



#17

New York State Association of Health Care Officials 2018 Budget and Legislative Asks

NYSACHO's mission is to support, advocate for, and empower the 58 local health departments (LHDs) in their work to prevent disease, disability and injury and promote health and wellness throughout New York State. LHDs are your partners and operational extensions, working in the forefront of communities, addressing public health issues and serving as the first line of defense against all public health crises.

The first priority of New York LHDs is to maintain the core public health services they have been tasked to provide. These services address family health, communicable disease, chronic disease, emergency preparedness and response, community health assessments and in full service counties, environmental health. **Additionally, LHDs must respond to emerging public health threats such as the flu epidemic, opioid abuse epidemic, drinking water contaminants, increasing rates of sexually transmitted diseases, tick-borne viruses and beyond.**

In order to maintain core public health services and address emerging threats, we respectfully request:

1. An increase to state aid for core public health services:
 - in Article 6 base grant from \$650,000 to \$750,000 in full services LHDs and \$500,000 to \$550,000 in partial service LHD
 - in per capita reimbursement amount from 0.65 to \$1.530
 - in the percent reimbursed above the base grant from 36% to 38%
2. Opposition of the Governor's proposed 20% reduction in disease control, maternal child health and other public health spending in any form. This reduction comes on the heels of a 20% reduction in 2017-18 and run contrary to the Governor's goals for the Prevention Agenda, First 1,000 Days on Medicaid, DSRIP and the Women's Agenda.
3. Support of the Governor's efforts to improve third-party reimbursement for Early Intervention services and consideration of our recommendations to language which we are confident would strengthen the program.
4. Re-distribution of revenue from legislation proposed to tax e-cigarette sales back into the public health program appropriations. There is opportunity for revenue streams to go hand in hand with cuts to beneficial health programs.
5. Institute a unique Opioid Incentive Program led by local health departments which would empower communities to develop comprehensive plans, designed to reduce overdoses and deaths. This program would be funded by revenue obtained through legislation proposed to tax opioid surcharge.

Thank you for the opportunity to present our needs and ideas for collaboration 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.

Please Contact:

Sarah Ravenhall, Executive Director
sarah@nysacho.org, 518-456-7905 x108

One United Way
Albany, NY 12205



**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 2018 - 19 Executive Budget Proposal**

NYSACHO's MISSION:

To support, advocate for, 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.*

**Carol Smith, MD, MPH
Commissioner of Health and Mental Health, Ulster County
President, New York State Association of County Health Officials (NYSACHO)**

Contact: Sarah Ravenhall, Executive Director
sarah@nysacho.org, 518-456-7905, ext. 108

One United Way
Albany, NY 12205

Good Morning Senator Hannon, Assemblyman Gottfried, Senator Young, Assemblywoman Weinstein, and distinguished committee members of both houses. Thank you for this opportunity to provide testimony on the 2018-19 Executive Budget Proposal.

My name is Dr. Carol Smith and I serve as the Commissioner of Health and Mental Health of Ulster County. I'm here on behalf of the County Health Officials of New York as the President of our association, NYSACHO. NYSACHO represents all 58 local health departments, in the 57 counties and the City of New York. It is our job to protect the health of the hundreds of communities and millions of constituents that we – and you – serve.

Local health departments operate as your partner in each of your counties, providing core public health services. As new threats emerge, such as the opioid abuse epidemic and the ongoing flu epidemic, local health departments are the first responders.

There is a price tag for the public health response to each and every threat, and New York State is not keeping up with its share of the bill. This is why I am here today, even in a challenging budget year, to ask for an increase in state aid for public health.

Public Health is the great success story of the 20th century. The Centers for Disease Control and Prevention (CDC) looked at the significant gains in life expectancy realized in the 20th century. After reviewing the data, they estimated that 25 of the 30 years of increased life expectancy – over 83% - can be directly attributed to the core

public health interventions that led to reductions in child mortality, such as expanded immunization coverage, clean water, sanitation, and other child-survival measures.

