



County Health Officials of New York

Leading the way to healthier communities

January 25, 2016
Testimony of the
New York State Association of County Health Officials (NYSACHO)
to the Joint Legislative Committees
on Health and Finance/Ways and Means
Regarding the 2016 - 17 Executive Budget Proposal

NYSACHO's MISSION:

To support and empower local health departments
in their work to prevent disease, disability and injury
and promote health and wellness
throughout New York State.

*NYSACHO is incorporated as a not-for-profit, non-partisan
charitable organization with 501(c)(3) tax exempt status.*

CONTACT: Linda M. Wagner, Executive Director, linda@nysacho.org, 518-456-7905, ext. 103

1 United Way, Albany, NY 12205 www.nysacho.org

**Frank Kruppa, MPA
Public Health Director & Mental Health Commissioner, Tompkins County
Vice President, New York State Association of County Health Officials
(NYSACHO)**

First, I wish to extend kind regards from our state's County and City Health Officials to Senator Young, Assemblyman Farrell, Senator Hannon, Assemblyman Gottfried and distinguished committee members of both houses.

My name is Frank Kruppa, the Public Health Director and Mental Health Commissioner of Tompkins County. I serve the County Health Officials of New York as the Vice President of our statewide association, NYSACHO. Our current President, Dr. Sherlita Amler, Commissioner of Health in Westchester County, asked me to express her apologies that she was unable to attend this hearing.

Thank you for the opportunity to provide testimony on the 2016-17 Executive Budget Proposal on behalf of your constituents at all 58 local health departments in New York State, including those in 57 counties and in New York City.

In public health, there is never a dull moment. New challenges abound every day. When NYSACHO gave testimony about last year's state health budget, Ebola was ravaging West African communities and our health departments were

intensively monitoring travelers for the disease. Today a different type of epidemic is ravaging our communities here at home. Young people throughout New York State, indeed, throughout our nation, are succumbing to overdoses of heroin and prescription opioid drugs. This tragic trend calls out for cross-cutting collaborative efforts by local health officials with their colleagues in mental health, substance abuse treatment, law enforcement, corrections and education. Our county health officials are on the case, and many are leading the way. But they need a strong foundation to sustain their contribution to these collaborations.

This past summer and fall, we also saw two large clusters of Legionnaire's Disease in the Bronx and another in a hospital in Onondaga County. Not surprisingly, seeing 12 deaths out of 120 cases in the first outbreak caused significant concerns among political leaders. The NY City Health Department did an excellent job in identifying the source of the outbreak and containing it from further spread. But the work did not end there. The outbreak led to a new city-wide and statewide registration of cooling towers that can be one source of Legionella bacteria within communities. County health officials are now assisting the state health department by obtaining information for this new database that can be helpful when investigating the source of future disease outbreaks.

Just as the World Health Organization declared the Ebola epidemic over, we began hearing about the Zika Virus, spread by mosquitoes. Two pregnant women in Illinois have contracted the virus, which can lead to birth defects. They had traveled recently to warmer southern climates where mosquitoes carrying the virus abound - in South and Central America and Puerto Rico. Soon, our local experts in epidemiology and environmental health may need to watch for this new insect-borne disease – adding Zika Virus to West Nile virus, also carried by mosquitoes. There are also tick-borne diseases such as Lyme and Babesiosis that are spreading within New York State, north and west from the Hudson Valley.

Whenever public health challenges emerge, your local health officials are ready to spring into action to protect New York's residents and communities. You expect your public health departments to have the capacity to rise to the occasions that none of us can predict. Local health departments have done their best to be responsive even as state funding for local health departments has been significantly reduced.

As New York State has increased its focus on population health through new programs such as DSRIP, SIM, and others, local health departments were

prepared and poised to be an integral partner and participant in these initiatives. After all, local health departments have both the expertise in population health, and they have the statutory responsibility for public health throughout their communities – for both Medicaid and non-Medicaid populations.

As you know, the State Health Department’s Medicaid Redesign plan has charged hospitals with implementing population health initiatives as part of the federal Delivery System Reform Incentive Program (DSRIP) waiver. Consequently, the Performing Provider System (PPS) hospitals have been the recipients of this new funding stream. Unfortunately, many of our state’s local health officials have struggled to gain a meaningful voice within the DSRIP world. And few have seen any financial support for their population health expertise and services.

We know that primary prevention through evidence-based core public health programs can keep people out of the hospital, prevent unnecessary hospital readmissions, and keep communities safer and healthier. Increased funding should be provided to local health departments to strengthen their contributions to these goals. The primary mechanism to allocate this increased funding is Article 6 of the Public Health Law.

Article 6 provides a base grant to local health departments, either a flat amount of \$500,000 for smaller partial service counties or \$650,000 for more populous counties. For NYC and the next two most populous counties, Nassau and Suffolk, the base grant is a per capita amount of just 65 cents per head. With this base grant, 100% of allowed local expenses for state-defined core public health activities can be reimbursed. This is a terrific concept – state financial support for a basic public health foundation. The problem is that the base grant has not kept up with growing public health needs. It is just too low to provide the firm foundation needed for all the emerging health threats and increasing state mandates.

The never-ending emergence of public health challenges and threats has been accompanied in recent years by nicks and cuts to funding that have, in effect, reduced state support for local health departments. This combination has eroded the foundation of New York State's local public health infrastructure. This erosion is occurring at just the wrong time – just as the state offers incentives to keep individuals on Medicaid out of the hospital through prevention and health education.

