

KENTUCKY PUBLIC HEALTH TRANSFORMATION UPDATE

Working together for an efficient, sustainable and accountable public health system focused on producing better health outcomes for all Kentuckians.

February 21, 2019

Jeff Howard, MD
Commissioner



Kentucky Public Health
Prevent. Promote. Protect.

SIMPLIFY • FOCUS • PRIORITIZE

DISCLOSURES

- I believe every Kentuckian should have access to high quality public health no matter where they live.
- I firmly believe in accountability at ALL levels.
- I am committed to ensuring that evidence-based and best-practice public health approaches are being implemented.
- My perspective for this transformation is that of a public health system not LHDs v. DPH/state.
- I am committed to the shared-governance structure and preserving local autonomy.
- I believe that both public health problems and solutions are local.

GOALS FOR PH TRANSFORMATION

1. Relieve the fiscal instability of the current system.
2. Introduce a modern, simplified, and focused PH model with clearly defined priorities that is based on PH 3.0 principles.
3. Create accountability at ALL levels of the system.
4. Improve PH leadership capacity at all levels.
5. Prevent duplication of effort, reduce waste and red-tape internally and externally.
6. Support and emphasize data driven decisions to best promote community health outcomes.

CHALLENGES

1

Fiscal Instability

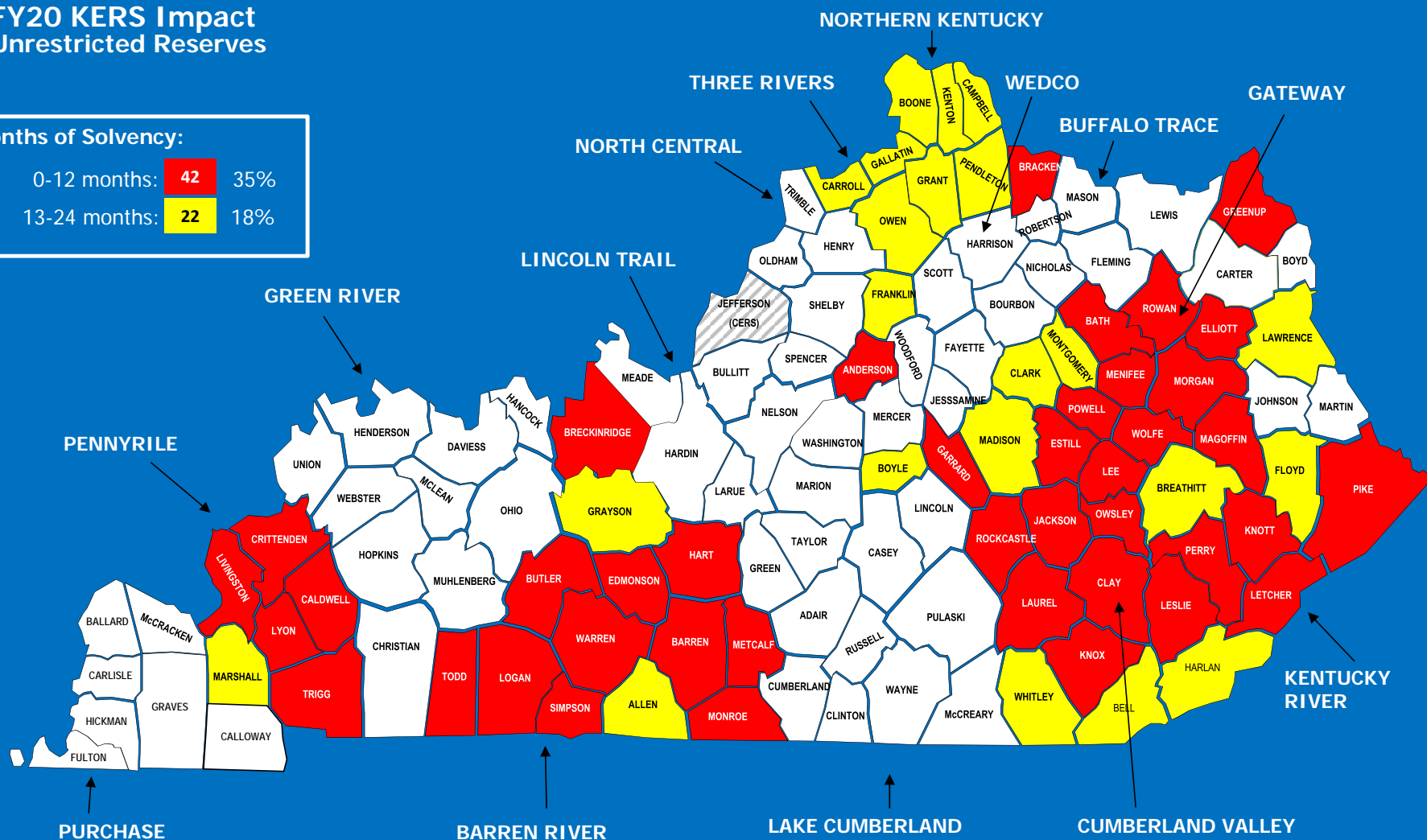
- Up 42 Local Health Departments representing 4 Districts are at risk for fiscal default in calendar year 2020.
- Current fiscal analysis shows ~ **\$40M deficit in 2020.**
- Greatest deficits outside of CORE PH = clinical services.

