

Ohio House Finance Subcommittee on Health and Human Services
Governor DeWine's Executive Budget Proposal
 Fiscal Years 2024 and 2025

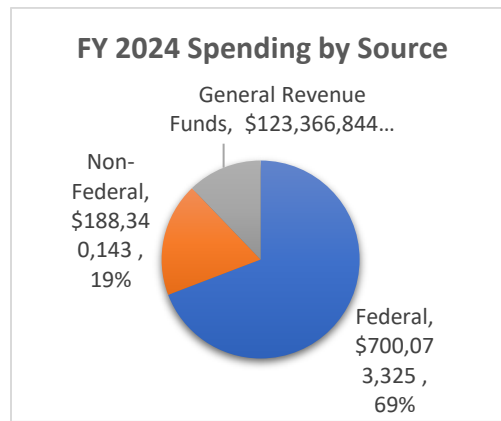
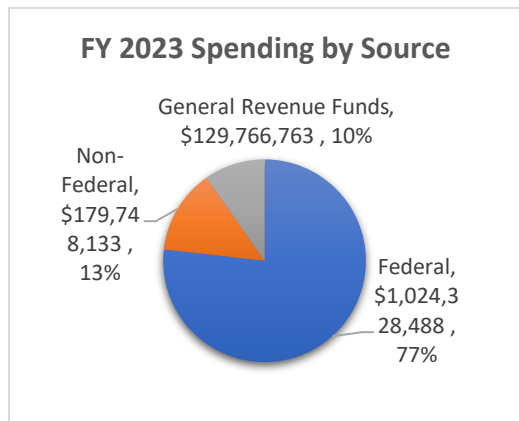
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 Ohio Department of Health
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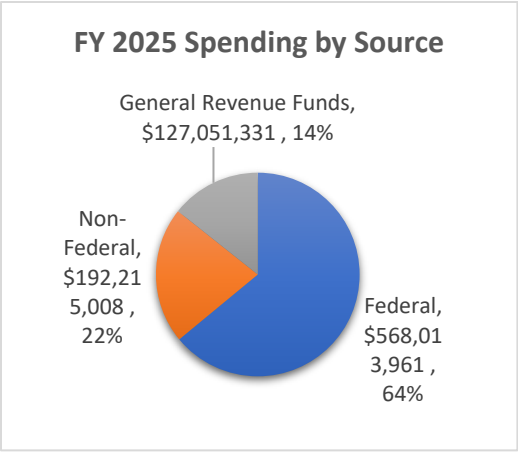
Chair Carruthers, Ranking Member Liston, and members of the House Finance Subcommittee on Health and Human Services, I am Dr. Bruce Vanderhoff and serve as the Director of the Ohio Department of Health (ODH). I am pleased to submit ODH's fiscal years (FY) 2024-2025 biennial budget request and share with you the public health priorities and funding requests in Governor Mike DeWine's proposed executive budget.

As the Governor said during his State of the State Address, now is the time to create a better quality of life for our citizens through healthy communities and a thriving economy. In this budget request, ODH is proposing to continue our support and in some cases expand on many of Gov. DeWine's priorities, including protecting the health of our children – our future – as well as focusing on our department's mission of advancing the health and well-being of all Ohioans.

ODH's budget request to advance public health totals \$1.01 billion in FY 2024 (a 24.1% decrease from FY 2023) and \$887 million in FY 2025 (a 12.3% decrease from FY 2024). This reflects a continued decline in COVID-related federal funds and also the fact that it excludes the budget requests for programs currently housed in our department that will be transferred to the Department of Children and Youth.

Federal funding, which is \$1.02 billion FY 2023 (or about 77% of ODH's 2023 budget) will decline to \$568 million in FY 2025. At the end of the biennium, federal funding will account for 64% of ODH's budget.





ODH’s General Revenue Fund requests are \$123.4 million for FY 2024 (a 4.9% decrease from FY 2023) and \$127.1 million for FY 2025 (a 3.0% increase from FY 2024).

These proposed GRF investments will strengthen our communities and bolster our economy, because healthy Ohioans will lead to a more prosperous Ohio.

