

Public Health Advisory Board (PHAB)
Incentives and Funding Subcommittee meeting minutes
February 12, 2019
1:00 p.m. - 2:00 p.m.

PHAB members present: Dr. Jeff Luck, Alejandro Queral, Akiko Saito, Dr. Bob Dannenhoffer
PHAB members absent: Carrie Brogoitti
Oregon Health Authority (OHA) staff: Sara Beaudrault, Krasimir Karamfilov

Welcome and Introductions

A quorum was present. Mr. Queral moved for approval of the January 8, 2019, meeting minutes. Dr. Dannenhoffer seconded the motion. The subcommittee approved the meeting minutes unanimously.

Sustaining 2017-2019 investment in LPHA partnerships

Mr. Queral articulated the main question for the subcommittee to consider: How do we move forward with the available funding for Public Health Modernization investments for 2019-2021, if funding remains at the \$5 million level (\$3.9 million to LPHAs)? To answer this question, the subcommittee needs to examine:

- 1) How are existing partnerships using funding, where are they headed in the next biennium, and what are the natural progressions?
- 2) How do we achieve potentially new or different partnerships and models while minimizing the disruptions to the existing partnerships that will continue in 2019-2021?
- 3) How can we use funding to maintain and gain momentum, and prepare for increased funding?

Mr. Queral reminded the subcommittee that PHAB developed a model for allocating funding to local public health authorities (LPHAs), based on the range of the funding level in 2018. In terms of the current state of the partnerships, Mr. Queral asked Dr. Dannenhoffer to provide his insights, based on his conversations with different partners within the Coalition of Local Health Officers (CHLO).

Dr. Dannenhoffer stated that the range of responses from LPHAs was wide. Most LPHAs reported that most of the funding was spent on personnel, such as FTEs. Some of the partnerships are doing well, while for others the structure of LPHA partnerships has been challenging. There is a general feeling among administrators that some of the counties that were not in the first round should probably get in. Dr. Dannenhoffer noted that, at a \$5 million funding level for 2019-21, the monthly funding will go down since it will be spread across a 24-month period. Also, if OHA uses an RFP process to award funds, there will be a gap in funding which could result in interruption of work and staff layoffs.

Ms. Beaudrault noted that there is a tension between opening the funding up in a way that allows for different partnership configurations, which would require an RFP, versus using funding for continuation of current projects without an RFP process. This tension was evident in the survey results.

Mr. Queral asked about LPHA partnerships that didn't achieve their stated objectives or fell a little short. How can the subcommittee assess where these projects fell short? Mr. Queral wondered if the subcommittee could provide guidance to PHAB as to where the projects were in their work and if there were any common themes shared among them.

Dr. Dannenhoffer stated that, based on what he had heard, there were three things: (1) The combination of counties into regions has been challenging for some partnerships. (2) Some regions had very ambitious goals and it's hard to judge the effect of the funding after only a year. (3) In some regions, multiple projects were picked, instead of only one project, which created uneven project results across regions.

Ms. Beaudrault commented that all grantees are on track to complete what they laid out to do in their work plans.

Mr. Queral asked if there was any information about which LPHAs could work better on their own. Mr. Queral suggested that these LPHAs could withdraw from the LPHA partnership and be eligible for future rounds of funding under a different funding structure. If they decide not to be in a partnership, they should be informed that the funding would be pulled back, with these resources being reallocated to the counties that could work together.

Dr. Dannenhoffer noted that while this is possible, the goal is not to have fewer counties involved, but to have more counties involved. For example, in the Coos-Curry-Douglas region, the relationship has worked okay, but officials are recognizing that there is a lot of time spent on traveling and doing things that don't add value to the relationship.

Dr. Luck stated that allocating the funds across jurisdictions was fundamental to the whole process and that funding should continue to be allocated to regions instead of individual counties, despite the complications that occur.

Dr. Dannenhoffer suggested to continue with the funding as before and allow the two counties that were not included to join an existing region. He noted that the subcommittee should focus on what to do when it received the increased funding.

Ms. Saito remarked that the spirit of the modernization was based on doing cross-jurisdictional work and working together. Despite all the complications, these are only two-year projects. It took a year to get the contracts in place and get people hired. It would be best to continue working together on these projects.

Dr. Luck added that, in some regions, there could be some benefits in allowing for new partnerships to be proposed (i.e., counties dropping off and being replaced by new regional members). However, a six-month gap due to an RFA would harm even partnerships that are doing well and want to continue their work.

Dr. Dannenhoffer proposed to continue as before for the start of the next biennium. If additional funding is available through new tobacco tax revenue or increased General Fund investment, a new structure should be developed to account for the additional money.

Mr. Queral supported Dr. Dannenhoffer's proposal and confirmed that there is consensus for this course of action among the subcommittee members.

Ms. Beaudrault noted that a formal vote was not needed for this decision. Mr. Queral stated that he would report the decision to the PHAB.

Begin discussion on use of additional funding 2019-2021

Ms. Beaudrault reminded the subcommittee that the second tier of funding that could be available to LPHAs is between \$5 million and \$10 million. Within this range, all LPHAs will receive a base level of funding, ranging between 30K and 105K (\$1.845 million in total), based on county population. This will allow the LPHAs to have skin in the game and increased capacity to work toward Public Health Modernization. The remainder of the funding will go to projects and partnerships. The focus will continue to be on communicable disease control, and health equity and cultural responsiveness.

