

Financing Public Health



Script: The Michigan Public Health Training Center Welcomes you to this module, Financing Public Health. As we learned in the previous module, resource stewardship is a key function of public health governance.

Module Objectives

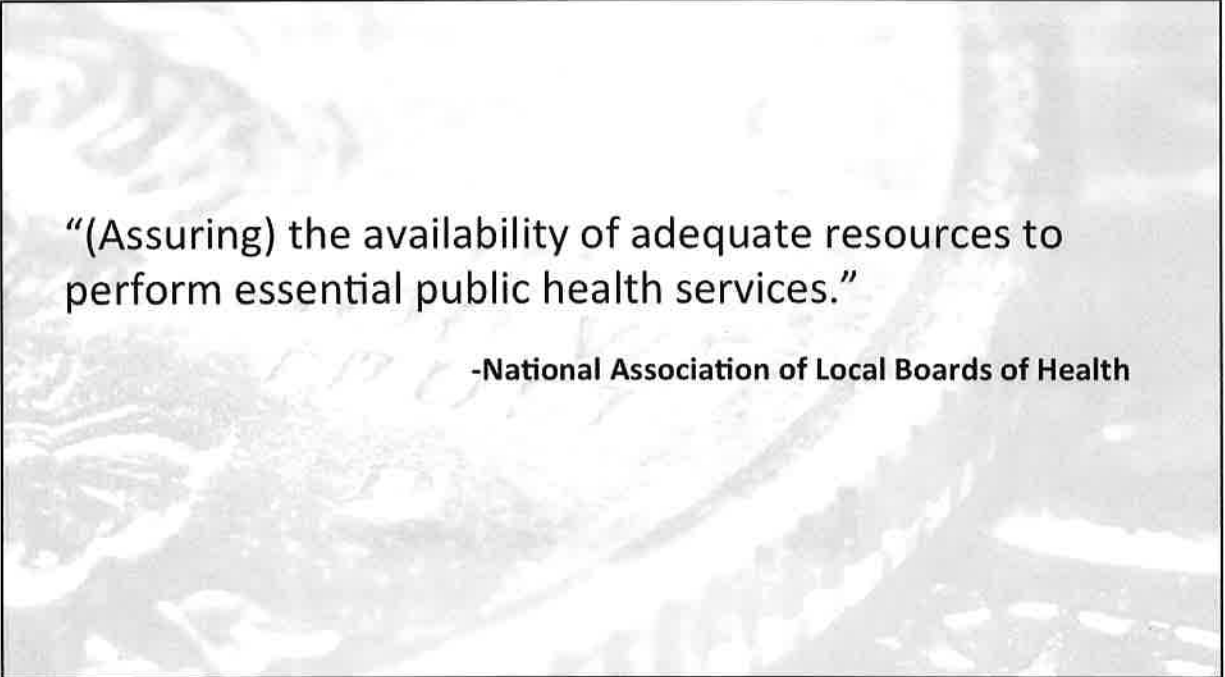
- Describe the role of boards of health as stewards of public health resources
- Identify the importance of funding for boards of health and public health
- List four sources for funding and how to access them

Script: In this module, we will explore the role of boards of health as stewards of public health resources. We will also identify the importance of funding for boards of health and for public health in general. Finally, we will discuss various sources of funding and the best way to access them.

Resource Stewards



Script: Let's start by looking at the role of boards of health as stewards of public health resources. It is important to understand how boards of health can support public health agencies in the best use of the available resources. What does it mean to be a steward? In this context, it means not only being knowledgeable about your health department's budget, but also ongoing engagement with your local health official. It means taking into account what the leadership hopes to accomplish and ensuring sufficient funds to address priority issues.



“(Assuring) the availability of adequate resources to perform essential public health services.”

-National Association of Local Boards of Health

Script: According to the National Association of Local Boards of Health, or NALBOH, resource stewardship is assuring “the availability of adequate resources to perform essential public health services.”

Resource Stewardship

- Long-range fiscal planning
- Meeting budgeting requirements of funding sources
- Revenue generation
- Fees for services are in alignment with other jurisdictions
- Entrusted with funds to support community



