

PUBLIC HEALTH ADVISORY BOARD Incentives and Funding Subcommittee

May 9, 2017

1:00-2:00 pm

Portland State Office Building, 800 NE Oregon St., Room 918, Portland, OR 97232

Webinar: <https://attendee.gotowebinar.com/register/1017967828287751171>

Conference line: (877) 873-8017

Access code: 767068

Meeting Chair: Jeff Luck

Subcommittee Members: Diane Hoover, Jeff Luck, Alejandro Qural, Akiko Saito, Tricia Tillman

Meeting Objectives

- Discuss role of PHAB Incentives and Funding subcommittee
- Develop principles for including floor payments in the funding formula
- Make recommendation for minimum amount of funding for distributing funds through the funding formula
- Prepare for June subcommittee meeting

1:00-1:05 pm	Welcome and introductions <ul style="list-style-type: none"> • Approve February 14 meeting minutes 	Jeff Luck, Meeting Chair
1:05-1:15 pm	Proposal for role of Incentives and funding subcommittee <ul style="list-style-type: none"> • Finalize funding formula • Make recommendations to PHAB on developing a scope of work that aligns with available funding for public health modernization 	Jeff Luck, Meeting Chair
1:15-1:35 pm	Funding formula floor <ul style="list-style-type: none"> • Discuss principles for including floor payments to local public health authorities in the funding formula • Make recommendations for determining funding formula floor amounts at different funding levels <p><u>Discussion questions</u></p> <ol style="list-style-type: none"> 1. What is the purpose for including floor payments in the funding formula? What should LPHAs be able to do with the floor? 2. How does the floor affect small counties differently than large counties? 	Subcommittee members

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3. What principles can be used to make decisions about the floor at different funding levels? For example, should the floor be a proportion of total available funding? How should it impact per capita funding for local public health authorities?
 4. How many floor tiers should be included in the funding formula?
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1:35-1:50 pm

Minimum funding level for using the funding formula

- Review provision in HB 2310, -3 amendment, adopted by the House Health Care Committee
- Discuss criteria for setting a minimum funding level for distributing funds through the funding formula

Discussion questions

Subcommittee members

1. What is the minimum amount of funding needed by a local public health authority to make changes or improvements?
 2. How can the entire public health system be supported to modernize in the event available funding is not sufficient to be provided statewide?
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1:50-1:55 pm

Subcommittee business

- Confirm that Jeff will give subcommittee update at May 18 PHAB meeting
- Determine who will Chair June 13 subcommittee
- Develop agenda for June 13 subcommittee meeting

Jeff Luck, Meeting Chair

1:55-2:00 pm

Public comment

2:00 pm

Adjourn

Jeff Luck,
Meeting Chair

Public Health Advisory Board (PHAB)

DRAFT Incentives and Funding Subcommittee meeting minutes

February 14, 2017

1:00-2:00 pm

Welcome and roll call

Meeting Chair: Jeff Luck

PHAB members present: Jeff Luck, Alejandro Qeral, Tricia Tillman

Oregon Health Authority (OHA) staff: Sara Beaudrault, Cara Biddlecom, Angela Rowland

Members of the public: Julia Lager-Mesulam, Kelly McDonald

Welcome and introductions

Silas Halloran-Steiner has resigned from the Board due to a Yamhill County Health and Human Services Department restructure. Silas is now serving as the Director, and rules and statute require an Administrator to fulfill the role as a Local Public Health Administrator PHAB member. The Coalition of Local Health Officials (CLHO) will nominate a replacement soon.

December 13 meeting minutes

The December 13th PHAB: Incentives and Funding meeting minutes were approved.

CLHO Public Health Emergency Preparedness (PHEP) committee discussion on public health modernization funding formula

Sara announced that the CLHO PHEP committee has discussed using the public health modernization funding formula to distribute FY2018 PHEP funding to counties, and were supportive of the way the funding formula model attempts to address health equity. The next step is for the committee to plug in potential funding amounts to see how funds would be allocated to counties.

Action Item: Provide information on how the application of the model impacts county allocations.

Existing tax revenue and future funding sources to support public health modernization

Sara presented information collected on existing tax revenue and potential future funding sources that could support public health.

In 2015-17, Oregon allocated \$158 million in Tobacco Master Settlement Agreement and Tobacco Tax (TMSA) funds. Of the \$158 million, \$4.1 million went to the Oregon Health Authority (OHA) for tobacco prevention and cessation.

In 2015-17 state taxes on tobacco generated about \$532 million in revenue. About \$16 million, or 3%, of those funds were allocated to OHA for tobacco prevention and education. About two thirds of those funds go directly to communities to support local initiatives.

Action Items: Provide information on how much of the Oregon Health Plan budget comes from TMSA and TPEP. Gather information on what the Oregon Health and Science University's (OHSU) bonds were allocated for and whether bond allocations will continue for 2017-19.

The marijuana tax is governed by the Oregon Department of Revenue. In the first eleven months of 2016, Oregon collected \$54 million in marijuana taxes. Statute requires that revenue is first used to cover the costs of administering the marijuana tax. Of the remaining funds, Oregon Health Authority will receive 5% for alcohol and drug abuse prevention, early intervention, and treatment services. The first disbursement is anticipated for September 2017.

Action Item: Provide information on what falls under the Mental Health, Alcohol, and Drug Services account, which is allocated 20% of available revenue. Look at marijuana tax receipt trends in other states with recreational marijuana programs.

The 2017-2019 Governor's budget recommends an increase in tobacco tax and distilled spirits surcharges. The cigarette tax could generate \$21.5 million and the other tobacco product tax could generate \$13.7 million to the general fund. Increased revenue would be allocated using the existing distribution formula. The distilled spirits surcharge could generate \$33.8 million to the general fund.

Action item: Provide information on how increased revenue from the increased surcharge for distilled spirits would be allocated.

The Board is interested in exploring a sugary drink and plastic bottle tax in Oregon.

The Oregon Health Authority cannot go beyond what is in the Governor's budget. Tax allocations are in statute and could require a long process to make changes.

Subcommittee members questioned whether the Coalition of Local Health Officials (CLHO) could create policy scenarios to increase revenue for public health, and if so, what is PHAB's role to review or support policy scenarios.

Action Items: Jeff will connect with Zeke Smith from the Oregon Health Policy Board to get guidance on how PHAB should move these discussions forward in the short- and long-term.

Summary of Action Items:

1. Provide information on how the application of the funding formula model impacts PHEP funding.
2. Provide information on how much of the Oregon Health Plan budget comes from TMSA and TPEP.
3. Gather information on what the Oregon Health and Science University's (OHSU) bonds were allocated for and whether bond allocations will continue for 2017-19.
4. Identify if there is an opportunity to reallocate tobacco funds from OHSU bonds and the OHP to public health.
5. Provide information on what falls under the Mental Health, Alcohol, and Drug Services account, which is allocated 20% of available revenue.
6. Look at marijuana tax receipt trends in other states with recreational marijuana programs.
7. Provide information on how increased revenue from the increased surcharge for distilled spirits would be allocated.
8. Jeff will connect with Zeke Smith from the Oregon Health Policy Board to get guidance on how PHAB should move these discussions forward in the short- and long-term.

Subcommittee Business

The subcommittee agreed to keep monthly meetings on calendars, although meetings will be cancelled if there is no work to be completed. The March 14 meeting will be held so subcommittee members can receive an update on Jeff's discussion with Zeke Smith from OHPB.

Jeff will provide the subcommittee report at the Feb 16th PHAB meeting.

Public Comment

No public testimony.

DRAFT