Investing in Children and Families

As evidenced by Gov. DeWine’s recent announcement, the Executive-Proposed Budget creates a new state agency – the Department of Children and Youth -- that will be laser-focused on children, giving them the best opportunity to grow and thrive.

Bold Beginnings -- Protecting the health of moms and babies and reducing infant and maternal mortality is an integral part of the Governor’s Bold Beginnings strategy. Bold Beginnings requires an investment in consistent and high-quality care for all Ohioans. As the funding of the Bold Beginnings programs is moving to the Department of Children and Youth, ODH will work with the new department during this time of transition to ensure continuity of programming to Ohio’s families.

Ohio has seen its infant mortality rates improve in recent years, but the overall rate of 6.7 deaths per 1,000 live births remains higher than the national average of 5.4. A troubling fact is that the mortality rate for Black infants in Ohio is 13.5 – which is almost three times the rate for white infants at 5.1.

ODH has focused on expanding its evidence-based home-visiting models, where infant/caregiver pairs are matched with a trained professional home visitor who provides support, information, and resources. These programs -- Healthy Families America, Nurse Family Partnerships, Parents As Teachers, and Moms and Babies First, are collectively called Help Me Grow. We have expanded these into all 88 counties, and they now support nearly 10,000 families.

And it is making a difference. Recent data showed much lower infant mortality rates among families who enrolled in Ohio’s Help Me Grow program. Those enrolled in Help Me Grow had a rate of 3.9 deaths per 1,000, less than the state rate overall.

Other proposed initiatives to help improve birth outcomes – all following successful evidence-based models -- include the following:

- Expand safe-sleep education through the Cribs for Kids program, which offers families a safe sleep kit that includes a portable crib (also known as a pack-and-play) and education about how to safely sleep their babies. As reported through the Ohio Pregnancy Risk Assessment Survey, since the Cribs for Kids program has been implemented, families in Ohio report practicing the ABCs of safe sleep (babies sleep **A**lone, on their **B**acks and in a **C**rib) more regularly. Our program increased the number of cribs and safe sleep kits from 5,379 in FY21 to 7,355 in FY22. Seven new counties were added in FY 23, bringing the total number of counties to 73. In 2021, 74% of white sleep-related deaths and 81% of Black sleep-related deaths were on an unsafe sleep surface. Expanding this program will save lives.
- Increase from six to 12 the number of counties that provide peer-to-peer programs to help pregnant and post-partum women deal with mental health or addiction issues. According to the draft Report on Pregnancy-Related Deaths in Ohio, half of all pregnancy-related deaths from 2017-2018 were due to mental health conditions and injuries. Maternal mental health disorders impact almost one in five women. Yet most of them never receive a diagnosis or treatment and support. Certified peer support provided by trained peer specialists is a proven model for addressing mental health conditions.
- ODH, in partnership with the Governor's Office of Children's Initiatives, has funded 44 community- and faith-based organizations to improve support to pregnant women and newly parenting families. Local organizations are best positioned to identify the gaps and needs of families in their community. ODH has supported local organizations, which are trusted partners of Ohio's pregnant women and new families, with flexible funds to design and implement effective strategies to improve birth outcomes and infant mortality rates. Increased access to flexible, community-level funding as a strategy to address infant and maternal outcomes has been recommended by the Ohio Council to Advance Maternal Health (OH-CAMH) strategic plan and Governor DeWine's Eliminating Disparities in Infant Mortality Task Force.

These focused efforts will increase services in the 10 counties/communities that accounted for 84% of Ohio's Black infant deaths and 62% of all infant deaths in 2020.

Ohio's mothers and babies also face another rising threat to their health, and that is congenital syphilis (CS). This is a disease that occurs when a mother with syphilis passes the infection onto her baby during pregnancy. Over the past four years, the rate of congenital syphilis in Ohio has more than quadrupled, from 19 cases in 2018 to 93 in 2022. In 2022, there were 10 stillbirths in Ohio attributed to CS. The department is requesting \$2.3 million in new GRF money over the next two fiscal years (\$1.15 million in FY24 and \$1.18 million in FY25) to help fight this disease. Currently, the state has no funding to screen women for CS, as the state has reached its cap on federal Sexually Transmitted Disease grant funds that can be used for clinical purposes, and has no additional funding source. CS can be prevented if maternal syphilis is diagnosed and treated before delivery. The proposed GRF funding would allow the state to test an estimated

3,000 women who are or could become pregnant. This will almost certainly lead to prevention of congenital syphilis cases and save the lives of babies.