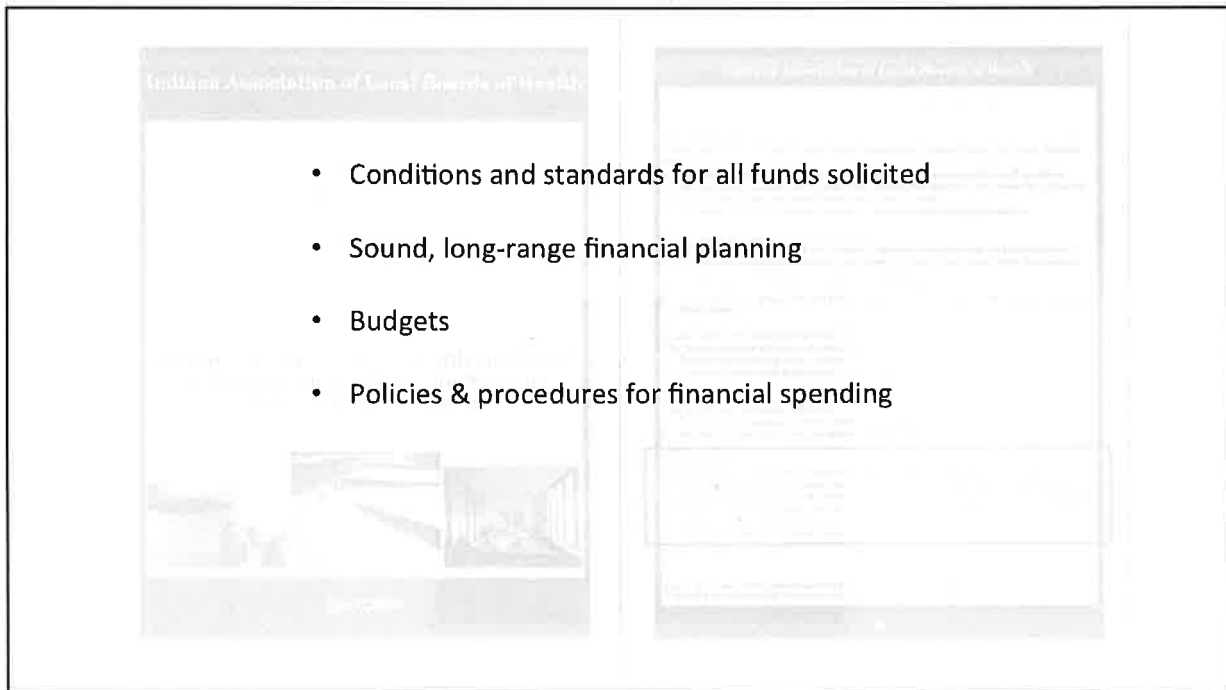
Script: Developing and approving a budget that meets the needs of the community and the requirements of the health department includes long-range fiscal planning. Sometimes budgets require maintenance of effort for state dollars, cost sharing from the general fund, or spending in accordance with grant requirements or restrictions. Budgeting may also involve revenue generation. If applicable, the board of health must make sure that fees for services are in alignment with other jurisdictions and are fair and reasonable considering the populations being served. Ultimately, it is important to remember that the board of health has been entrusted with funds to support the community and must take care when using those funds.

Resource Stewardship



- Ensure adequate facilities and resources to support community public health
- Develop agreements with neighboring governing entities to share resources

Script: In addition to budgeting, NALBOH suggests that key components of resource stewardship for boards of health may include ensuring that adequate facilities and legal resources are available to support public health in the community. It may also mean developing agreements with neighboring governing entities to share resources.

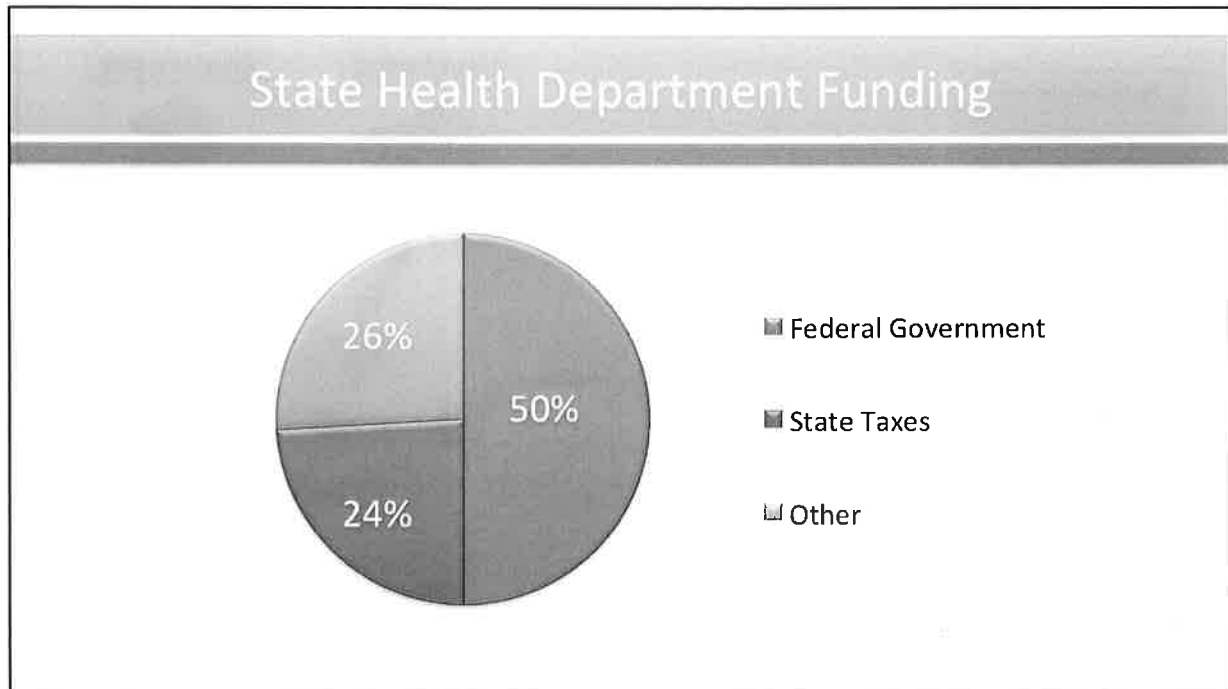


Script: Several states have guidebooks available for local boards of health that illustrate their role as resource stewards. For example, the Indiana Local Boards of Health Orientation Manual outlines the board's role in setting conditions and standards for all funds solicited in the health department's name; engaging in sound, long-range financial planning; approving budgets; and establishing policies and procedures for financial spending. Check with your state health department or state association of local boards of health for a similar guidebook available for local boards of health in your state.

