



CITY OF KIRKLAND

Department of Parks & Community Services

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MEMORANDUM

To: David Ramsay

From: Carrie Hite, Deputy Director
Jennifer Schroder, Director

Date: February 1, 2007

Subject: Public Health Special Presentation to Council

RECOMMENDATION:

City Council gain knowledge of Public Health funding crisis.

BACKGROUND DISCUSSION:

Mayor Jim Lauinger recently attended a forum presented by Seattle/King County Public Health in regards to the Public Health funding crisis. He requested a special presentation to the Kirkland City Council.

Seattle/King County is facing a funding crisis in Public Health. The funding crisis is related to several factors on the international, national, and State level that are converging on the local level. These factors have been explored at great length in the Public Health Operational Master Plan (PHOMP).

Potential Clinic Closures

The 2007 Executive proposed a stop gap measure in the budget to include expenditure authority and revenues only through June 2007 for the North and Northshore Public Health Clinics (a satellite dental clinic is considered part of the North clinic). These clinics are part of a broad safety net of private and public organizations that provide a variety of personal health care services to largely low-income and uninsured or underinsured clients. The potential closure of these clinics is driven by the Public Health funding crisis.

4410 Joint Steering Committee on Public Health Funding

In 2005, the State Legislature created the Joint Steering Committee on Public Health Funding to study financing options for the public health system. The Committee developed a work plan to understand the current state of public health and its financing, to determine where gaps exist and to make recommendations on funding priorities and financing options. The Committee reached consensus on recommendations, which are summarized below:

- Delivery of public health services should focus on core, priority services and maximize efficiency. These core public health functions include stopping communicable disease, promoting health, investing in healthy families, protecting against environmental health risks, and helping people to access care.
- The State should provide additional funding in the amount of \$50 million annually during the 2007-2009 bienniums, as an initial investment. This funding should come from existing tobacco tax revenues that are currently deposited to the General Fund (23 cents/pack). There must be a report back to the Legislature demonstrating how expenditures have been used to meet core functions.
- Local governments should play a role in financing the additional investment in public health services. To qualify for additional State funding, local governments should be required to maintain at least their current level of funding for public health.
- The Committee recommends that that Legislature consider a four-part distribution formula in the following priority: (1) Distribute funds based on an equalization approach and require that they be used for core public health functions in order to mitigate deficiencies that result from disparities in tax bases, (2) Distribute on a per capita basis and possibly include other factors that reflect local demand for public health services in order to provide equity in funding based on need, (3) Provide a financial incentive for local jurisdictions to increase local investments in public health, and (4) Distribute funds for creative and more cost effective ideas, possibly on a multi-jurisdictional level in order to foster innovation and inter-jurisdictional cooperation.

Currently, Seattle/King County Public Health and their advocates are providing public education and information in regards to this funding crisis, and requesting support of \$100 million of new dedicated funding for Public Health in the 2007-2009 State budget.

King County Communities At Risk: Invest Now for a Healthier, Safer Future

Your help is needed today to:

1. **Restore** an eroded public health system to maintain core functions, such as communicable disease control and immunizations that protect the public every day.
2. **Address** emerging community health issues like diabetes and communicable diseases by funding activities that prevent diseases before they start.
3. **Support** \$100 million of new dedicated funding (\$50 million annually) in the 2007-2009 state budget as a first step to filling critical gaps in the public health system.

Public health is the foundation for healthier people and communities

A strong public health system provides the foundation for everyone's better health in all our communities. Every day, critical health needs are addressed by a wide range of health promotion and disease prevention activities:

- Preventing and controlling the spread of communicable diseases
- Ensuring safe food, drinking water and healthy homes
- Preventing and controlling chronic diseases, such as diabetes and asthma
- Measuring and following health issues in our community
- Supporting healthy families through family planning and promotion of healthy development in young children and mothers
- Helping people access the health care services they need
- Preparing for and responding to health emergencies

Emerging concerns threaten our community's health

New challenges are emerging, requiring vital and core public health services more than ever:

- Emerging diseases, such as West Nile virus and the threat of pandemic flu
- Rapid rise in diabetes and other chronic illnesses
- 190,000 people -- nearly 16% -- of King County residents without health insurance
- Disparities in health for ethnic and lower-income populations

Funding is needed now to meet growing challenges

Public health has been a responsible steward of public investment, but funding levels aren't meeting community needs.