ODH is also requesting the following language changes:

- Updating the Infant Vitality Scorecard Revised Code section to be reported in real-time instead of quarterly.
- Changing the name of the current Children with Medical Handicaps Program to Complex Medical Help Program for Ohio’s children and young adults with special health care needs to be more respectful of the population served by this program and to be descriptive of the services the program provides. The budget language changes the existing law references from “medically handicapping conditions” and “medically handicapped children” to “special healthcare needs.”

WIC services – The recommended funding levels will provide over 230,000 people eligible for the Women, Infants, and Children Program (WIC) with supplemental foods, health care referrals, and nutrition education. This program targets income-eligible pregnant and postpartum women and children up to age five found to be nutritionally at risk.

In the past year, the importance of this program was magnified by the nationwide infant-formula shortage. ODH was able to obtain a number of waivers from the USDA in order to help WIC participants get more flexibility in terms of allowed brands and formula can sizes to help them get through the shortage with less disruption. Redemption rates for WIC formulas have now returned to rates at the time of the recall in February 2022. In addition, monthly participants have increased 8% from February 2022 (157,609) to January 2023 (170,203).

The WIC program also hopes to expand its efforts to get fresh produce to its participants by providing people with coupons to buy authorized locally grown fresh fruits and vegetables from authorized farmers and farmers’ markets. This will help improve participants’ health while also boosting the local economy.

Protecting children from lead – There is no safe level of lead in blood, and lead poisoning can have devastating and lifelong effects on children. It can affect the ability to pay attention and academic achievement.

Deteriorated lead-based paint in older homes continues to be the cause for most of the lead poisoning in Ohio’s children. In 2021, the Department tested more than 150,000 children for lead-paint intoxication, a 4.5% increase from the prior year, and of those, 2,955 had elevated blood levels. Investment in lead poisoning prevention and lead hazard control has been continually supported with studies showing a Return on Investment (ROI) of up to \$221 for every \$1 invested. Lead poisoning prevention reduces the burden on Ohio’s healthcare system, education, and other social services programs.

It is crucial to identify children with lead exposures. While the effects of lead poisoning may be permanent, if caught early, there are steps that parents can take to prevent further exposure and reduce damages to their child’s health, such as making a plan of treatment with a doctor and

feeding them healthy foods rich in calcium, iron, and Vitamin C that may reduce the effects of lead on a child.

Currently, children with a confirmed elevated blood level of 5 micrograms per deciliter ($\mu\text{g}/\text{dl}$) receive direct services from ODH. Past investments in these initiatives have contributed to a consistent drop in the percentage of children tested who had confirmed elevated blood lead levels from 2.8% in 2015 to 1.9% in 2020.

For the next biennium, ODH is requesting an increase of \$8.5 million in General Revenue Funds for lead initiatives. This proposed request includes funding implementation of expanded blood lead level testing. ODH is proposing that children with a blood-lead level of 3.5 $\mu\text{g}/\text{dl}$ or higher will receive services. Families whose children test at this level or above will receive education about lead exposure and be connected with resources to empower them to take action to reduce their child's lead level. In addition, ODH's Healthy Housing and Lead Poisoning Surveillance System (HHLPSS) will be used to monitor and document all clinical case management activities for all children less than 6 years old who are at or above the new blood-lead level of 3.5 micrograms per deciliter. The proposed funding also will increase the number of local health departments trained to provide lead interventions.

In addition, ODH is requesting statutory authority for the department to enter into an agreement with the United States Environmental Protection Agency (US EPA) for the administration of the Lead Renovation, Repair and Painting Rule (RRP). With this change, Ohio's lead professionals and concerned Ohioans will have the ability to directly contact experienced program staff for their lead concerns and questions. ODH implementation of the RRP regulations will result in a greater level of compliance with required lead-safe renovation training requirements and lead-safe work practices statewide.

