	7.3	54	7.2	45	6.1	45	5.8
Non-Hispanic***	963	7.3	969	7.4	927	7.2	893	7.0	883	7.0

Data Source: Resident Birth and Mortality Files from the Ohio Department of Health Bureau of Vital Statistics.
**Infant mortality rate per 1,000 live births.*
***The total for all races includes deaths of unknown race.*
****Non-Hispanic deaths include those of unknown or missing ethnicity.*
‡ Rates based on fewer than 10 infant deaths do not meet standards of reliability or precision and are suppressed.
^ Rates based on fewer than 20 infant deaths should be interpreted with caution.

Since July 2019, the Ohio Equity Institute (OEI), focused in the nine counties with the highest Black infant mortality rates, connected 5,000 women to services and other needs, such as cribs, housing, food, prenatal care, and transportation. OEI implements "upstream strategies" that address the causes of infant mortality. All nine communities are actively working to eliminate barriers through a range of initiatives, from addressing implicit bias within the health care system to improving transportation options for pregnant women in Cuyahoga County.

To continue the important work of protecting Ohio's newborns, ODH is requesting $5.5 million in GRF over the biennium. Of this amount, $5 million would be used for the Governor's Office of Children's Initiatives to support programming by community and local faith-based service providers to invest in maternal health programs. The remaining $500,000 would be used in consultation with the Department of Medicaid to develop a universal needs assessment to identify and provide needed health and wrap-around services for vulnerable women.

Eradicating Childhood Lead Poisoning — Lead is a serious environmental public health threat. There is no safe level of lead in the body. Even small amounts of lead poisoning can cause learning and behavior problems, such as lower IQ levels, attention disorders, delayed growth, and impaired hearing, with deficiencies possibly lasting a lifetime. It is most harmful to children younger than 6, and exposure most often happens through the ingestion or inhalation of lead-containing materials, such as lead paint chips or dust found in many homes built before 1978. Lead poisoning shows no early signs, which makes early diagnosis and treatment difficult.

The primary goals of ODH's Lead Poisoning Prevention Program are to help families, medical care providers, and communities reduce and prevent lead poisoning.

The program addresses the needs of lead-poisoned children from birth through age 6, recognizing that children younger than age 3 are at greatest risk for lead poisoning. The program is largely supported by federal grants (for example, grants from the U.S. Department of Housing and Urban Development) and state GRF dollars.

Since the last budget cycle, ODH provided lead abatement to properties owned by low-income and middle-class families; created a workforce development program to provide free training, licensing, and testing fees for abatement workers and contractors; demolished lead containing properties posing a hazard to communities; and strengthened enforcement of lead hazard control orders. ODH, in partnership with the Ohio Environmental Protection Agency (Ohio EPA) and the Ohio Department of Job and Family Services (ODJFS), launched a lead-in-water testing program in childcare facilities funded by the U.S. EPA. Further, a Lead Abatement Tax Credit program was implemented to assist owner occupants with the costs of lead hazard identification and abatement, and the Lead Safe Rental Registry was enhanced to better serve families who are seeking lead safe rental housing.

In this budget, we are requesting increased GRF funding of $7.15 million per year to continue and advance the lead hazard control programs that make Ohio's homes and communities lead-safe for our children. The Ohio Department of Health will implement recommendations of the Governor's Lead Advisory Committee, such as increased primary prevention efforts, outreach, and education, to allow potentially at-risk children to achieve a brighter, healthier future.

