

# **PUBLIC HEALTH ADVISORY BOARD**

## **DRAFT Incentives and Funding Subcommittee Meeting Minutes**

**May 17, 2016**  
**2:00-3:00 pm**

Portland State Office Building, 800 NE Oregon St., Room 918, Portland, OR 97232  
Conference line: (877) 873-8017  
Access code: 767068

**Meeting chair:** Alejandro Queral

**PHAB subcommittee members present:** Silas Halloran-Steiner, Jeff Luck, Alejandro Queral, Akiko Saito, Tricia Tillman

**PHAB subcommittee members absent:** none

**OHA staff:** Sara Beaudrault, Cara Biddlecom, Chris Curtis

**Members of the public:** Morgan Cowling, Coalition of Local Health Officials and Stacy Michaelson, Association of Oregon Counties

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**Welcome and introductions -** Cara Biddlecom, OHA Public Health Division

**Approval of minutes –** Alejandro Queral  
Subcommittee members voted to approve the April 18, 2016 subcommittee meeting minutes.

**Subcommittee work plan –** Alejandro Queral  
Alejandro reviewed the activities and deliverables for future meetings. A draft funding formula will be submitted to Legislative Fiscal Office by June 30, 2016, and developing the funding formula is the main deliverable for this subcommittee over upcoming meetings.

PHD staff provided clarification for work plan activities related to the Program Design and Evaluation Services economic analysis and health outcomes report, expected to be published in September. This report will look at health outcomes that could be expected if foundational capabilities and programs are fully implemented. When this report is available, the subcommittee will review the funding formula to determine whether changes should be made as a result of the economic analysis and health outcomes report.

PHD staff also provided clarification on subcommittee activities following the 2017 legislative session. Currently there is a placeholder on the work plan in case there is a need for the subcommittee to review the funding formula after it is known whether funding will be allocated by the legislature to support public health modernization.

Tricia asked why the work plan does not include activities related to seeking additional sources of funding, as was discussed during the April subcommittee meeting. Since the April meeting, OHA has received guidance from the legislature about the specific deliverables that need to be completed this summer. The funding formula needs to be submitted to Legislative Fiscal Office by June 30. Given this guidance, the subcommittee needs to focus on developing the funding formula over upcoming meetings. It was requested that activities related to seeking additional funding sources be added to the work plan.

Action item:

- Add seeking additional funding sources to the work plan as an activity for this subcommittee, pending guidance from PHAB.

### **Funding formula guidance document and supporting materials – Subcommittee members**

Per House Bill 3100 Section 28, each biennium OHA must submit a funding formula that provides for the equitable distribution of moneys to local public health authorities for foundational capabilities and programs. The funding formula must include a baseline amount, a method for awarding matching funds and the use of incentives.

This subcommittee will make recommendations for how funds will be allocated across each of these three components, appropriate data sources, and mechanisms for awarding matching funds and incentives. The subcommittee will consider the interplay among each component as it relates to equity.

Alejandro asked whether the PHAB Accountability Metrics subcommittee will also be making recommendations for data sources. The Accountability Metrics subcommittee will focus on the incentives component of the funding formula and will develop a set of accountability metrics. The two subcommittees may work together to make recommendations for a mechanism to award incentive payments to local public health authorities.

#### *Health equity*

Tricia asked whether the subcommittee has the latitude to look at equity more broadly across all components of the funding formula, and not just where it is referenced in the bill. Nothing in the bill precludes using equity as a factor in decisions made for other areas of the funding formula.

Alejandro proposed including health equity as a driver for baseline funding. Burden of disease and health outcomes are areas where disparities are seen that are most likely to affect health.

HB 3100 does not define equity. Equity is referenced in terms of incentives, health outcomes, workforce, service provision and funding. The subcommittee will also look to the definition of health equity that is included in the Public Health Modernization Manual.

### *Other funding sources*

Subcommittee members asked whether this funding formula is to be used for existing Program Element funding. This funding formula is intended for new monies allocated by the legislature for foundational capabilities and programs. This funding formula could be used for other funding sources; however, OHA would need to be cognizant of specific federal funding requirements for different funding sources and adhere to those requirements. A more detailed process is required to individually examine how aspects of the funding formula could apply to federal funding streams.

Tricia asked whether the requirement for OHA to work with CLHO committees to change funding formulas is still in place. Morgan replied that the requirement was removed in HB 3100.

Tricia asked whether competitive grants are still allowable. Yes, this is covered in Section 28(5).

### *State/local split*

Silas asked what HB 3100 includes related to state/local split for new monies allocated to foundational capabilities and programs. This is not included in the sections of the bill pertaining to the local public health funding formula and is not a piece of the funding formula to be submitted to Legislative Fiscal Office in June.

The subcommittee reviewed the document showing FY15 county general fund contributions to support public health by quartile. Subcommittee members requested more detail, either by county, or including population size. Silas noted the potential impacts of applying a different percent match for different quartiles.

Tricia requested the total annual amount of funding to counties by PHD, and the amount or percent that stays at the state. Some of this information will be included in the draft Public Health Modernization Assessment Report.

### Action items:

- Provide definition of health equity that is included in the Public Health Modernization Manual.
- Tricia and Jeff to explore equity definitions or frameworks that might be applicable.
- Talk with BERK Consulting about modernization assessment drivers. Explore feasibility and usefulness of incorporating BERK assessment report drivers in funding formula.
- Provide additional detail for county general fund contributions.
- Provide information about total amount currently distributed to local public health authorities through Program Elements and include information about state/local split from the draft Public Health Modernization Assessment Report.

### **Funding formula framework**

The subcommittee reviewed a framework for the funding formula which includes the three components: baseline, matching funds and incentives.

Jeff noted that the percent allocated to each of the three components of the funding formula could be changed over time and referenced how incentive payments to CCOs are increased each year.

When looking at a method for awarding matching funds, the subcommittee should consider the impact on small/large or urban/rural counties.

Alejandro requested additional factors to be considered for baseline funding: for example, primary language, health disparities, housing, disability.

Silas commented that the subcommittee should be considering all sources of funding, not limited to new moneys allocated by the legislature.

The subcommittee requested that a set of principles be developed to guide the development of the funding formula.

Action items:

- Add guiding principles to funding formula guidance document
- Explore whether population drivers included in the public health modernization assessment can be applied to the baseline component of the funding formula; are there algorithms that could be applied?
- Remove sample percentages from the funding formula framework; instead, use \_\_\_% to indicate where percentages need to be filled in.

### **5/19 PHAB meeting**

The subcommittee agreed to share the funding formula guidance document, funding formula framework and county general fund contributions to support public health during the subcommittee update at the 5/19 PHAB meeting.

Alejandro will give the subcommittee update.

### **Organizational business**

Silas will chair the June meeting.

### **Public comment**

none