LOCAL HEALTH DEPARTMENTS FY20 KERS Impact Unrestricted Reserves

Months of Solvency:

0-12 months: **42** 35%

13-24 months: **22** 18%



HOW DID WE GET HERE?

- **Affordable Care Act**
- **KY's pension crisis**



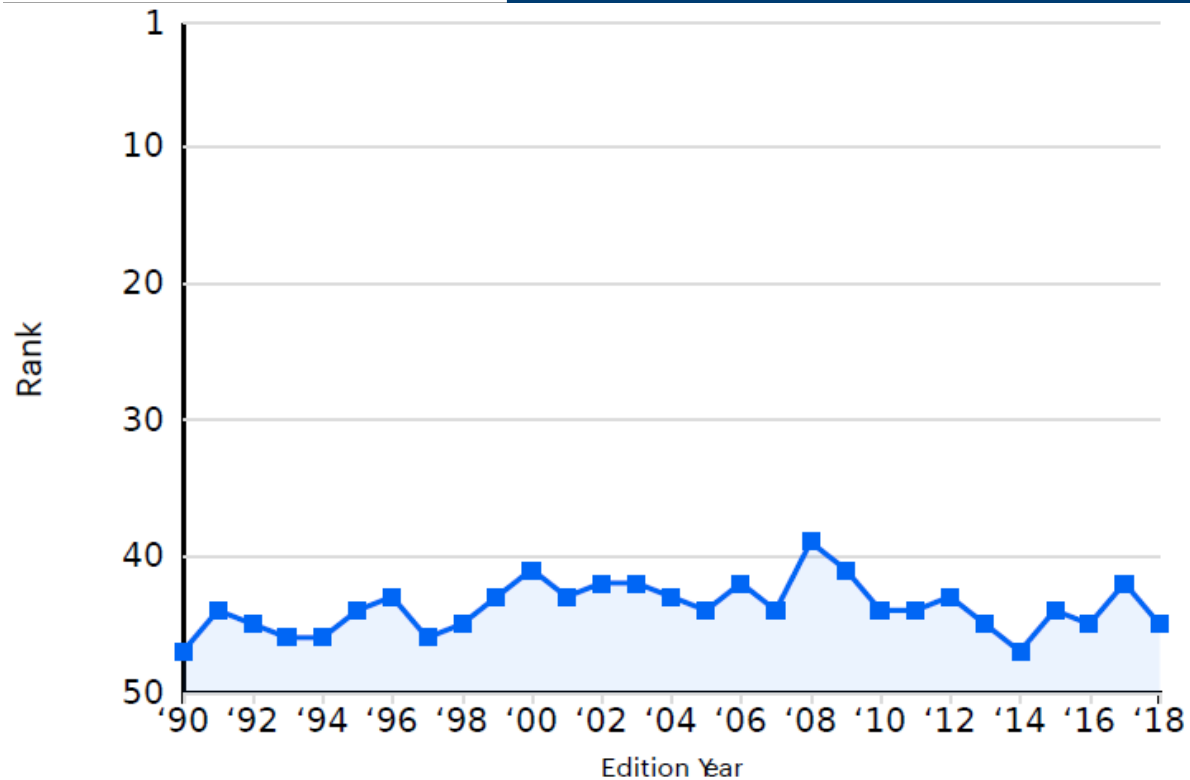
Kentucky

OVERALL RANK: 45

CHANGE: ▼ 3

DETERMINANTS RANK: 42

OUTCOMES RANK: 47



“Every system is perfectly designed to achieve exactly the results it gets.”

- Earl Conway and Paul Batalden

CHALLENGES

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2

Current Programmatic Services are not Reflective of Community PH Needs

- Federal funding structure is a significant driver of this result.
- PH system has not adjusted to post-ACA era PH approaches or programs.
- Bureaucratic layering needs to be removed from the system to achieve operational efficiency and effectiveness.

3

Legislative Issues

- PH laws are disparate and voluminous → needs consolidation to be more functional.
- Current statutes and regulations do not allow for proper operational restructuring.

4

Shared Governance

- Hybrid structure of Public Health makes change difficult.
- Greater support, structure, and education for LBOHs.
- Lack of accountability at ALL levels.

**That sounds good, but how
does that translate to a PH
transformation?**

CORE PUBLIC HEALTH

FOUNDATIONAL PUBLIC HEALTH

Five focus areas, which includes statutorily and regulatorily defined services:

1. Population Health
2. Enforcement of Regulation
3. Emergency Preparedness & Response
4. Communicable disease control
5. Administrative and organizational infrastructure

Community Health Assessment

WIC

HANDS

HARM REDUCTION
& SUD

- Available to every KY citizen.
- 'Do or Assure'
- Okay for community partners to perform on the LHD's behalf.
- Must agree that these programs are the first priority.

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Local Public