Those additional years of life expectancy, and the strong public health policies you enact to support them, came about by addressing health threats at the population level. They came about because we, as communities, states and nations are invested in public health. To keep up with the work needed to support our public health system, we hope to partner with you in an effort to protect these public health policies and demonstrate continued promise to mitigating threats to public health infrastructure.

New York State's fiscal commitment to public health is infinitesimal when compared to its investment in clinical health care. If you drill down into the aid to localities appropriations, total appropriations for public health programs comprise **just one percent** of the Department of Health's Aid to Localities budget. If you drill down further, state aid for the core, essential public health services delivered by local health departments' accounts for **just one tenth of a percent** of the total appropriation.

These figures highlight the vast gulf between policy priorities and funding. As a state, we invest the lion's share of the taxpayer's money in the health care system, spending money on efforts to restore people from a state of poor health rather than in the prevention of disease, disability and injury and the promotion of good health and wellness.

One percent. That is all New York allocates for both the core public health and community-based services that maintain those hard-earned 25 years of increased life expectancy. Year after year, when financial times are tough, the Governor, and all too often, the legislature, target budget cuts to that one percent of health expenditures. For local health departments, when you combine the even smaller one tenth percent of funding for core public health services with the a state imposed property tax cap on local governments, when you combine it with flat or reduced state funding for categorical public health programs, at some point, we will start to lose those life expectancy gains. At some point, basic public health services will become unsustainable.

We are nearing that point. Streamlining, efficiencies, and shared services have largely accomplished all they can within our current statutory requirements. With each new state mandated public health policy, we grapple with legal, fiscal and ethical choices. Do we cut back on restaurant inspections to monitor cooling towers for legionella? Will we have to delay lead remediation interventions for a child with elevated blood lead levels because the mandated costs of the Early Intervention program have forced us to eliminate or leave public health positions unfilled? Will we reduce or eliminate our maternal-child health home visits because we need our public health nurses to address communicable disease outbreaks? These are real life decisions that can have long-term, life-altering, and potentially deadly consequences.

Base Grant & Per Capita Funding Request

So even in this tough budget year, we propose an increase in the base grant to local health departments from \$650,000 to \$750,000 for full service counties and \$500,000 to \$550,000 in partial service counties, as well as a larger increase in the per capita amount for the most populous counties, from 65 cents to \$1.53 to ensure

more equitable per capita funding. We also propose an increase to the percent reimbursed above the base grant from 36% to 38%. These additional funds will help ensure that local health departments are able to provide core public health services that protect the public.

20% Reduction to Public Health Programs

Public health is a vital government function and addresses government's responsibility for keeping residents and communities safe and healthy. Changes to public health programs should be carefully considered and done strategically and surgically with an understanding of the expected result. At a time when the State is recognizing the impacts of and costs associated with the social determinants of health and population health on the overall cost and quality of health care, public health programs that have been shown to prevent or mitigate disease should be strengthened, not cut. The programs included in the proposal took a drastic 20 percent cut last year which impacted the delivery of services. NYSACHO urges the Legislature to reject the cuts proposed to public health programs.

Programs that will be impacted by these cuts include the Healthy Neighborhoods Program, which helps people with asthma achieve better health outcomes through combined environmental and public health nursing home visits. Evidence has shown a cost savings attributable to the Healthy Neighborhood Program with a net benefit of \$781 per in-home asthma visit¹. Funding to the Healthy Neighborhoods program directly supports the New York State's Prevention Agenda goal which aims to increase the percentage of homes in Healthy Neighborhoods Program that have fewer asthma triggers during the home revisits².