FY 22-23 budget proposals include:

- Expanding statewide the Lead-Safe Housing Fund to provide lead abatement grants or contracts to Ohio communities to improve housing stock and promote revitalized, renewed communities.
- Delegating the U.S. EPA Lead Renovation, Repair and Painting (RRP) program to the state.
    - The U. S. EPA has created a pathway for states to assume responsibility for administering RRP, which certifies and oversees contractors who perform renovation, repair, and painting work that could disturb lead-based paint. Based on a recommendation from the Governor's Lead Advisory Committee, the proposed language change would authorize ODH to administer and enforce RRP. Fourteen other states currently administer the RRP program. This change will provide better customer service to contractors through a more personalized, state-level response, preventing them from having to "get it line" with other states to receive federal assistance.
- Providing tiered lead enforcement authority to ODH.
    - Recommended by the Governor's Lead Advisory Committee, a proposed language change would allow regulation of lead abatement contractors through a tiered enforcement authority. Currently, ODH does not have the ability to issue monetary penalties or accept monetary settlements; the only available remedy is licensure suspensions or revocations. This limitation does not provide flexibility on enforcement in an industry with a small pool of licensees. The proposed change would allow for greater compliance incentives and reduce time between violation documentation and penalty enforcement, in turn protecting against future lead poisoning in homes. The goal is to keep the small pool of licensees working to reduce lead exposure.
- Supporting costs for conducting lead investigations in homes of children who have elevated blood levels but are not Medicaid eligible.
- ODH and the Ohio Department of Medicaid (ODM) have partnered to secure funding from the State Children's Health Insurance (SCHIP) program to help Medical eligible residents of Ohio address lead hazards in the home environment. This program is available in every county.
- Assisting childcare facilities replacing leaded fixtures or pipes ($250,000/year).
    - ODH is currently performing lead testing in childcare centers, beginning in Cincinnati and Cleveland. ODH does not currently have funding to help replace lead fixtures that are discovered. This budget funding will be used to replace these leaded fixtures and reduce water-based lead exposure.

Investing in Health Equity

To achieve health equity, all Ohioans must have what they need for wellness, regardless of who they are or where they live. This can only happen if we address the social and community factors that serve as barriers to achieving optimal health.

Addressing Social Determinants of Health — We must identify the social and community factors that impact health and address them in ways that ensure every Ohioan has access to resources and community conditions necessary to advance health and well-being. This $2 million funding

request will encourage local partnerships that seek to implement innovative programs and practices to support health improvements in at-risk populations. It will fund efforts to increase health literacy, ensuring health information is easy to obtain and understand for all Ohioans. It will also fund efforts to collect and analyze data across state agencies so resources can be devoted to communities where they will make the biggest impact. Further, it will be used to create conditions that support healthy lifestyle choices, through initiatives such as the expansion of green spaces in underserved communities or the reduction of food deserts in underserved communities.

Expanding Access to Care in Underserved Communities — This budget also expands access to care in underserved communities by investing in the Federally Qualified Health Center (FQHC) Primary Care Workforce Initiative. The budget invests approximately $2.7 million per year in the initiative that places additional providers in FQHCs, which serve vulnerable populations. It does this by providing students pursuing healthcare fields an opportunity to complete required clinical rotations, including training alongside professionals, in clinics recognized as patient-centered medical homes (a model in which patient treatment is coordinated through a primary care physician). The program is open to medical, dental, behavioral health, advanced practice nursing, and physician assistant students.

Investing in Recovery

Ohio's commitment to ending the addiction crisis continues through data collection and analysis, the distribution of naloxone overdose reversal medication across the state, and efforts to improve post-overdose care.

Our budget proposal includes $3.25 million for emergency department diversion and harm reduction efforts. Through Governor DeWine's RecoveryOhio Initiative, this funding will support the continuation of the Emergency Department Comprehensive Care initiative. This includes the creation of a comprehensive system of care for patients who present in emergency departments with addiction. In addition, RecoveryOhio will support local health providers' efforts to reduce accidental drug overdose rates and deaths.

During the current biennium, ODH significantly expanded access to naloxone, a life-saving overdose reversal drug, through local community-based Project DAWN (Deaths Avoided With Naloxone) programs and continued a sub-recipient program. Efforts are designed to reach Ohio's highest-risk populations in key settings, including homeless shelters, HIV/STI testing sites, jails, and courts. This is achieved through partnerships with emergency medical services (EMS) and law enforcement agencies to distribute leave-behind kits, as well as through street outreach and mail-order and mobile outreach programs. A minimum of 42,750 naloxone kits are expected to be distributed through this program by August 2021.