NYSACHO's members in local health departments want to help meet their core public health obligations along with DSRIP goals. Prevention is their passion. But they need your help. They need the Governor and the Legislature to strengthen the foundation on which public and population health are built by increasing the base grant to local health departments. This requires a legislative change in the Article 6, Section 605 of the Public Health Law as part of the 2016-17 State Budget process.

A second way to strengthen the foundation for local public health is through the state aid formula for local expenditures beyond the base grant. Once the base grant is exhausted, additional allowed public health expenditures can be reimbursed for 36 cents on the dollar – a 36% reimbursement. As we said last year, county health officials have found that 36% of a declining set of allowable expenses is just not enough to do the job. The costs keep shifting onto the counties, while the property tax cap limits the possibility of increased local revenue that can be applied to the growing public health needs.

I must remind you that the state has reduced its annual appropriations for Article 6 public health spending by more than 40 percent over the last several years. Despite previous base grant increases, the elimination of optional services

from state aid and administrative actions that have gradually eliminated other allowable expenses have cut deeply into the infrastructure of local health departments.

At the same time, counties and municipalities have faced severe fiscal constraints with a property tax cap, suffering local economies, and unfunded state mandates.

As a combined result of these fiscal pressures, claims for Article 6 public health spending have declined when adjusted for inflation.

We want to help the State meet public health and population health challenges head on. County and city health officials have the expertise, but they need increased funding to put that expertise to good use.

We want to ensure the safety of the water that New Yorkers drink. Did you know that every water main break in our state involves work by a local health department to provide residents with the information and clean water they need to protect their health? As you are aware, our water main infrastructure needs to be strengthened. But you may not realize that our public health infrastructure must be strengthened to ensure that New Yorkers are consuming clean water.

We share many public health goals with New York State, including:

- Screen for breast cancer and other cancers for prevention;
- End the HIV/AIDS epidemic;
- Use vaccines to prevent and control the spread of communicable diseases such as measles, pertussis, and meningitis;
- Control the spread of airborne diseases such as Legionnaire's Disease;
- Respond to the heroin epidemic that affects so many young New Yorkers;
- Ensure the safety of the food we eat and the air we breathe;
- Ensure the safety in camps, beaches and other recreational venues to protect New Yorkers and the many visitors who come to our state;
- Prevent major causes of death from chronic disease such as heart disease, diabetes, cancer and asthma;
- Monitor and control insect-borne diseases such as Lyme Disease, West Nile Virus, Triple E (EEE);
- Monitor an influx of unaccompanied minors into the state;
- Monitor and respond to public health consequences of severe weather events;
- Prepare for climate change;

- Help to implement major health-care system changes such as the Affordable Care Act, Medicaid Redesign, electronic medical records, and regional health system planning;
- Start billing for services that local health departments once provided without charge;
- Meet the goals of the state's Prevention Agenda by assessing community health and planning for health improvement.

In order to ensure that New York has a strong public health system, NYSACHO urges the Legislature to take several actions related to the 2016-17 Executive Budget proposal:

First: Base Grant Increase – from \$500,000 to \$550,000 for partial service counties; from \$650,000 to \$750,000 for full service counties OR, if the per capita rate is higher, provide \$1.30 for every resident in the largest counties and in NYC. Reimbursement for allowed expenses will be at 100%, up to the full amount of the base grant.

Second: provide LHDs with an increase of 2 percent, from 36 percent to 38 percent, in the Article 6 State Aid for General Public Health Work reimbursement rate.

Since 2010, the State Health Department has eliminated a variety of local health department expenses from eligibility for state aid. As a result, we have already seen five consecutive years that the State's appropriation for this aid has exceeded what the localities have actually claimed and been paid. Based on information from the State Health Department and projections from local health departments, we estimate that 2015 state aid payments will once again be less than last year's \$190 million appropriation, by about \$5 million.

This year's property tax cap on counties and increased pressures on the NYC budget make it highly unlikely that localities will devote more revenue to their local health departments in 2016. As a result, we expect that the statewide eligible claims for Article 6 state aid will not increase in 2016.

The Governor's Executive Budget proposal already includes an increased appropriation for Article 6 state aid of \$8.6 million over the 2015-16 budget. Given all of these factors, we estimate that we need to identify only another \$2 million in the 2016-17 budget to make this important investment in our public health infrastructure and our population health goals.

This increase will protect our basic sanitation and public health service foundation. It can also provide significant support to DSRIP goals. When we

surveyed our local health departments in October, we found that 91% of those responding provide preventive services that DSRIP providers can use in order to meet population health goals. These services range from tobacco use cessation, to chronic disease prevention and management, to HIV and STD prevention and care. Nearly 98% of our local health departments provide services that promote healthy behaviors for mothers, infants and children who are at risk. It makes sense to invest more in this bedrock of population health, especially at this time.

Beyond our request for an increase in state aid to local health departments, we are happy to see the Executive budget proposals for Early Intervention. And we fully support the increased regulation of retail medical clinics in the Executive budget proposal.

Once again, thank you for the opportunity to present our needs, concerns and ideas to your legislative committees.

We look forward to continuing our work with both the Legislative and Executive branches to serve the essential public health needs of the people of New York State.