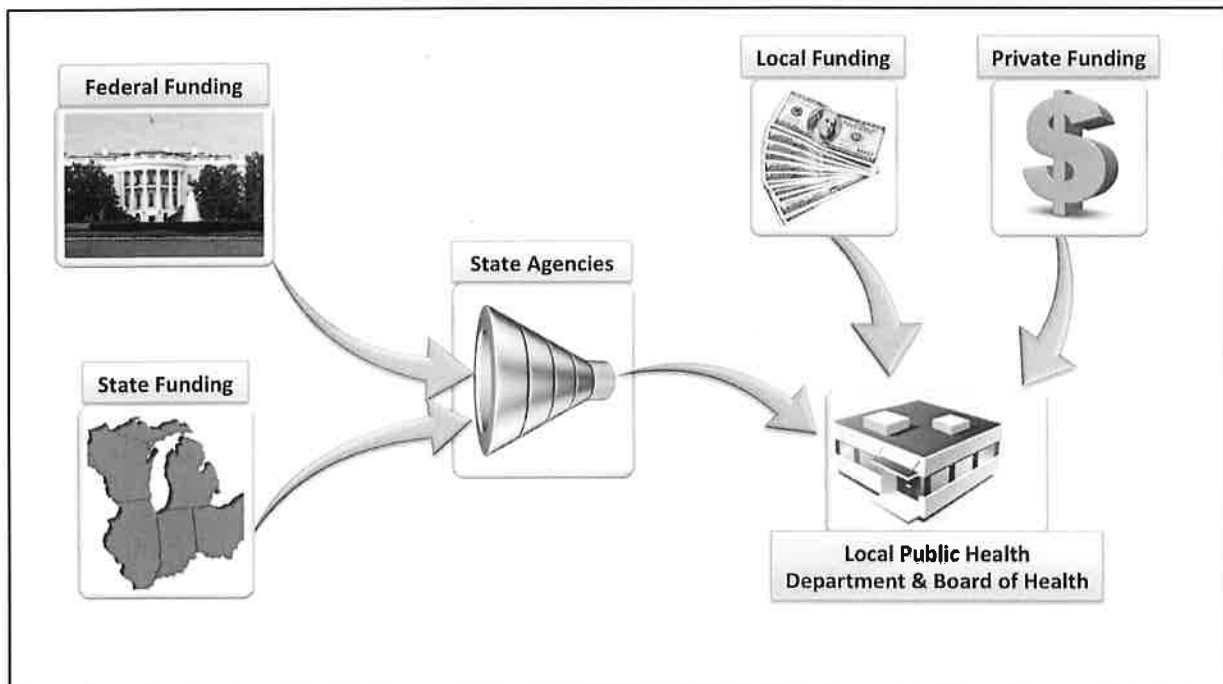
Boards of Health and Public Health Funding



Script: With this understanding of the roles of boards of health as resource stewards, let's look at ways that boards of health may support health departments in securing adequate financial resources to best perform their essential services. Sufficient funding allows public health agencies to promote information pertaining to new policies and to disseminate best practices. It also allows them to collaborate with other organizations on programs to improve population health. Before describing the role of the boards of health in financing such programs, let's explore public health financing in general.



Script: State health departments receive their funds from multiple sources, with variation from state to state in the proportion of funding received from a given resource. As you see on the screen now, state health departments generally receive about 50 percent of their funding from the federal government. This tends to come in the form of grants, cooperative agreements, contracts, and allocations. About 24 percent of state public health funds come from state taxes, and the rest may come from fees, Medicaid and Medicare, or other revenue.



Script: Local health department funding is funneled from state and federal sources through state agencies. Local jurisdictions also provide funding for programs. If the local agency is a unit of a larger state agency, funding from the area served plays a smaller role. Local health departments and their boards of health may also depend on funding from private grants and foundations, collaborative and project-specific grants, and jurisdiction-based funding.