- State per capita public health funding has decreased 25% between 1998-2004
- Washington state now ranks 44th in the nation for public health funding

Bi-partisan recommendation for new state dollars

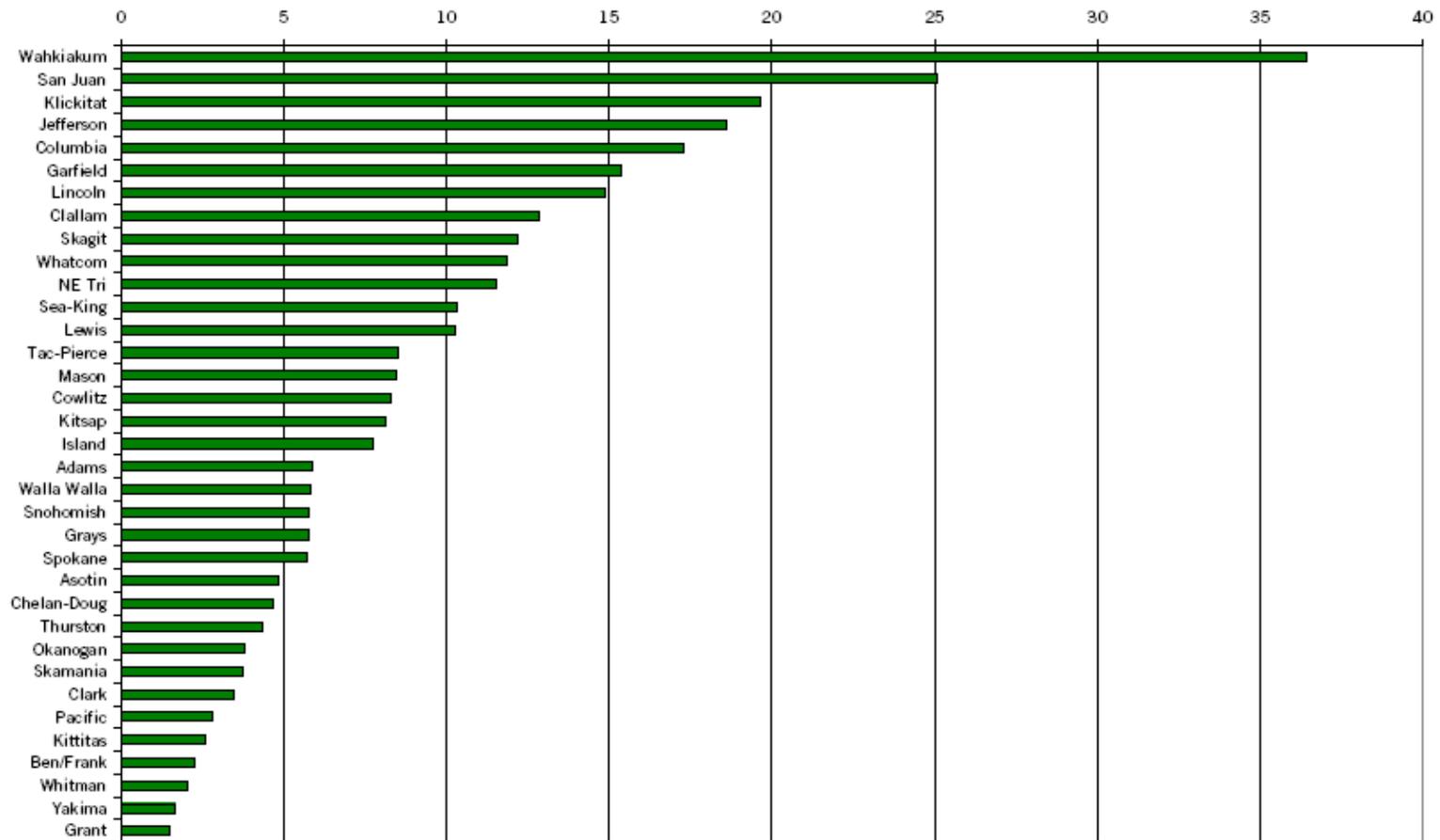
- In order to improve our communities' health and safety, the bi-partisan 4410 Joint Select Committee unanimously recommended \$100 million new, dedicated funding (\$50 million) in the 2007-2009 state budget.
- This funding is a first step to fill critical funding gaps.

What would new state support provide?