Local health departments are deeply committed to advancing New York State's Prevention Agenda goals. Obesity and diabetes, hypertension, children's asthma, prenatal care assistance, maternal and early childhood foundations are only a handful of the programs now at risk for continuation due to this proposed cut. Interventions offered via these programs are directly linked to our State Prevention Agenda goals. A 20% reduction will strain programs that can actually help New York reach the Governor's stated goals for the Prevention Agenda, First 1,000 Days on Medicaid, Value-Based Payment, DSRIP and the Women's agenda. These include programs that reduce the incidence and burden of chronic diseases related to obesity and diabetes, as well as maternal child health services, and support for rural health networks, which address barriers to care and services in our state's rural communities.

Early Intervention Reform

NYSACHO supports the Governor's efforts to improve third-party reimbursement for Early Intervention services, and asks the Legislature to take up much needed reforms to this program. We have compiled recommendations to some of the language in the Executive's proposed statutory amendments. We have submitted for your review a more detailed overview of areas where the legislative language could be strengthened to ensure that it meets the program improvements and cost-savings the Governor seeks (Appendix item 1).

Revenue Streams: E-Cigarette Tax

NYSACHO supports legislation proposed to tax e-cigarette sales. More and more children are using vaping products than ever before, in fact, today, almost twice as many high school kids vape as smoke. Middle-school students have an even stronger preference for vaping over smoking. E-Cigarettes are a tobacco product and

should be taxed as such at 10 cents per fluid milliliter. Revenue from e-cigarette taxes should be factored in when cuts to critical and potentially life-saving health programs are on the table; the two go hand in hand.

Revenue Streams: Opioid Surcharge

Local health departments are being hit hard by the opioid epidemic. We work closely with community partners on an array of opioid-focused interventions including Naloxone administration trainings, medication take back programs, and providing awareness and education to providers as well as the public. The surcharge of two cents per morphine milligram equivalent sold should be directed back into an opioid incentive program for local health departments. New revenue streams should be a factor when key health programs are being cut and counties are unable to provide all mandated core services.

NYSACHO has submitted a proposal included in today's testimony to address the opioid epidemic (Appendix II). The proposal would empower local communities to develop comprehensive plans, designed to reduce overdoses and deaths within a specified time frame. New York's 62 counties are geographically, culturally, socially, and economically diverse. Strategy and action plans need to be developed and implemented with a knowledge of the characteristics of the local community. This is an example of how revenue from opioid tax could be reinvested into an incentive program to directly combat and address the rising rates of death throughout the state.

Once again, thank you for the opportunity to present our needs, concerns and ideas to your legislative committees. We ask that you remember the benefits of public health to New York's citizen and protect and enhance your investment in good health.

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.

References

1. Gomez, Marta, et al. "A Cost-Benefit Analysis of a State-Funded Healthy Homes Program for Residents with Asthma." *Journal of Public Health Management and Practice*, vol. 23, no. 2, 2017, pp. 229-238., doi: 10.1097.
2. New York State Department of Health. (2017). *New York State Prevention Agenda Dashboard*. Retrieved February 6, 2018, from https://webbi1.health.ny.gov/SASStoredProcess/guest?_program=/EBI/PHIG/apps/dashboard/pa_dashboard&p=sh

Appendix Item I

Recommended Bill Language regarding the Governor's Early Intervention Reforms as proposed in his SFY 2018-19 Executive Budget Recommendation- A.9507/S7507

Page 49

Section 2559 PH Law subdivision 3:

Change lines 40-48 to read: If such a claim is denied by a third party payor, the provider shall request, in a timeline and manner prescribed by the department, and in accordance with article forty-nine of this chapter and article forty-nine of the insurance law, that the State Fiscal Agent appeal the denial on the provider's behalf. The provider shall receive a determination of such appeal prior to submitting a claim for payment from another third party payor or from the municipality. A provider shall not delay or discontinue services to eligible children pending payment of the claim or pending a determination of any denial for payment that has been appealed.