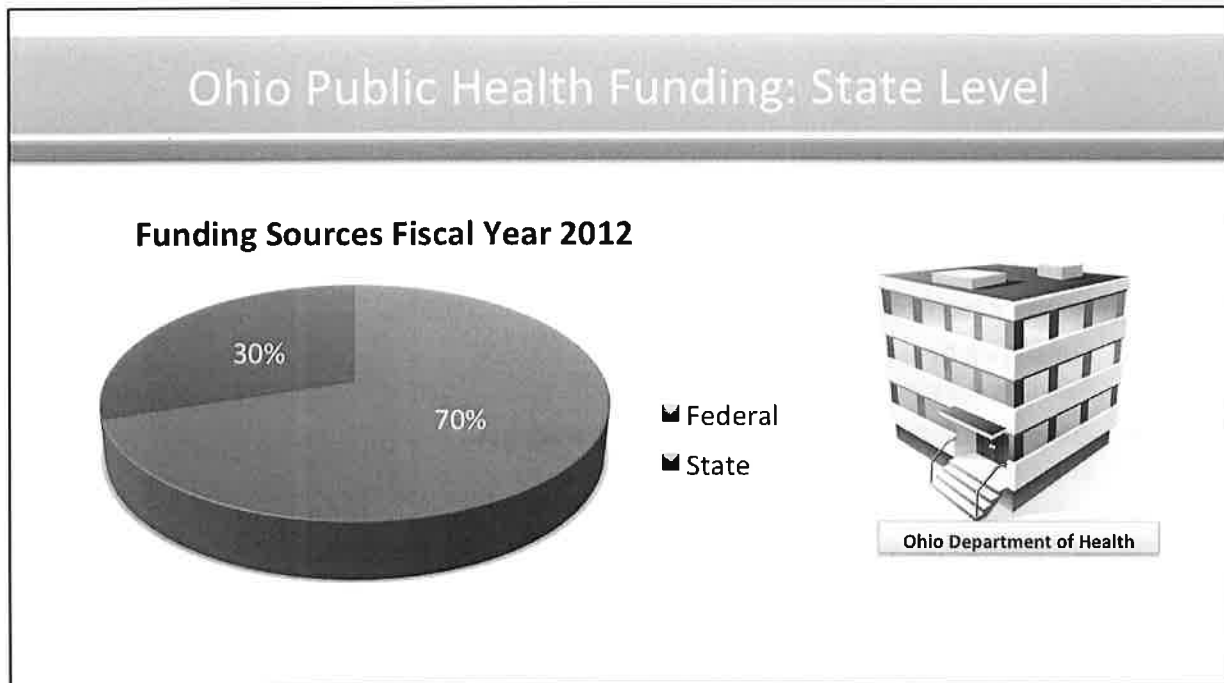
Federal Funding Sources

U.S. Department of Health and Human Services

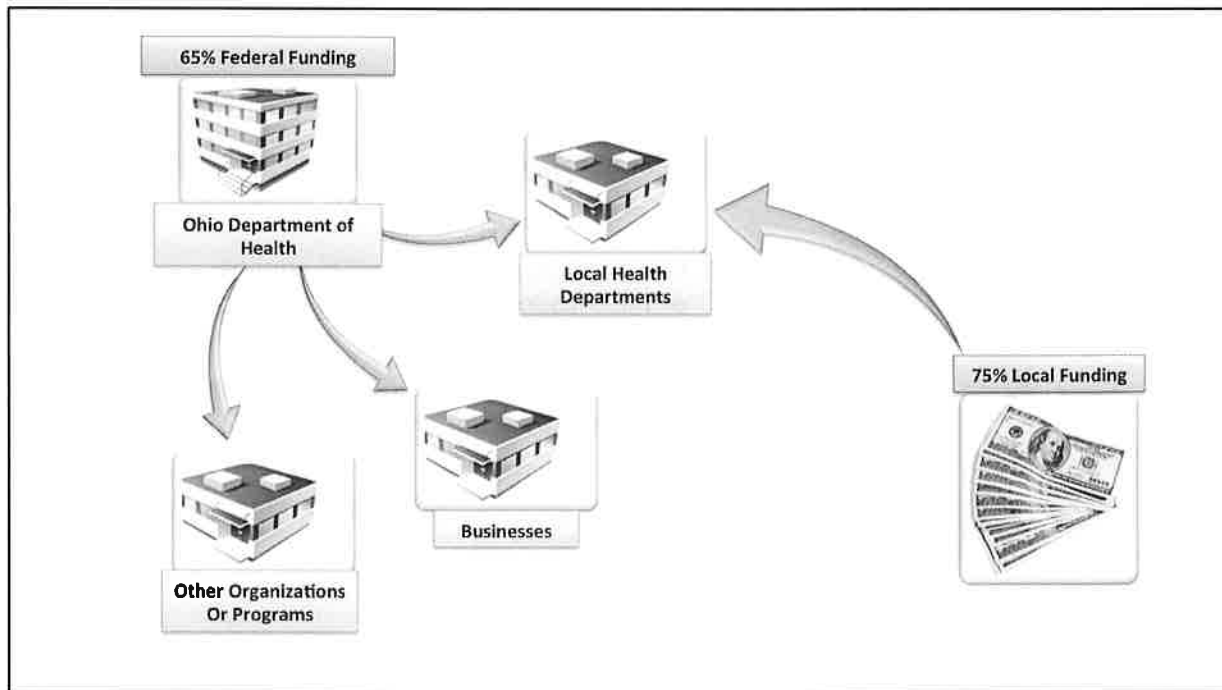
- Centers for Disease Control and Prevention
- Health Resources and Services Administration
- Substance Abuse and Mental Health Services Administration
- Office of the Assistant Secretary for Preparedness and Response
- Food and Drug Administration
- Centers for Medicare and Medicaid Services



Script: Federal funds for state and local public health agencies typically come from the US Department of Health and Human Services and its agencies such as those listed here.

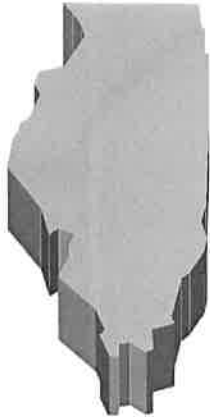


Script: Let's look at Ohio as an example of public health funding. In Ohio, governmental public health is supported by a combination of federal, state, and local funding sources. In fiscal year 2012, 70 percent of the Ohio Department of Health's funding came from federal sources with the remaining funds coming from the state.



Script: 65 percent of the federal funds were passed onto local health departments, businesses, and other organizations or programs like WIC or Children with Medical Handicaps. About 75 percent of local health department funding in Ohio comes from local sources, such as local government (general revenue and millage) or local fees and contracts to provide environmental health services.

Illinois Public Health Funding



- City level, county level, and bi-county or multi-county level
- Different options for providing funding to local health departments
- County's general fund or tax revenue