Investing in Public Health

Public health programs across the state must have the resources needed to build a dynamic, forward-thinking public health system that continually expands efforts to protect and improve the health of Ohioans in innovative ways.

Public Health Infrastructure Modernization — Modernizing the public health system will make Ohio better prepared to face future public health emergencies and will allow us to direct programs to the issues and communities that need them most. This will help improve Ohio's economy through a healthier, more productive population.

ODH is requesting much needed funding (approximately $10.8 million in GRF over the biennium) to provide support for local health department efforts to reform and reimagine the delivery of public health programs across our state. Of this amount, $6 million would fund improvements based on findings and recommendations in Ohio's 2020-2022 State Health Improvement Plan (SHIP), including addressing health issues created or exacerbated by the COVID-19 pandemic. It also would provide assistance for shared services, consolidations, and mergers.

The additional funding would be used to incentivize local health departments to pursue national accreditation as a commitment to quality and modernization.

ODH also is proposing a statutory change to allow two or more local health districts to put a combined health district levy on the ballot for operating expenses. This change will assist local health departments in achieving more effective and efficient cross-jurisdictional collaboration and in sharing expertise and programming. With this change, health jurisdictions would be considered similarly to libraries, county facilities and infrastructures, municipal universities, and other entities. The result would be improved health services to residents in affected communities.

Data Collection — Governor DeWine's executive budget includes a $25 million investment for enterprise informatics and data systems upgrades. With this investment, ODH will use data and technology to advance the health of every Ohioan. We will embed data-driven decision making into public health policy and elevate public health by improving the return on investment of technology. ODH will work with the Department of Administrative Services Office of Information Technology, and the InnovateOhio Platform to continue to improve our data quality and reporting – a need clearly evidenced by the COVID-19 pandemic.

Tobacco Cessation — Keeping Ohioans healthy and preventing disease are critical to creating a culture of wellness in our state and reducing healthcare costs.

This budget proposes to expand access to the Tobacco Use Prevention and Cessation program for all Ohioans. The program provides and promotes tobacco control activities that support the three primary objectives of: 1) decreasing the initiation of tobacco use, including e-cigarettes and vaping products; 2) increasing the number of Ohioans who quit tobacco; and 3) protecting Ohioans from exposure to secondhand smoke. Furthermore, the Ohio Department of Health's My Life, My Quit youth-centered cessation program seeks to educate Ohio youth on the risks of the vaping/e-cigarette epidemic.

Additional budget proposals include:

- Updating the Smoke Free Work Place (SFWP) law to include e-cigarettes. Smoke-free laws protect everyone's right to breathe clean air in most workplaces and public places and now cover much of the U.S. population. These laws have been a huge public health

success – improving health and saving healthcare dollars. They not only protect Americans from the thousands of chemicals in secondhand smoke; they also create an environment that discourages smoking among young people and encourages smokers to quit. Twenty states include e-cigarettes in their existing statewide smoke-free laws (AK, CA, CO, CT, DE, FL, HI, ME, MA, MN, NV, NJ, NM, NY, ND, OR, RI, SD, UT, and VT).

- Requiring that clerks be 18 or older to sell tobacco. Peers can be a key source of tobacco for minors. Underage clerks can feel pressured to sell tobacco to their friends or other acquaintances. Alongside Ohio's T21 law, raising the minimum clerk age will further reduce illegal sales to minors.
- Allowing, through statutory language, any pharmacist to issue FDA-approved forms of therapy for the treatment of nicotine dependence. The use of nicotine replacement therapy (NRT) and other FDA-approved cessation medications significantly increases the success rates of quitting nicotine. This change eliminates the need to visit a physician for a prescription and increases access to and coverage for tobacco cessation tools.
- Creation of a registry of retailers that sell e-cigarettes or vaping products. This would aid in compliance and enforcement. Currently, there is not a statewide list of such retailers, forcing regulators to rely on the 88 county auditors for this information.