Communicable Disease	<ul style="list-style-type: none">✓ Expand immunization services✓ Enhance disease investigations with aggressive prevention efforts and surveillance✓ Improve outreach to high risk populations
Health Promotion	<ul style="list-style-type: none">✓ Implement new effective health promotion activities✓ Enhance information gathering and tracking of chronic diseases✓ Target outreach to high-risk populations
Healthy Families	<ul style="list-style-type: none">✓ Promote healthy development in young children and mothers by expanding cost-effective programs
Health Information	<ul style="list-style-type: none">✓ Improve systems to guide prevention efforts and measure the effectiveness of our services
Environmental Health	<ul style="list-style-type: none">✓ Increase efforts to track and control animal-borne diseases like West Nile virus
Health Services Access	<ul style="list-style-type: none">✓ Assist more of our community members to access the health services they need✓ Identify specific, local access issues and systems for improvement✓ Engage local community partners in addressing access and service gaps
Preparedness for Public Health Emergencies	<ul style="list-style-type: none">✓ Increase ability to respond to naturally occurring and man-made emergency health threats

Your help is needed now. Support \$100 million in new dedicated funding (\$50 million annually) in the 2007-2009 state budget as an important first step in filling the gaps and meeting the increasing demands for public health services in our communities.

Total Per Capita Local Government Contributions by LHJ in 2005 Dollars, 2004
 (Total does not include permit/fee revenue or fund balance)



Note: Sea-King figures are based on BARS Report, as adjusted by Public Health Seattle King County.

Recommendations for Financing Public Health

Kathy Uhlorn
Public Health – Seattle & King
County
Regional Health Administrator

Financing Public Health for the 21st Century

- In 2005, the Legislature created the Joint Select Committee on Public Health Finance.
- Representatives and Senators from both health and fiscal committees.
- Task: review all funding sources and expenditures for public health services and recommend potential sources of future funding.

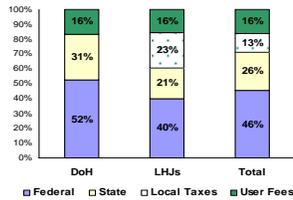
Financing Public Health for the 21st Century

- Committee's work plan - 4 Goals
- Understand public health and its financing
 - Understand Public Health Performance Measurements
 - Establish funding priorities
 - Develop financing options

What are the Public Health Challenges of the 21st Century?

- Public Programs Competing for Fewer Discretionary Dollars
- Increased Mobility
- Technology
- Emergency Preparedness Role for Public Health

How is public health currently financed in Washington?



How is public health currently financed in Washington?

- Characteristics of the current finance structure:
- Categorical
 - Reliant on federal funding
 - Suffers from usual limitations of fees
 - Disparate levels of local support
 - Very few flexible dollars to address emerging needs

Recommendations: Delivery of Public Health Services

1. Core public health functions should be available in all parts of the state. Core public health functions include:
 - Stopping communicable disease
 - Promoting health
 - Investing in healthy families
 - Protecting against environmental health risks
 - Helping people access care
 - Preparedness for public health emergencies

Recommendations: Delivery of Public Health Services

2. Each local health jurisdiction should meet an acceptable level of performance.
3. Multi-jurisdictional or regional efforts should be undertaken whenever appropriate to increase efficiency of services.

Recommendations: Delivery of Public Health Services

4. Performance measurement tools should be developed for impact and outcome evaluation.

Recommendations: State Funding for Public Health Activities

5. The state should maintain its current investment funding and provide a stable and dedicated funding source.

Recommendations: State Funding for Public Health Activities

6. The additional investment should seek to mitigate disparities in local jurisdictional core function capacity and competence and per capita funding and to strengthen the current system.

Recommendations: State Funding for Public Health Activities

7. The state should provide additional funding in the amount of approximately \$100 million during the '07-'09 biennium, as an initial investment. This funding should come from tobacco tax revenues that currently deposited to the General Fund.

Recommendations: State Funding for Public Health Activities

- 8. A dedicated account for public health revenues should be established.
- 9. County governments should play a role in financing the additional investment in public health services.

Recommendations: Local Funding for Public Health Activities

- 10. To qualify for the additional state funding, county governments should be required to maintain at least their current level of funding for public health.

Recommendations: Local Funding for Public Health Activities

- 11. Further discussion of the establishment of local option tax authority is needed to identify the merits of authorizing any such funding, as well its purpose and character.

Recommendations: Local Funding for Public Health Activities

12. The committee adopts the Four-Part Recommended Distributional Formula.

1. Distribute funds based on a sales tax equalization approach.
2. Distribute on a per capita basis and local demand for services.
3. Provide a financial incentive for local jurisdictions to increase local investments in core public health functions.
4. Distribute funds to develop creative/cost effective public health services on an inter- or multi-jurisdictional basis.

Recommendations: Long-Term/Overall Funding

13. These funding recommendations are the first step.