All of these proposals are recommendations from Governor DeWine's Lead Advisory Committee.

Investing in Recovery

ODH, along with partners, RecoveryOhio and the Department of Mental Health and Addiction Services, have followed Governor DeWine's directive to make fighting the opioid epidemic and reducing overdose deaths in Ohio a top priority. ODH and partner agencies recently established NaloxoneOhio at naloxone.ohio.gov to make it easier for the public to acquire free life-saving naloxone kits.

Substance use disorders directly affect millions of Americans every year, causing motor vehicle crashes, crimes, injuries, reduced quality of life, and far too many deaths. Ohio has seen continuous increases in reported drug overdose deaths over the past five years. In 2021, Ohio reported 5,174 unintentional overdose deaths, the highest the state has ever reported. To help fight this public-health crisis, through Project DAWN, ODH has continued to expand opiate overdose reversal kits, and in the past two years this effort has reached into every corner of the state. In 2021 alone, Project DAWN distributed 145,525 overdose reversal kits and received 19,760 reports of overdose reversals. The number of reversals is likely higher, as we only hear

about a reversal when a person returns to a Project DAWN program and reports that they used their previous naloxone kit to reverse an overdose.

But preventing overdoses alone does not end substance abuse. ODH is focusing on connecting people to treatment and support through its Emergency Department Comprehensive Care (EDCC) program. This is a front-line effort to increase screening, referrals, and harm reduction efforts in the emergency departments. This program is currently used in 27 emergency departments, reaching people in vulnerable and underserved populations who may not have a regular provider and therefore would not get this help. To date, more than 230,000 patients have been screened for opioid-use disorder and more than 7,000 patients have been linked to clinical care or other wrap-around services they need.

ODH is proposing an increase of \$8.4 million in drug overdose prevention funding for FY24, and an increase of \$270,000 for FY25 from FY24. The proposed funding will support the continued statewide distribution of the overdose reversal kits; and the development of a new non-fatal overdose reporting requirement that will help providers talk to patients about pathways of care and appropriately respond.

Looking for a moment beyond the human tragedy, substance use disorders create a tremendous burden on our economy. According to the National Library of Medicine, substance use disorders are estimated to cost the nation \$442 billion each year in health care costs, lost productivity, and criminal justice costs. Studies show that every \$1 spent on substance use disorder treatment saves \$4 in health care costs and \$7 in criminal justice costs. Viewed through that lens, further investment in recovery is vital for our state.

Investing in Public Health

Tobacco cessation and enforcement - Although the health risks of tobacco use have been well-known for many decades, and the smoking rate both in Ohio and nationally continues to decline, the fact remains that nearly one-fourth of Ohio adults used some form of tobacco in 2020. Tobacco remains the leading cause of preventable death in Ohio, attributable to more than 20,000 deaths a year.

The cost of tobacco use to Ohio is staggering: the annual health care costs directly caused by smoking is \$6.56 billion, which includes \$1.85 billion to Medicaid. The annual cost of productivity loss is \$14.4 billion.

And in an ominous trend, there has been a recent marked rise in e-cigarette (or vaping) use in our young people. Between 2016 and 2019, the use of tobacco, including e-cigarettes, increased 125% among middle school students, and 52% among high school students.

In 2019, the prevalence of Ohio middle school students reporting the use of e-cigarettes was 11.9% compared to 10.5% nationally, and among Ohio high school students, the prevalence was 29.8% compared to 27.5% nationally.

This is not the time to relax our vigilance in supporting programs that both encourage people to quit tobacco use and prevent them from starting. I am pleased to say that ODH's State Tobacco Program has had many successes in the past few years. Ohio's adult smoking rate has declined over the past decade, from 25.5% in 2011 to 18% in 2021, a new record low.

The Ohio Tobacco Quit Line provides personal quit coaching and telephone counseling FREE of charge to ALL Ohioans, regardless of insurance status or income. And the Quit Line works. Those who participated in the program maintained a six-month quit rate of 32.9% -- nearly three times the success rate reported nationally by the Centers for Disease Control and Prevention.