Page 50

Line 22, recommended proposed language to read, In a timeline and format as prescribed by the department, Providers must utilize the department's fiscal agent and data system for claiming payment and for requesting appeals of claims denied by third party payers.

Appendix Item II

**PROPOSAL FOR AN INCENTIVE GRANT
TO SUPPORT LOCAL HEALTH DEPARTMENTS
IN THEIR EFFORTS TO ADDRESS THE EPIDEMIC OF
OPIOID ADDICTION IN THEIR COUNTIES**

October 23, 2017



Presented by

Carol M. Smith, M.D., M.P.H., M.S.

President of NYSACHO

Introduction:

As in any complex public health challenge, the opioid crisis demands a comprehensive, integrated, holistic community approach, an approach that engages all community sectors working together to achieve the common goals of preventing opioid use and reducing opioid related addiction, overdoses and fatalities.

New York State is one of many states across the nation that is struggling with the heroin and opioid crisis. Review of the 2016 data reveals the following alarming numbers for New York State:

- 1,238 opioid OD deaths
- 538 heroin OD deaths
- 914 OD deaths involving prescription pain relievers
- 6,621 outpatient ER visits for all opioids
- 4,752 heroin related outpatient ER visits
- 1,855 hospitalizations
- 757 heroin related hospitalizations

In New York State, and throughout the Nation, the most effective strategies and action plans for addressing complex public health challenges harness the power of *collective impact*. There is rarely one action or initiative that can be determined to be solely responsible for improvement; rather it is the sum total of a multitude of diverse actions and initiatives that are working together to produce the desired results. Simply stated, the total is greater than the sum of its parts.

Solutions to the crisis are not a “one size fits all” proposition. Undoubtedly, there are universal dimensions to the crisis; however, New York’s 62 counties are geographically, culturally, socially, and economically diverse. Strategy and action plans need to be developed and implemented with a knowledge of the characteristics of the local community. These action plans should be based on a combination of objective, evidenced based, and promising practices that are designed in accordance with a given county’s unique assets, resources and circumstances.

Prevention and mitigation efforts in the public health and mental health spheres are very often driven by a pursuit of a grant or funding stream that dictates specific deliverables, whether or not they are relevant to a community’s unique challenges. It is a top down model that encourages competition *between* sectors and organizations in a community, rather than encouraging *intra-community collaboration* toward achieving common goals.

We recommend an approach to addressing the opioid crisis in New York that would empower local communities to develop their own comprehensive plans, designed to reduce opioid overdoses and deaths within a specified time frame. Rather than dictating *how* to accomplish results, an incentive program would be created to *reward progress and results*. Communities would be provided a basic framework/model only, based on a *foundational triad* of reducing supply through aggressive pursuit of drug trafficking, medication take-back opportunities, improved prescribing practices and other measures; reducing demand through awareness, education and aggressive public health messaging and counter-advertising; and improving treatment and recovery services by identifying and supporting best practices and removing

barriers to access and care. At the same time, communities would be encouraged to investigate and research best and promising practices, wherever they exist, that would help them achieve their goals.

This approach is very similar to other well-known public health and economic initiatives, namely the Robert Wood Johnson Foundation's Culture of Health Prize and Governor Cuomo's regional economic development incentive initiative. The difference is that there should not be just one winner or even a handful of winners, rather every community's Local Health Department would be rewarded on *the quality and integrity of their strategy and plan* and more importantly on *achieving specific benchmarks*.

A SUGGESTED FRAMEWORK/MODEL FOR A PROPOSED NEW YORK STATE INCENTIVE GRANT

Objective:

To assist the Local Health Departments in New York State to bring together a multi-sector, broad based coalition, to include influential community leaders and other motivated stakeholders, to define the extent of the opioid abuse situation in their respective counties and seek the most effective programs to mitigate the problem.

