

Financing Public Health in Georgia

Transcript

This training is an introduction to *Financing Public Health in Georgia*. The topics covered include:

1. How local public health is funded in Georgia;
2. The return on investment from funded public health programs; and
3. The fiscal responsibilities of the county board of health members.

The Georgia Department of Public Health has the stated mission to protect the lives of all Georgians by preventing disease; by promoting health and well-being; and by preparing for and responding to disasters from the health perspective. To understand how this mission is carried out, let's first look at how public health is administered in Georgia.

Georgia's public health system is a hybrid system, wherein both the state Department of Public Health and the county boards of health work together to serve the public health needs of the state's residents.

The state is divided into 18 public health districts, each covering one or more counties and led by a district health director, who is a licensed physician. Within each district are the county boards of health which are the governance structure for the local health departments. The local health departments provide the services that fall under the label of "public health."

The focus of this training will be on the local, or county, health departments, the services they provide, and how those services are funded.

Let's first think about the services that local health departments provide to the community to assure that the state's public health mission is met. It is important to note that depending on existing community needs, partners, and assets, each local health department will be unique in the services offered.

Typically though, most health departments have programs providing children's health and women's health services; chronic and communicable disease prevention; immunizations; and health promotion and education. Most local health departments also provide environmental health services such as restaurant and septic tank inspections, and rabies control. As can be seen from this list, health departments provide a multitude of services that work to improve the overall health and well-being of the people they serve.

Board of health members should be knowledgeable about the services provided by their health department, and should have open communications with the district health director to discuss whether or not the needs of the local population are being met.

Funding for Public Health in Georgia

Health is one of the topics, along with education, that was not mentioned in the United States Constitution. Unlike defense and foreign policy, health was not considered to be a federal government power. Due to this, public health is by and large under the jurisdiction of the individual states. Because individual states design and administer most of their own public health programs and policies, funding for public health varies from state to state and even within each county of the state.

This training will focus on the funding sources that can be expected at the local level in Georgia, along with additional funding mechanisms that boards of health might be interested in pursuing within their counties.

The majority of the state public health budget is met by annual appropriations from the governor and the Georgia General Assembly, and by grants from certain federal agencies. Examples of agencies providing federal funding include the U.S. Department of Agriculture; the Department of Homeland Security; Health and Human Services; and the Health Resources and Services Administration.

In Georgia, the State Department of Public Health manages these federal funding streams and disperses them to the health districts, which then pass them on to the county health departments.

Each county health department has an operating budget that is funded by a variety of sources. Funding may come from the state by way of the district; fees for services; county appropriations; and in some counties, from grants and donations. All of these funding streams are subject to fluctuation. Let's look at each in more detail.

The State Department of Public Health serves as the fiscal agent for federal and state appropriations and provides what is called "grant-in-aid" funds to each district health department, that are then allocated to each county health department.

There are two types of grant-in-aid: general grant-in-aid comes from the state budget appropriated by the governor and legislature. These funds can be designated for general health programs. Conversely, programmatic grant-in-aid comes from federal sources and it funds specific programs which have very targeted goals. For example, programs to address teen pregnancy rates or control sexually transmitted diseases.

It is through the county health department budget that the district health director accounts for which programs are funded by which type of funding. The budget also assures that funds are being spent on the programs for which they are designated. Much of the money allocated to the county health department is program specific and is very tightly monitored to ensure that it is being used for designated purposes.

A second source of income is from the fees the health department charges for some of its services. Businesses, such as restaurants, pay health inspection fees; commercial and residential septic systems are inspected for a fee, as are swimming pools, tourist accommodations and trailer parks. In addition, health departments provide training and certifications on a fee-for-service basis. An example of this is for persons involved in food handling and pool operations.

Direct health care services also have fees. Some patients are able to contribute to the cost of the care they receive on an income-based sliding fee scale. However, there are patients who receive care at no charge, since Georgia law prohibits the county health department from denying services to patients because of an inability to pay.

Fee income varies greatly from health department to health department depending on the overall socioeconomic status of the community and of the population using health department medical care services. Specific amounts can be determined by looking at the local health department's annual financial report. It should be noted that certain health care services provided may be eligible for reimbursement from Medicaid or Medicare. Also, private insurance companies will sometimes reimburse for certain immunizations provided to the patients they insure.

A third source of funds for each local health department is county appropriations. The county commission is required to provide a stated amount of financial support, called county "participating funds," in order for the county board of health to receive the aforementioned general grant-in-aid from the state Department of Public Health.

The county board of health submits a request to the county commission for additional funding deemed necessary to support the programs and services of the local health department. The commission then determines the amount of funding it can provide, based on its resources and priorities.

County funds, above and beyond the required "participating funds," are known as "non-participating funds." Non-participating funds are free from the constraints associated with both participating funds and programmatic funds, therefore allowing flexibility to meet other identified needs at the local level. The board of health can be influential in advocating for strong support from the county commission to address specific health issues that may be problematic in the county.

In addition to the funding sources already mentioned, county boards of health are able to seek funding through grants. Sometimes grant monies are available from other state, federal or private sector funds. Frequently, they are time limited so they cannot be counted on to last indefinitely. Also, they typically cannot be used for general operating expenses, and instead are used to start health programs that address specific public health issues not funded by other sources.

It may also be possible to obtain grant money from foundations, corporations, and service organizations.

Foundation initiatives can be small, serving just one community, or large, funding projects across the country or globe. The United Way and the local chamber of commerce are good resources for learning about foundations and the types of projects and initiatives they support.