To combat the concerning rise in youth use of tobacco and e-cigarettes, 38 Ohio school districts improved their Tobacco Free School policies to be comprehensive, protecting an additional 60,000 Ohio students. Comprehensive school policies include training and resources for staff, as well as printed materials and resources to encourage youth to quit using these products, or not to start. Twice a year, we contact districts to review current policies and offer technical assistance. School-based work is particularly important, as school and school-based events are where youth spend a great deal of time. With our proposed budget, our goal is to increase the percentage of school districts that have adopted comprehensive tobacco-free policies from 50% to 60% by FY 2025.

We also propose to increase the number of counties that we fund to do prevention and control work. We offer grants to counties who have not previously focused on tobacco efforts so they can gradually grow competency on various issues.

In order to expand on our successes, the department is requesting an increase of \$5.4 million from its FY 2023 budget for FY 2024, with no additional increase in FY 2025. This recommended funding level will help expand the reach of the Ohio Tobacco Quitline through proven mass media communications and add 9,200 new quit line participants. Funding will also be used for the Moms Quit for Two grant program where local government or private non-profits work to reduce tobacco-use by pregnant women and those who live with a pregnant woman.

Key tobacco legislative initiatives in the proposed budget include enacting a statewide flavor ban on flavored tobacco products; prohibiting the sale of tobacco products by anyone younger than 18; closing a loophole that allows mail order and online sales of vapor products and electronic smoking devices; and creating a registry of vape and e-cigarette retailers to aid in enforcement and ensure there are no sales to minors. Over 80% of youth ages 12 to 17 report that the first tobacco product they used was flavored tobacco. In communities that have restricted flavored tobacco sales, research shows that some areas have shown decreases in use by youth. Not only would such laws save our children from potential life-long addictions, but such laws would also decrease spending on tobacco-related illness.

Studies have demonstrated that for every \$1 spent on strong tobacco control programs, states achieve a \$55 return on investment, mostly in averted health care costs.

Supporting healthy communities – The department has always valued its partnerships with the statewide network of 111 county and city health departments. Community health partners are

often trusted more than state or federal officials, meaning they can be more effective in helping people choose healthy behaviors.

We have seen this recently during the East Palestine train derailment incident, when the Columbiana County Health Department has been an invaluable liaison between the community and state agencies coming into a small, close-knit community from “the outside.”

Governor DeWine’s Executive Proposed Budget has \$20M/year GRF funding to support local health districts and the shared goal of improving the health of all Ohioans. The funding would be used to implement public health strategies designed to be effective in their jurisdictions. This will mean different strategies for different departments. One county may decide that youth tobacco use is its top public health problem, and ODH can send funds to help create new programs or bolster existing ones. Another city may decide that it needs to hire an additional full-time public health nurse, with funding to support that need. This funding will be flexible in purpose and will encourage innovation.

Also, ODH will provide training and technical assistance to local health departments as they pursue national accreditation through the Public Health Advisory Board (PHAB). Accreditation is awarded only after a systematic review process against national standards and a mark that departments have attained a high level of quality in their service delivery. In 2022, ODH achieved reaccreditation. As of March 10, 2023, 80 local health departments have been accredited, and additional departments are in the process of accreditation. Currently, 91% of Ohioans receive services from an accredited LHD.

Public Health Legislative Initiatives

ODH is requesting a legislative change to remove barriers for board members of the Second Chance Trust Fund Advisory Council. The proposed language removes term limits and the requirement to select a chairperson annually. The Second Chance Trust Fund Advisory Committee (SCTF) works to help solve the critical shortage of organ, eye and tissue donors through education and awareness efforts as well as promoting registration in the Ohio Donor Registry.

Included in the proposed budget is language to clarify and clean-up the Environmental Health Specialist language contained in ORC 4736. This request stems from the transition of the Sanitarian Registration Board to ODH in September 2017 and the name change from Sanitarians to Environmental Health Specialist effective April 2021. Additionally, we are proposing moving the fee setting authority for this section from the Revised Code to be set through rule through the Administrative Code.

