

**PUBLIC HEALTH ADVISORY BOARD  
Incentives and Funding Subcommittee Meeting Minutes**

**August 31, 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:** Tricia Tillman

**PHAB subcommittee members present:** Silas Halloran-Steiner, Akiko Saito, Tricia Tillman

**PHAB subcommittee members absent:** Jeff Luck and Alejandro Queral

**OHA staff:** Sara Beaudrault, Chris Curtis, Angela Rowland, Erica Sandoval

**Members of the public:** Morgan Cowling, *Coalition of Local Health Officials*

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**Welcome and introductions –** Tricia Tillman

**Approval of minutes –** Tricia Tillman

Subcommittee members voted to approve the July 12, 2016 subcommittee meeting minutes. All in favor.

**Announcements and updates –** Tricia Tillman

Sara provided an update on how the funding formula will be applied, related to gaps identified in the self-assessments. Local public health administrators have asked whether different funding formulas will be used based on self-assessment findings for the six foundational programs and capabilities prioritized for 2017-19.

The funding formula is based on components required under HB 3100 such as baseline, matching funds, and incentive payments. Different versions of the funding formula will not be used based on self-assessment findings. However, as the subcommittee develops the funding formula, members should ensure the funding formula provides adequate resources for all counties to address identified gaps in existing capacity. Sara referenced the patchwork quilt diagram that displays the 2017-19 priorities. Local Public Health Authorities (LPHAs) will have flexibility to put funding where they have the biggest need in their communities.

Tricia asked what the subcommittee's role is with this information. Akiko recommended that the Coalition of Local Health Officials (CLHO) could put this information forward.

She also suggested creating a list of Frequently Asked Questions (FAQs) on the PHAB website.

Tricia proposed to gather a list of FAQs at the CLHO retreat in September. Holly Heiberg from PHD and Kathleen Johnson from CLHO are working on FAQs that are much more conceptual but they could add in some of these process questions. The full Board will be asked to provide feedback on the need for FAQs at the September meeting.

### **Review Incentives and Funding subcommittee work plan**– Subcommittee members

The main deliverable for this subcommittee is to provide guidance on the funding formula with the goal to complete an initial funding formula this fall. The subcommittee has identified developing a communication tool and exploring additional funding sources as additional deliverables.

The work plan was reviewed. Once the funding formula is complete, the subcommittee may opt to go on hiatus until 2017, after the legislative session.

### **Discuss three funding formula models** – subcommittee members

PHD developed three different funding formulas. The assumption for all models is a \$10 million annual investment, with the same allocations for indicators (50% for county population, 10% for each of the 5 indicators: burden of disease, health status, racial/ethnic diversity, poverty, and limited English proficiency) used for all models.

Model 1 is the per capita model where all indicators are tied to county population. Model 2 ties some indicators to county population. Model 3 had a base payment/floor of \$50,000 with none of the indicators based on county population.

Tricia asked how the indicators are tied to county populations in model 1. Chris explained how counties are ranked for each indicator, and each county's payment for an indicator is based on its rank and its county weight based on its population. Under Model 1 the estimated payout benefits the large and extra-large counties the most. Model 3 benefits the small and extra-small counties the most.

Silas encourages a simple model that will be easy to administer at the local level. Sensitive models where payments may change from year to year could result in employee layoffs or cuts to programs. The per capita dollars are important to look at as the award ranges from \$2,000-\$2 million, which is really broad.

Akiko stated her program uses a funding formula that incorporates a base payment. She and Silas suggest incorporating a base payment into Models 1 & 2. Another suggestion made previously was to make payments based on a 3 year average to prevent annual fluctuations.

Silas asked if this will be an annual or biannual payout, or whether it could be a 5 year funding cycle. A longer funding cycle will lead to more stability and drive performance.

Tricia inquired about the \$50,000 floor and how this amount was determined. She asked what a reasonable floor amount would be that won't disincentive the exploration of new service delivery models. Akiko stated in her program funding formula they took an estimated public health emergency preparedness coordinator salary to determine a base funding award amount. The base had 2 categories for small and large counties.

Silas inquired if there are any other states making a funding formula like this. Tricia would like to have the live models distributed to the group. Tricia would like to determine what an average FTE public health employee could be.

### **Discuss subcommittee update for September 13th PHAB – Subcommittee members**

Tricia will report out at the September 12, 2016 PHAB meeting. She will review the work plan and solicit feedback on whether a PHAB FAQ should be developed. She would also like to discuss measure 97 at the PHAB meeting.

The next Incentives and Funding subcommittee meeting will be September 13, 2016. The subcommittee will review updated models that all include a floor. Tricia would like to see updated data based on the indicators that have been discussed by the subcommittee. Akiko will provide her program's funding formula example.

### **Public comment – Morgan Cowling, *Coalition of Local Health Officials***

Morgan referenced Section 28 in HB3100 that discusses incorporating in the funding formula population, burden of disease, overall health status of communities within the jurisdiction and the ability of each local public health authority to invest in activities and services. Morgan feels the size of the jurisdiction is serving as a proxy for the ability to invest discussion. She recommends looking at how the funding formula can be used to incentivize county investments. That could inform the base conversation the subcommittee is having. PHAB county reps could also take this question to the counties they represent.

Morgan also suggests that the subcommittee consider what is being incentivized through the funding formula.

### **Adjournment – Tricia Tillman**

The meeting was adjourned.