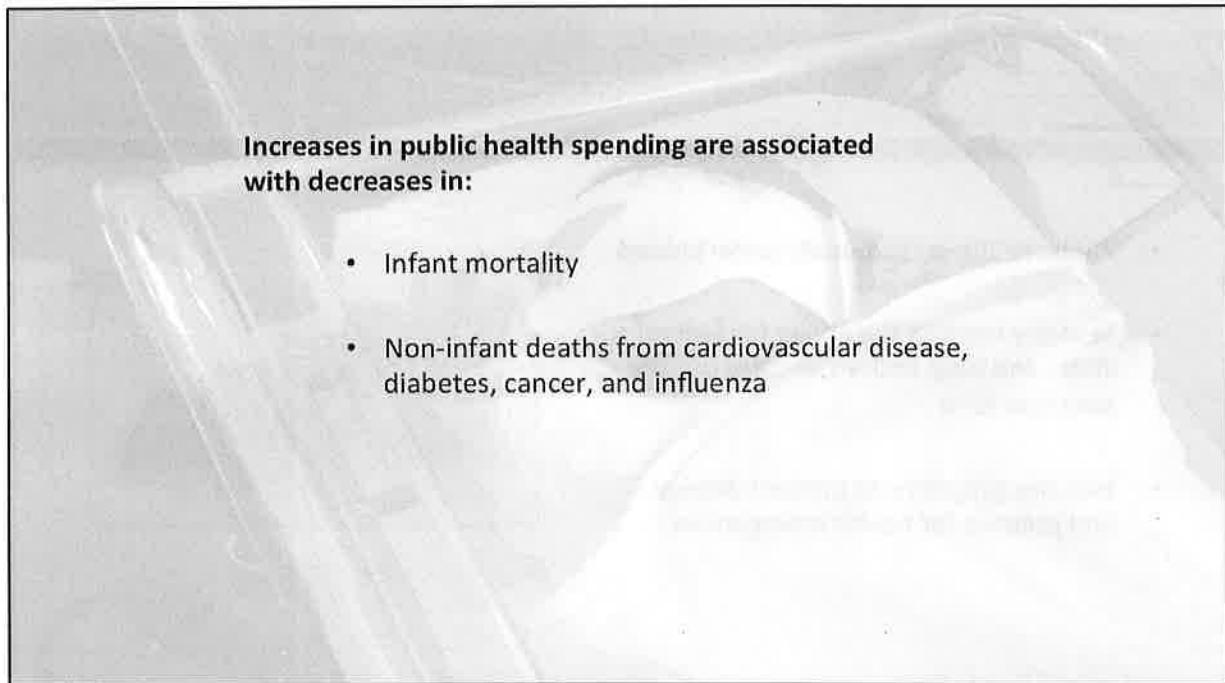
Script: Let's look at how Illinois established funding for local health services. In Illinois, health departments and their governing boards of health can be established at the city level, county level, and also at a bi-county or multi-county level. Local boards of health have different options for providing funding to local health departments, such as a county's general fund or tax revenue. It is important to note that in Illinois, while it does not matter what method is used to provide local support, the board of health reports to the appropriate governing board, which has full budgetary approval authority .

Public Health Funding

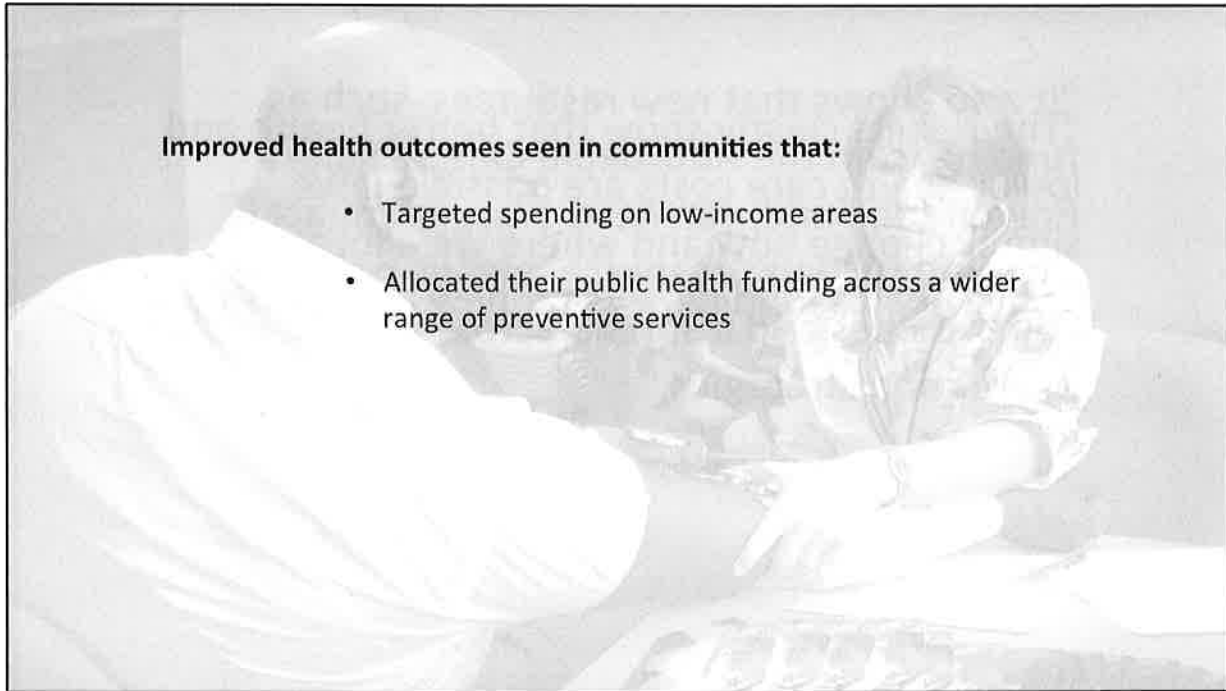
- Public health is chronically underfunded
- Severely impacts the ability for federal, state, and local entities to carry out the core functions
- Includes programs to prevent disease and prepare for health emergencies



Script: Unfortunately, the public health system has been chronically underfunded for decades. Expert analyses have found that limited public health funding has severely impacted the ability for federal, state, and local entities to adequately carry out many core functions, including programs to prevent disease and prepare for health emergencies.



Script: A study conducted by Dr. Glen Mays at the University of Kentucky in 2013 illustrates the importance of adequate funding for population health. Dr. Mays found that increases in public health spending are associated with decreases in infant mortality and non-infant deaths from cardiovascular disease, diabetes, cancer, and influenza.