Ms. Beaudrault added that there might be some opportunities to open up how the funding is used for other projects and configurations that are not LPHAs partnerships. The Governor's budget is for \$13.6 million. At that total funding level, the funds that will go the LPHAs will be still below the \$10 million level.

Mr. Queral asked about potential implications for future biennia if the tobacco tax passed and a portion of funds were allocated to Public Health Modernization. Ms. Beaudrault explained that if the increased tobacco tax survived the ballot, we would be looking at \$13.6 million at the end of the next biennium. The projections for the 2021-2023 biennium would be around \$40 million for Public Health Modernization.

Mr. Queral remarked that if the additional funds could not be absorbed by the LPHAs in a six-month time period, it would make more sense for the subcommittee's recommendation to focus on how the Oregon Health Authority allocated those dollars with greater flexibility, so that individual LPHAs could continue doing the work in their jurisdictions and allow them to do the groundwork for entering into other kinds of partnerships.

Dr. Luck asked that if the legislature passed the tobacco tax and the budget of \$13.6 million, could we have a distribution mechanism set up by OHA, whereby the distribution was done in advance, as soon as the results of the ballot measure come in. If the ballot measure is “No”, those steps won’t go forward, but if the ballot measure is “Yes,” the tap can be turned on right away.

Ms. Saito asked if there was a way to use retroactive funding, meaning, if LPHAs knew that the tobacco tax passed they could use other funding sources and be reimbursed when funds become available in early 2021.

Mr. Queral suggested that the subcommittee could look at floor funding ranges. If the funding meets a threshold, based on whatever funding the tobacco tax increase brings, then that floor funding increases. Another strategy could be to change the allocation formula.

Dr. Dannenhoffer supported Mr. Queral’s idea, adding that it could be good to consider several principles of the funding. Dr. Dannenhoffer suggested the following principles:

- We want to encourage regionalization;
- We would like to see no gaps in funding, recognizing that it is hard to keep good people;
- We recognize that the regions we created at the beginning may not be the final answer and that we might want to fund projects that have been successful and have great promise for the future.

Mr. Beaudrault reminded the subcommittee that passing a tobacco tax increase is not the only scenario in which we could receive increased funding for Public Health Modernization. The legislature could make the decision to increase the General Fund investment for Public Health Modernization, which would mean the additional funding would be available for the entire biennium.

Ms. Beaudrault also reminded the committee that part of the reason the subcommittee settled on the 30K-105K floor ranges was because the subcommittee felt that 30K was enough to give even extra small LPHAs enough increased capacity to begin closing local gaps. At this range, it was still important to focus on the efficiencies that could be gained through regional partnerships or cross-jurisdictional sharing. Spreading the money across the entire system would make the funding too defuse to see any real change from it.

Mr. Queral remarked that the subcommittee must develop two scenarios. If there is an increase in General Funds that puts us in the \$5-10 million range, this scenario becomes different than the tobacco tax scenario, due to the time issue. In this case, we will have longer time to implement the increase. The question then becomes: Should we implement another RFP, as we did in the 2017-2019 biennium, for those partnerships that did not receive the funding or did not submit a proposal?

Ms. Beaudrault described the current funding model used by Washington State. Washington State distributed funds to all its local health jurisdictions, but it held back a part of the funding for demonstration projects that focused on multi-county regions. The state did not have the requirement for LPHAs to form partnerships to apply for funding. The approach was more ground-up for the local health jurisdictions to come up with concepts for projects. The projects that got funded were projects that supported a multi-county region or the entire state.

Mr. Queral invited the subcommittee members to share final comments on the two scenarios discussed during the meeting. The subcommittee will decide which scenario to propose to the PHAB during its next meeting on March 12, 2019.

Dr. Luck remarked that it was logical to think about two scenarios because they were quite different. He also added that Dr. Dannenhoffer's three funding principles applied to both scenarios. Mr. Queral agreed.

Ms. Saito stated that she would not be able to chair the next subcommittee meeting, due to a family engagement. Mr. Queral agreed to chair the next subcommittee meeting.

Public Comment

Dr. Jim Gaudino, affiliated with the School of Public Health at OHSU-PSU, commented that he has been talking to Oregon legislators over the past four years about enhancing Oregon's public health capacity through the allocations discussed in this meeting. It has been informative to him to hear where things are in terms of current funding and what's been available. In his view, OHA needs to think carefully about core capacity-building funding for local health departments that is not necessarily tied to projects. There are capacity differences between health departments throughout the state.

Dr. Gaudino also noted that counties experience difficulties working with the CCOs on big projects, as the local health authorities have the expertise that the CCOs don't. It would be good to get input from the counties around their work with the CCOs and their ability or inability to do that. This is natural partnership that is happening in some places and not in others in Oregon.

Closing

Mr. Queral adjourned the meeting at 1:56 p.m.

The next Public Health Advisory Board Incentives and Funding subcommittee meeting will be held on March 12, 2019, at 1:00 p.m.