Investing in Health and Safety

Finally, I would like to address four important initiatives aimed at addressing some of our most vulnerable populations – those who are hospitalized and those who are living in nursing homes or residential care facilities. Our efforts to protect them and ensure they receive quality care must be robust and effective.

Establishing Hospital Licensure — ODH proposes a new licensure program that will give the state a unique opportunity to create a regulatory culture of partnership, technical assistance, shared best practices, and proactive cooperation. Ohio is the only state in the nation that does not license hospitals. The new licensure framework will give the director of health the ability to work with hospital partners to set standards for quality and patient health, safety, and welfare. It also will contain enforcement provisions, including suspension or revocation of a license, fine authority, and injunctive relief if there is an immediate threat of harm to patients.

Protecting Ohioans Living in Nursing Homes and Residential Care Facilities — ODH is proposing a statutory change that will enable the department to swiftly intervene to protect and, if necessary, remove patients from a nursing facility (NF) if the health and safety of the patients is at immediate risk. The need for the change has been evidenced by a number of instances in which residents required assistance. One example of such a situation is a nursing home that lost heat during winter and was not able to maintain an acceptable cold-weather temperature when boilers stopped functioning. As the temperature dropped, the facility notified ODH that it would not transfer residents and that the problem would be corrected. The facility purchased small heating devices, which served ineffective and caused concern with local fire officials. With no emergency powers, ODH offered to purchase commercial heaters or to transfer residents to other facilities or hospitals for their safety (as part of using the facility's emergency transfer plan), but the offers were declined. Only a portion of residents were eventually transferred, at the urging of the local fire department. The facility's boilers were not repaired until the following day.

ODH is also proposing an additional $1 million per year in GRF funding to hire more surveyors (inspectors) to better ensure the safety of residents and others served by nursing homes and healthcare facilities around the state.

Extending Residential Care Facilities (RCF) Survey Intervals — Many of our state-licensed residential care facilities, which provide assisted living services, remain consistently compliant with requirements. To further encourage compliance, the department proposes extending the interval between surveys (inspections) for facilities that demonstrate an excellent compliance history. This would give inspectors more time to investigate serious complaints and allow resources to be directed to the most critical areas.

Currently, surveys are conducted every 15 months. Facilities that have received no citations during the previous annual survey and no substantiated intervening complaints would be afforded a 30-month survey interval. Implementing the expanded interval would allow facilities to devote less time to administrative survey tasks and more time to resident care.

Creating a Voluntary Nursing Home Bed Reduction Program — Prior to the COVID-19 pandemic, there was significant underutilization of licensed nursing home beds in areas across Ohio. The pandemic highlighted the difficulty of infection control, especially where multiple-occupancy patient rooms exist. The Department of Health, in collaboration with the Departments of Aging and Medicaid, will launch a Nursing Home Bed Reduction Program to allow nursing homes to voluntarily downsize beds, move to single-occupancy patient rooms, and remove costly excess unused beds. The proposal makes a one-time, total investment of up to $50 million and will correspondingly support the shift to community, non-institutional care. Combining these components will enable providers to rebalance their operations and focus on care for their existing populations, while also encouraging the development of additional community services.

In closing, these proposals demonstrate that ODH is dedicated to fulfilling its mission to advance the health and well-being of all Ohioans. This executive budget would allow us to build substantial momentum toward that mission during the FY22-23 biennium by vigorously protecting our state from the physical and economic threat of the COVID-19 pandemic, creating a model public health system that is increasingly impactful, and pledging to help every Ohioan achieve better health outcomes. I look forward to partnering with you in this critical work.

Thank you, Mr. Chairman and members of the committee for the opportunity to provide testimony today. I would be happy to answer any questions.