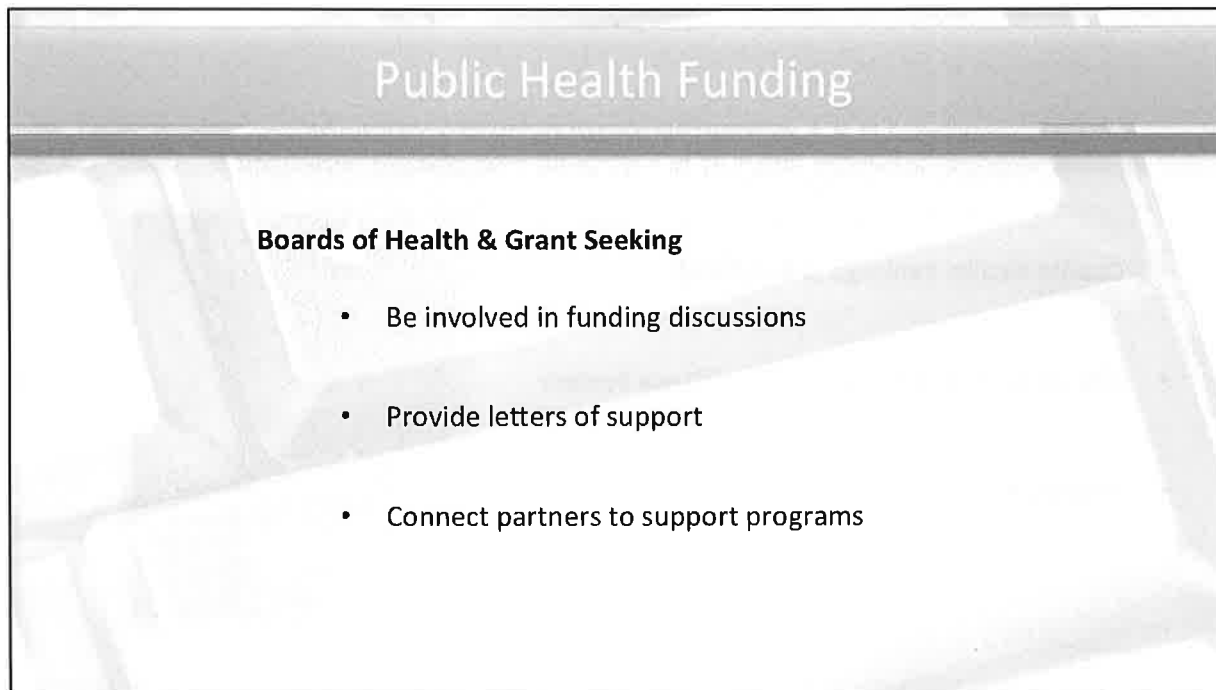


Script: These improved health outcomes were seen in communities that targeted spending on low-income areas or that allocated their public health funding across a wider range of preventive services.

“It also shows that new resources, such as funding from the Affordable Care Act’s Prevention Fund, can have a larger impact if we simply change how and where we allocate public health funding, even if new money isn’t available.”

-Dr. Glen Mays, PhD, MPH

Script: In an article by the Robert Wood Johnson Foundation, Dr. Mays suggests that “The results clearly show that better health and lower health care costs are possible if we simply change how and where we allocate public health funding, even if new money isn’t available.” He continues on to say, “it also shows that new resources, such as funding from the Affordable Care Act’s Prevention Fund, can have a larger impact if targeted to lower-resource, higher-need communities and if spread across a range of prevention strategies.”



Script: A board of health can play an active role in obtaining and making decisions about how to allocate funds within their jurisdiction to best support population health outcomes. While it is health departments that usually apply for grants, a board of health can also be a grant seeker. Additionally, a board of health may be asked to support, review, or provide oversight for the local health department's grant application. Boards of health can and should be involved in discussions when health departments seek funding from outside resources, as they can provide necessary letters of support, convene funders, or make connections between partners to support a program. If you are writing or reviewing a grant proposal, please see the resources section for a few grant writing resources.

First Step: Get Necessary Data

- County Health Rankings & Roadmaps
- CDC Behavioral Risk Factor Surveillance System
- Healthy People 2020



Script: Boards of health can help their state or local health department make the best argument for obtaining funding by supporting them in emphasizing several key elements in their proposals. Healthy People 2020, a program of the U.S. Department of Health and Human Services, outlines several steps for locating sources for and securing funding. The first step to acquiring funding is to get the necessary data to demonstrate a need for financial and programmatic resources. Use data sources like the County Health Rankings & Roadmaps or the CDC's Behavioral Risk Factor Surveillance System. You might also become familiar with other local surveillance resources to find specific information about your community. Next, see how your city or state compares to national baseline data using a data source like Healthy People 2020.

Second Step: Align with Other Initiatives



- Align local health goals with national initiatives
- Identify new stakeholders and partners
- Make connections with experts in other communities and states

Script: The second step when considering funding opportunities is to align your local health goals with national initiatives. For example, if you are interested in obesity-related funding opportunities, you could tie your local efforts to national obesity campaigns conducted by organizations like the Centers for Disease Control and Prevention or the American Heart Association. It is also important to identify new stakeholders and partners by making connections with experts in other communities and states.

Third Step: Evidence-Based Public Health

- Plan a strong public health program
- Ensure the best use of limited resources
- Focus and implement strategies



Script: Finally, use evidence-based information to plan a strong public health program. This will ensure the best possible use of limited resources by focusing on implementing strategies that have been proven to work to promote health.

Sources of Funding for Public Health



Script: There are federal, state, foundation and national association sources of funding for public health. Let's look at a few of those sources.