Funding:

A source of funding could be realized from a consolidated funding stream derived from key State agencies such as the Department of Health, Office for Alcohol and Substance Abuse Services, Office of Mental Health, Division of Criminal Justice Services, and the New York State Education Department. A coordinated plan would serve to help eliminate duplication of services and wasteful efforts.

The Triad/ Framework:

1. Reduce Supply:

This component encompasses all of the critical work being done by the law enforcement/criminal justice community to aggressively pursue drug traffickers, as well as regulatory checks on the prescribing process to identify abuses in the system, such as over-prescribing by a particular doctor or "doctor shopping" by a particular patient. Also included are the unused medication collection boxes in police agencies, and that may soon be required by NYS to be located in retail chain pharmacies.

2. Reduce Demand:

As important as reducing the supply is, it's not enough. In a profit based, supply and demand driven system, if the supply is reduced and supply agents are removed (drug dealers arrested) and the demand still exists, new suppliers will quickly fill the void. Reducing demand is a complex process that includes awareness and education throughout the community. This is achieved by implementing evidence based practices in our schools; physician education; building and supporting strong local community coalitions; creating and implementing ubiquitous counter-advertising (similar to tobacco/smoking prevention advertising); producing community

awareness forums, and possible participation in a class action lawsuit designed to hold pharmaceutical companies responsible for their aggressive tactics with regard to marketing their highly addictive products.

3. Treatment and Recovery:

Despite the best efforts of law enforcement and public health education and awareness, far too many individuals become addicted. It is vital that addicts get the appropriate and specific help that they need. Finding *the right help* and the funding (health insurance coverage) to pay for treatment is critical, as is continually exploring new and innovative practices that can help improve the availability and effectiveness of these services.

Action Plan:

- Based on the above, develop 2-3 specific and realistic actions, given all available external and internal community resources, per each category (reducing supply, reducing demand, improved treatment and recovery) that will have a significant and measureable impact on the goals of reducing opioid overdoses and fatalities

A Step-by-Step Guide for Local Health Department Review and Plan Development Processes:

- Determine realistic and achievable goals for example:
 - Reduce drug overdoses by _____ % by (date) _____
 - Reduce drug deaths by _____ % by (date) _____
- Identify programs and initiatives which are currently in place to prevent and reduce substance use that are effective and could be expanded/duplicated either countywide or in our local municipalities.
- Identify programs and initiatives are in place that are not meeting expectations and need to be either modified or discarded.
- Identify and remove 1-3 *significant barriers* to achieving better results for your sector's/organization's substance use/prevention efforts.
- Identify practices, either evidenced based or promising, that exist either in New York State or elsewhere, that could be effectively implemented in your community.
- Ask the question: How can a Local Health Department better "connect the dots" to enhance communications, collaboration, reduce duplicative efforts, and achieve better results for its substance use prevention efforts and for those of the local community?
- If a Local Health Department or organization/sector is not directly engaged in law enforcement or substance use treatment and recovery services, identify ways to best support awareness, education and substance use prevention efforts in the community.

- Develop best ways to measure results and find mechanisms to adjust a department's plan if it is falling short.

Conclusion:

The opioid abuse problem has been described as a "Public Health Crisis". NYSACHO, which represents the 58 Local Health Departments across New York State, fully recognizes that our members are well positioned to address this crisis on the local community level. Our Public Health Leaders are currently seeking solutions for mitigating this deadly problem and would benefit from a source of assistance which would support the most efficacious solutions for their unique jurisdictions. Many of our Local Health Departments have already identified "reducing substance abuse" as one of the key priorities in their Community Health Improvement Plans. An incentive grant, such as the one proposed in this paper, could be funded through a coordinated funding stream drawing from the NYS Department of Health, the Office of Alcohol and Substance Abuse Services, the Office of Mental Health, the Division of Criminal Justice Services, and the NY State Education Department. We are grateful for your review and consideration of our proposal and welcome dialogue to refine its contents to meet the expectations of Governor Cuomo in the year ahead.

