



Meeting Notes

WORK GROUP MEETING

Relating to Passage of HB 3100 and HB 2310

Public Health Modernization

Local health department funding formula, accountability metrics and incentive payments

July 11, 2017 2:30 pm – 4:30 pm
Portland State Office Building (PSOB), Room 1C

Attendees by webinar: Michael Baker (Jefferson County Public Health Department), Janet Carlson (Marion County Commissioner), Courtney Vanbragt (Klamath County Public Health), Jeff Luck (Oregon State University), Steven Marlowe (Oregon Department of Justice).

Attendees in person: George Murdock (Umatilla County Commissioner), Shannon O’Fallon (Oregon Department of Justice).

Oregon Health Authority staff: Cara Biddlecom, Sara Beaudrault, Kim La Croix

Welcome and Overview of Rulemaking Process

- The meeting was convened by Sara Beaudrault at 2:30 p.m. with a welcome, information about call-in, meeting recording and logistics.
- The purpose of the work group meeting was shared, specifically, to address rulemaking for the passage of HB 2310 (2017) and HB 3100 (2015) and implement the Future of Public Health Task Force recommendations on a new framework for public health. The framework is centered on foundational capabilities and foundational programs that are essential in every community and for every person in order to protect and improve health in Oregon.
 - HB 3100: Adopted the public health modernization framework and put in place requirements for an assessment and plan. HB 3100 also put in place a local public health funding formula for new state funds for public health modernization.
 - HB 2310: Passed unanimously out of the House and Senate during the 2017 Legislative Session and is awaiting the Governor’s signature. HB 2310 made adjustments and modifications to what passed in HB 3100, for how public health modernization will be implemented, including new requirements for the use of accountability metrics to track progress toward public health modernization.
- The role of the work group was described.
 - Committee members were selected to provide expertise and advice in rule making. Oregon Health Authority (OHA) staff in attendance have content expertise.
 - Observers are welcome to attend, and may participate during the public comment period.

Review Agenda and Meeting Plan

- Sara Beaudrault reviewed the agenda for the current meeting, indicating that today's work group meeting will cover health department funding formula, accountability metrics and incentive payments. A second workgroup will address local public health authority, subcontracting of public health services and delegation. The Rules Advisory Committee (RAC) will review the components in Work Groups 1 & 2, as well as the Statement of Need and Fiscal Impact for the proposed rules.
- After the last of the RAC meetings, there will be official proposed rules, which are then open to public comment. There will also be public hearings in Portland, Medford and Pendleton.
- Final rules will most appropriately serve the intent and purpose of the statute, as determined by OHA, while taking in to account feedback and advice. Rules will be in effect January 1, 2018.

Overview of related statutes, concepts for administrative rules and concepts for contractual requirements. See the meeting materials for more information:

<http://www.oregon.gov/oha/ph/About/TaskForce/Pages/index.aspx>

- The majority of the meeting time was spent considering the [matrix](#) handout showing what's in statute, and what OHA anticipates will be in rule and in contract.

Funding Formula

The OHA is responsible for developing and approving the local public health funding formula and submitting it to the Public Health Advisory Board (PHAB) and Legislative Fiscal Office. PHAB advises on the funding formula.

The formula has 3 components:

1. Base level: includes the health status of the county, population size, and capacity to invest in public health.
2. Matching funds: provides additional funds designed to incentivize county investment in foundational capabilities and programs.
3. Incentive payments: related to achievement of accountability metrics for the efficiency and effectiveness of the programs provided.

Accountability Metrics

- Administrative rules will require that local public health authorities (LPHAs) submit accountability metrics data to the OHA, however the details and timeline would be addressed through contractual requirements.
- The health department contract requirements with OHA were described. OHA has contracts with every LPHA. Accountability metrics would be included in the contract.
- The administrative rules will codify PHAB and OHA roles, and that additional detail for reviewing the metrics, updating them and connecting them with incentive payments will be added in the contracting process.

- Workgroup members asked about the process that was used by PHAB to adopt the initial set of eight accountability metrics and stated there needs to be consensus with local public health for the metrics that are adopted. The PHAB Accountability Metrics subcommittee worked closely with the Coalition of Local Health Officials (CLHO) and went through a detailed process, including a survey that received more than 200 responses, to account for broad stakeholder input. There are six seats on the PHAB for members who represent local public health. There is also a process for PHAB to adopt and review the metrics. A list of eight metrics adopted by the PHAB subcommittee work group will be sent to the work group.
- There is growing concern from counties that there is not enough money or the requirements are too cumbersome to adopt the Financial Assistance Agreement.
- OHA is considering the timeline for accountability metrics that will be included in contracts. It's important to receive health department feedback and provide timely communication.
- Consider more time if it's a new contract and factor in county processes for contract review such as negotiating terms, fiscal requirements, legal review and public notice.

Incentives

- In order to receive incentive payments through the funding formula, the health department needs to meet process/performance measures based on the eight metrics adopted by the PHAB.
- Suggestion to include the accountability metrics in the rule. That specificity would help with contract execution. Rules would need to be reopened every time a change is needed to the metrics if they are prescribed in rule.
- If CLHO disagrees at some point in the future, and metrics are at the discretion of the agency, then there is not equitable power. There needs to be a strong consensus component about the data being used.
- 431.133 states PHAB establishes the metrics.

Matching Funds

- Similar to accountability metrics, the administrative rules would require LPHAs to submit actual county expenditures data (general funds) showing county investments in foundational capabilities and programs. Matching funds would be awarded to counties that invest in public health.
- Workgroup members expressed concern that there are counties that are unable to invest in public health. Counties that already have funds to invest will get more money and this could disproportionately impact smaller counties.
- The legislation doesn't specify a match rate (e.g. 1:1) and it doesn't preclude a mechanism to award different matching rates for counties that already invest versus new county investments. There is some flexibility to how the matching formula is constructed.

- \$105 million was the estimated annual additional cost of implementing public health modernization from the 2016 public health modernization assessment. The legislature invested five million for 2017-2019, with the intent to scale up state investment over the time.
- There are a lot of commitments to modernization and in tight budget times it's a success that money was allocated at all.
- Counties can also move forward without being dependent on the state for funding.
- The PHAB recommended that 2017-19 funds go to base-funding to build capacity, without allocations tied to accountability metrics and matching funds. This helps to ensure the process is in place.
- OHA will ensure a similar process and timeline is used to solicit feedback from LPHAs for issuing matching funds similar to accountability metrics and a mechanisms to inform decisions.

Public Comment

No public comment.

Next Meeting Agenda:

- There will not be another meeting because all of the objectives of the meeting were met. The August 1st meeting is cancelled.

Meeting adjourned at 4:00