Federal Funding



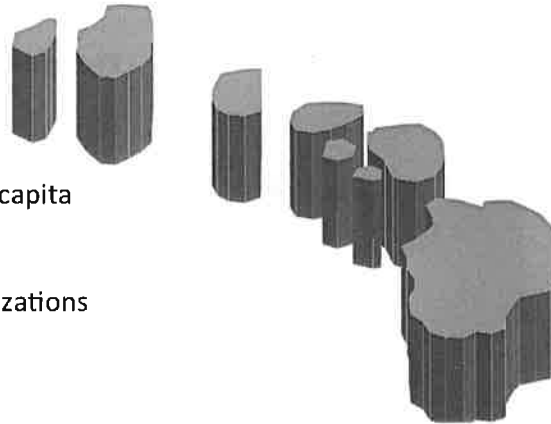
Grants.gov (www.grants.gov)

- Department of Agriculture
- Environmental Protection Agency
- U.S. Department of Health and Human Services

Script: Grants.gov is a centralized location for grant seekers to find and apply for federal funding opportunities. The site provides access to 26 federal grant-making agencies, such as those shown here. You can learn more by going to www.grants.gov.

State Funding: Hawaii

- **2012:** Ranked first in nation for per-capita public health state funding
- Awards funding to non-profit organizations



Script: In addition to federal funding, each state may also have funding opportunities available. For example, Hawaii, which ranked first in the nation for per capita public health state funding in 2012, awards grant funds to non-profit organizations to support health-related programs.

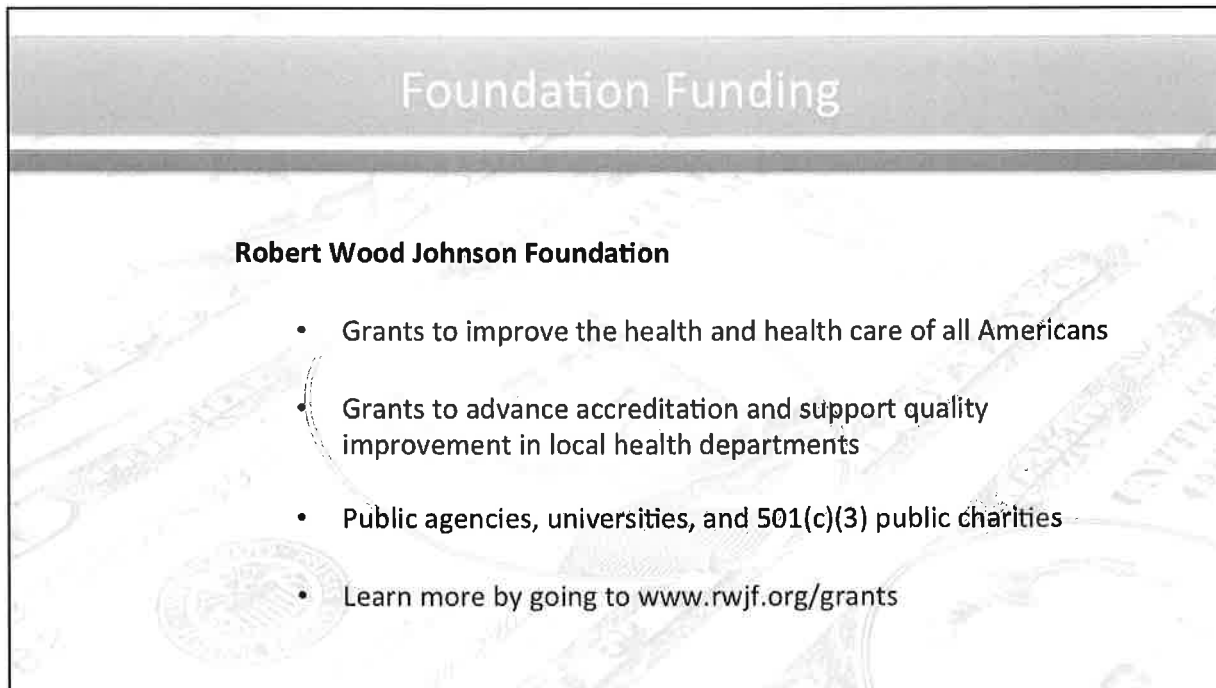
State Funding: Minnesota



Provides Grants and Loans

- Community-based organizations
- Community health boards
- Hospitals
- School districts
- Local public health
- Tribes

Script: The Minnesota Department of Health provides grants and loans to eligible applicants, including, but not limited to, community based organizations, community health boards, hospitals, school districts, local public health, and tribes. A July 2014 example of a state-funded opportunity was the Comprehensive Supportive Services for Safe Harbor No Wrong Door, in which applicants provide support services to sexually exploited youth. You should visit your state health department's website to discover what funding opportunities are available.

