HB 49, 132nd General Assembly

WRITTEN TESTIMONY Presented by Association of Ohio Health Commissioners

Before the Finance – Health and Medicaid Sub-Committee

June 6th, 2017

Chairman Oelslager, Ranking Member Skindell, and members of the Senate Finance Committee: thank you for the opportunity to provide written testimony. My name is Dr. Jason Orcena and I am the current Health Commissioner for the Union County General (Combined) Health District. I am also President of the Association of Ohio Health Commissioners (AOHC) and am speaking on behalf of that organization today.

As you are aware, Ohio has a decentralized public health system with local health departments and a state health department funded and controlled through separate mechanisms rooted in statute and the Ohio constitution. Both parts of this system have distinct and separate purposes, but operating together provide the basis of Ohio's public health system—the system that provides surveillance and response to innumerable threats to health and safety 24 hours per day, 7 days a week, 365 days per year.

Broadly speaking, the Governor's efforts to reform Medicaid and align health priorities with funding are critically important and lasting measures to improve Ohio's health value. The Medicaid expansion has been important to many families in my community as has the various efforts to streamline the enrollment process. More specifically, the Executive Budget acknowledged a promise to support the transformation of the public system by *mandating* national accreditation for all local health departments.

Local Public Health Support

The 130th General Assembly put significant administrative and financial burdens on local health departments by enacting Revised Code 3701.13,

> "As a condition precedent to receiving funding from the department of health, the director of health may require general or city health districts to apply for accreditation by July 1, 2018, and be accredited by July 1, 2020, by an accreditation body approved by the director."

As introduced, the Executive Budget supported local health districts on their path toward providing accredited public health services through the following:

- Provides $1 million in one-time funding over the biennium (Fund 1420, ALI 440646) that will provide grants to local health districts to assist them in transitioning from a five-year planning cycle to a three-year planning cycle for community health assessments and community health improvement plans. Changes to Ohio law recently required local health district and tax-exempt hospitals to align on the same timeline for community health

assessments and improvement plans beginning in 2020 providing for population health planning in an integrated, meaningful and effective way.

- Provides $3.5 million in one-time funding over the biennium (Fund 1420, ALI 440646) for accreditation fees, accreditation coordination, and infrastructure costs for local health districts who merge resources in order to gain the necessary scale to provide the quality and level of public health services required by an accredited health district.
- At the Director of Health's discretion, extends the accreditation deadline (currently established in law as July 1, 2020) for local health districts that merge before July 2019.
- In order to remove financial barriers to the merger of local health districts, the Executive Budget authorizes newly merged health districts to propose a joint levy funded by both jurisdictions.
- Increases the state's investment in local public health through a tiered system subsidizing local health districts who obtain accreditation either individually or through a merger with another local health district. This proposal will increase state subsidy in SFY 2018-19 from $0.188 per capita to $0.38 for accredited health districts (GRF, ALI 440413).

The amended substitute version of HB 49 that passed the House cut the proposed increased funding to public health activities and accreditation efforts:

- ALI Line 440-413 Local Health Department Support: $500,000 cut in year 1; $1 million cut in year 2.
- ALI 1420 – 440-646 Agency Health Services: $750,000 cut in each of the two years of the upcoming biennium, from $4.5 million to $3.75 million. These are funds intended to support grants to LHDs who must spend additional dollars to move from a 5 year to a 3 year planning cycle as required by changes in statute for the community health assessment to align with the new state mandated schedule.

While our association understands the need for the 1.5% across the board cuts in the budget, these funds were disproportionately targeted and saw upwards of a 40% reduction.

Elimination of the Sanitarian Oversight Board

In addition to the reduction in support, the amended substitute version of HB 49 also included a provision to eliminate the Board of Sanitarian Registration (ORC Section 4736) and transfer that responsibility to Director of Health at the Ohio Department of Health (ODH).

AOHC strongly believes that the responsibility for public health protection should reside in properly educated professionals with specialized expertise, as defined by a board of experts authorized by the state legislature, NOT an individual agency director that changes frequently and oftentimes has no expertise in the field of environmental science.

Increase in the state-wide Vital Statistics Fees

Vital records are required for all manner of activities. Both birth and death records issued by local Registrars in local health departments provide the bulk of these activities.

The proposed $3 increase to the state vital statistics fee-- which is designated to go to the Ohio Children's Trust Fund for regional grants—places a two-fold burden on our residents. First, it essentially creates a 'birth' and 'death' tax that local health departments must collect on behalf of the state and then transfers those revenues out of the community in which it is collected to a regional pool that may go to another community. We often hear from low income individuals who are disproportionately impacted by this fee. They are already in the unfortunate situation of having to choose between a birth certificate or other needs for their infant such as formula or car seats. This increase would only exacerbate that problem.

In addition, the majority of our local health departments are funded by local levies. Increases to fees that are not logically related to the activity raises the ire of the electorate and it is the local health district—not the Ohio Children's Trust Fund—that pays the price for the increase.

This is not intended as a criticism of the work of the Ohio Children's Trust Fund, it is simply a request that the legislature not fund OCTF through a new tax on infants.

Lastly, the association is very grateful to the House for affirming its commitment to the Ohio's Children with Medical Handicaps (CMH) program and welcomes the opportunity to work with the administration and the legislature on ways to improve the efficiency and delivery of CMH services.

Thank you for the opportunity to submit testimony.