In current law, dry wells are expressly prohibited because no treatment occurs in this type of sewage system. Dry wells are direct connections to groundwater, allowing the introduction of sewage contamination to nearby wells and surface water bodies. ODH is seeking budget language to amend Section 3718.01 to add a definition of component of sewage treatment systems to clarify what parts of a sewage treatment system are approved to hold and treat sewage. The language specifies that dry wells, leaching wells, abandoned wells, drainage wells, cesspools, sinkholes, and other direct connections to groundwater do not provide sewage

treatment and are therefore not components of a sewage treatment system. Additionally, the language clarifies that discharges to dry wells and other connections to groundwater constitute a sewage nuisance due to a missing sewage treatment component. These statutory modifications will help to clarify that existing in-use dry wells (also called leaching wells) are not permitted to be used, and that they must be replaced with a sewage treatment system, altered to add a treatment component that meets the requirements of current rule, or be connected to sanitary sewer (if accessible).

This amendment will not impact the current guidance provided to local health districts for dry wells. Currently, local health districts can work with their residents on a plan for incremental repair or replacement of a dry well in a phased approach. Funding opportunities may be available for residents.

Investing in Readiness

Ohio continues to improve its readiness for future public health crises. This includes an increased investment in the state's public health laboratory infrastructure. It also includes maintaining the readiness of the state's warehousing logistics and hospital infrastructure to distribute needed supplies and services during a public health crisis.

Expanding laboratory screening capacity - The ODH Public Health Laboratory (PHL) provides an essential function to the citizens of the State of Ohio. The PHL provides free testing for infectious diseases in the support of outbreak investigations and is an essential tool in our response to outbreaks. During the recent measles outbreak in central Ohio, the PHL expanded operating hours to accommodate the increased need for timely testing.

The lab also provides newborn screening testing for all babies born in the state. The Ohio Newborn Screening (NBS) program currently tests for 36 different disorders in babies, from cystic fibrosis to congenital hypothyroidism and dozens of other rare but dangerous conditions that can cause lifelong health issues or even death. Screening babies at birth identifies these conditions early in life and allows families to start treatment immediately. Lab staff follows up on babies that have had a condition detected, by calling providers to ensure they get proper follow-up testing and a formal diagnosis. The lab screened more than 130,000 babies in FY 2022.

The department is requesting an increase of \$6.2 million in GRF for the next biennium to expand public health lab testing and use newer and more sophisticated technologies which can lead to faster diagnosis and medical intervention. The requested increase in funding will allow for increased staffing in order to bolster our outbreak-response ability as well as our newborn screening. Early detection of disease increases the quality of life for the newborn baby and decreases healthcare costs over the course of the lifespan.

Maintaining warehouse capacity - ODH is requesting \$2.7 million per year to properly maintain its warehouse capacity over the next two years. The warehouse currently stores over 40 million pieces of inventory such as ventilators, personal protective equipment, testing kits, mobile cooling units, and medications like Paxlovid and Tamiflu. The warehouse is a critical component

in responding to future public health emergencies. For example, during the mpox (monkeypox) outbreak, the warehouse received, stored, and distributed antivirals and vaccines to treat cases and prevent further spread of disease. For the public health response in East Palestine, the warehouse provided supplies to support the health assessment clinic.

Supporting Hospital Infrastructure- In addition, we are proposing a new \$1.4 million allocation in each of the next two years to support our state hospitals to better address future public-health emergencies. This funding will support the hospital infrastructure that was established to ensure capacity for assessing patients suspected of Ebola, although this infrastructure will be critical for initial response in the case of other emerging infectious diseases as well.

The funding will also allow for the continuation of the hospital zone initiative which was established during COVID by ODH in collaboration with the Ohio Hospital Association. This partnership, which is unique to Ohio, utilizes three geographic zones to facilitate cooperation and coordination, rather than competition, among hospitals in responding to public health emergency situations, and also provides state leaders with clinical expertise from the world-class physicians serving as the leadership in each zone. With these requests, we are better able to rapidly respond to large-scale emergencies, and that saves lives.

Chair Carruthers, Ranking Member Liston, and members of the Finance Subcommittee on Health and Human Services, these proposals will support vital public health initiatives that will lead to healthier children and adults. Investing in healthy people will help build a more prosperous Ohio.

Thank you for the opportunity to provide testimony today. I would be happy to answer any questions.