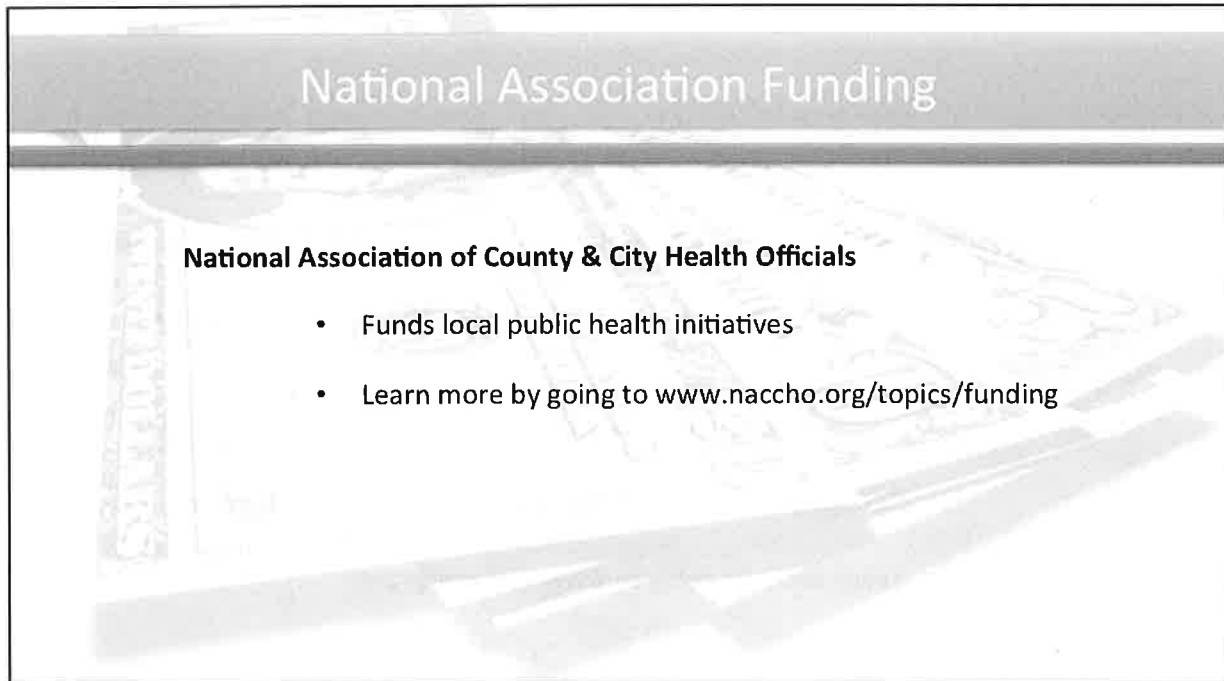


Foundation Funding

Robert Wood Johnson Foundation

- Grants to improve the health and health care of all Americans
- Grants to advance accreditation and support quality improvement in local health departments
- Public agencies, universities, and 501(c)(3) public charities
- Learn more by going to www.rwjf.org/grants

Script: There are many foundations that have funding focused on national, regional, or local initiatives. The Robert Wood Johnson Foundation is just one example of foundation funding and it provides grants for projects that advance the foundation's mission to improve the health and health care of all Americans. The foundation has also provided grants to advance accreditation and support quality improvement in local health departments. In general, organizations eligible for Robert Wood Johnson Foundation grants are public agencies, universities, and 501(c)(3) public charities. You can learn more by going to www.rwjf.org/grants.



Script: There are also many national associations that offer public health funding opportunities. One example is the National Association of County & City Health Officials, or NACCHO. NACCHO funds local public health initiatives and provides a list of funding opportunities on their website. An example from August 2014 was NACCHO's Funding Opportunities for Health Impact Assessment, which provided approximately three awards of up to \$15,000 each to local health departments to complete a health impact assessment. You can learn more by going to www.naccho.org/topics/funding.

Effective Board of Health Example



Script: Now that we have explored all of the module objectives, let's look at an example of what an effective board of health can do for its community as a resource steward. The following example is just one of many possible examples from various settings across the country of a board of health success.

Effective Board of Health Example: Financing Public Health

- Franklin County, Ohio
- Sixth largest health district
- More than 430,000 people
- Board of health is a five-member board appointed by the District Advisory Council




Script: Franklin County Public Health in Ohio is the sixth largest health district in the state, serving more than 430,000 people in 17 townships, 14 cities, and 9 villages. The health district is governed by the Franklin County board of health, a five-member board appointed by the District Advisory Council.

Effective Board of Health Example: Financing Public Health



- Public health services
- Plumbing inspections
- Enforcement of public health regulations

Script: The health department provides public health services, plumbing inspection, and enforcement of public health regulations to the Franklin County townships, cities, and villages, each of which pays the health department for those services.

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- Responsible for setting and approving health department budget
 - **2011/2012:** No per-capita rate increases
 - **2013/2014:** 3% per-capita rate increase
 - **2014:** 33% per-capita rate increase approved

Script: The board of health is responsible for setting and approving the health department's budget. This includes approving any rate increases the health department charges for the services it provides. In 2011 and 2012, there were no increases in the per-capita rate. In 2013 and 2014, the board approved a three percent increase for services provided, which was a per-capita rate of \$6.11. The board of health approved a per-capita increase of \$2.00, almost a 33 percent increase, in its August 12, 2014, meeting. By negotiating and approving increases in per-capita rates to support the health department's budget and activities, the board of health is acting as a resource steward and ensuring resources are available to meet the community's needs.

Financing Public Health

- Describe the role of boards of health as stewards of public health resources
- Identify the importance of funding for boards of health and public health
- List four sources for funding and how to access them

Script: You have now completed this module, Financing Public Health, in which you explored the role of boards of health as stewards of public health resources. You then discovered the importance of funding for boards of health and for public health in general. Finally, you learned about various sources of funding and the best way to access them. Please continue on to the next video in the series.

Training Provided By

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Special Thanks To:

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- Phyllis Meadows, PhD, MSN, RN, University of Michigan School of Public Health

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This Course is in Memory of Marie Fallon

Photo References

- **00:10** - 11531 by CDC / Dawn Arlotta (2009) from CDC PHIL
- **00:42** - 11580 by CDC / Dawn Arlotta (2009) from CDC PHIL
- **02:09** - 11583 by CDC / Dawn Arlotta (2009) from CDC PHIL
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from <http://inalboh.org/core/wp-content/uploads/Indiana-LBOH-Orientation-Manual.pdf>
- **07:06** - “Infant” by MPHI IST Candid Brandon (2014)
- **07:21** - 7876 by CDC / CDC Connects (2005) from CDC PHIL

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