Many corporations, through their philanthropic divisions, have funds for public service that are distributed in the form of grants. Commonly, it is within the geographic region in which they are located that these firms choose to invest. Once again, the United Way and the local chamber of commerce are good sources of information on local businesses.

Lastly, civic service organizations such as the Kiwanis, The Lions Club, Junior League, and Rotary are eager to support their local communities. Because the members of these organizations are also community members, it is beneficial to engage them in helping the health department fulfill its mission.

The 2010 U.S. Patient Protection and Affordable Care Act, or ACA, was enacted by the federal government. This act might potentially fund aspects of public health as it has provisions for preventive health services. However, it is too early to tell what impact, if any, the ACA will ultimately have on local public health department funding.

The Return on Investment from Funded Public Health Programs

From 2010 to 2015, federal and local funding of public health programs decreased overall. State funding increased modestly as the economy has improved. Unfortunately, these state increases, have not outpaced the federal and local decreases.

Exacerbating this issue is that health care access in rural Georgia continues to be a challenge. The Georgia Department of Public Health has sought to address access by building a telemedicine network throughout the state. This allows patients to be diagnosed and treated by healthcare professionals remotely. Funding and access likely will continue to be issues that will require the attention of local, state and federal leaders.

Research has shown that if our country invested 10 dollars per person per year in evidence-based community programs, there could be a reduction in general healthcare costs of 16 billion dollars annually within five years. The return on investment in this case would thus be equal to \$5.60 for every \$1 invested. For a community of 30,000 persons this could reduce the costs of health care by over \$150,000 annually.

Another way to think about the return on the investment in prevention is by looking more broadly at the effect health can have on a community's economic growth. Let's imagine that a majority of the residents of a community are unhealthy and have a multitude of health problems such as obesity, diabetes, heart disease, and cancer.

These people will miss work and school, go to the doctor frequently, and take many medications resulting in increased health care costs, lost income, lower education level,

and decreased participation in the community in general, including volunteerism and community action. This general low productivity level will in turn affect the tax base of the community, making it difficult to maintain infrastructure such as roads, parks, and community centers. This negative cycle continues impacting the overall economic vitality of the community.

Therefore, it is clear that investing in public health and disease prevention is beneficial to a community, both in the sense of avoiding the costs of health care for preventable illness, but also in improving the quality of life. Healthy communities attract businesses, which in turn bring economic growth to a region. Healthy communities are more productive and have fewer health care expenses.

Given the past and current under-funding of public health services, it is critical to advocate for making prevention a priority in Georgia, both to increase state funding, as well as to look for alternative sources of funding. Changes in the national health system have also promoted prevention as a priority. It is important to understand how these changes may benefit local communities.

Fiscal Responsibilities of the Board of Health

The board of health is an integral part of the process of funding public health activities at the county level.

It is the duty of the board of health to review and certify the county health department's annual budget which is then sent to the county commission. The board of health should advocate for any funding increases from the county as recommended by the district health director. The health department programs, services, and budget should also be carefully assessed for meeting the public health needs of the community.

Board of health members are uniquely situated to connect with community members to hear their concerns and needs regarding health programs and can communicate these needs to the district health director.

In turn, they can advocate for necessary funding for programs identified by the board or the community and deemed necessary by the district health director, but which are not covered by federal, state, or programmatic funds. They can lobby the county commissioners for funding and also identify alternative funding mechanisms, such as grants.

Living in the community, and most likely working in the community, gives board members the ability to gauge community health needs. This happens both on an informal, word-of-mouth basis as well as more formally through information provided by the health department or district health director regarding the health trends in the community.

County board of health members can also learn about their particular community's public health status by visiting a reliable source of information on the web called

“County Health Rankings and Roadmaps.” This site provides detailed information about each and every county in the nation and what health issues are most prevalent in them. With this information board of health members, working closely with the district health director, can identify where improvements can be made, which programs have successfully improved health, and which programs need further funding.

In summary, while funding for public health from federal, state and county sources can fluctuate, there may be other funding opportunities available to support the health department that are worthy of exploration.

The county board of health plays a critical role in advocating for needed funding and exploring alternative funding options in order to address the unique needs of public health in their community.

Discussion Questions

Consider the following questions:

1. Does your county health department have adequate financial resources available to perform its essential public health services? If not, what additional resources are needed?
2. What other state, federal, or private sector sources of funding can your community seek out to support public health?
3. What community assets, stakeholders, and organizations (public health, health care, and other community organizations) could be engaged to demonstrate return on investment, seek funding, advocate for appropriate county funding and demonstrate the link between community health and economic vitality?

Resources for Boards of Health

Leaders within your community, including the district health director, may have further insight into these issues. In addition, for more information on funding for public health in Georgia, return on investment and the link between community health and economic vitality, review:

- Investing in America's Health: A State-by-State Look at Public Health Funding and Key Health Facts 2013 (<http://www.healthyamericans.org/assets/files/TFAH2014-InvestInAmericaRpt08.pdf>)
- Public Health Funding in Georgia (http://www.americashealthrankings.org/measures/Measure/GA/PH_Spending)
- Georgia's Budget and Policy Institute -- Yearly Policy Reports on Georgia's Public Health Budget (<http://gbpi.org/>)
- HealthVoices: Partner Up! for Public Health connects the dots between community health, economic vitality (http://www.healthcaregeorgia.org/uploads/publications/healthvoices_issue_1_2012.pdf)

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