Health Priorities

How to be a Partner in Implementing the
Washington State Plan for

Healthy Communities



Executive
Summary



How to
Help



Approaches
to Work



Read the Plan



Alliance for
Healthier Communities

Alliance pour des
communautés en santé



CULTIVATING
healthy
COMMUNITIES



Building Healthy Communities



*Creating Healthy
Communities*

**BUILDING
HEALTHIER
COMMUNITIES**

EMERGENT vs. DIRECTED

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**Community Health
Assessment**



Population Health
Partnership Development • Health Equity • Chronic Disease Management Health in All Policy • Education • Community Health Assessment Community Health Improvement Plan
<i>Applicable Kentucky Revised Statutes:</i> KRS 212.240, KRS 212.245, KRS 212.370
Enforcement of Regulations
Food & Water Safety • Waste Management • Nuisance Investigation
<i>Applicable Kentucky Revised Statutes:</i> KRS 212.210, KRS 212.245, KRS 212.370, KRS 212.715
Emergency Preparedness & Response
Mitigation of Disease Threat • Mass Vaccination • Disaster Response
<i>Applicable Kentucky Revised Statutes:</i> KRS 212.240, KRS 212.370
Communicable Disease Control
Sexually Transmitted Disease Control • Tuberculosis Control Epidemiology • Adult and Child Vaccinations • Surveillance
<i>Applicable Kentucky Revised Statutes:</i> KRS 212.240, KRS 212.245, KRS 212.370
Administrative/Organizational Infrastructure
Finance • Governance • IT • Communications • Human Resources Performance Management • Quality Improvement
<i>Applicable Kentucky Revised Statutes:</i> KRS 212.245, KRS 212.432, KRS 212.436, KRS 212.540, KRS 212.570

[Dr. Julia Costitch]

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**Community Health
Assessment**

- Health education
- Partnership development
- Policy/advocacy

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Community Health Assessment

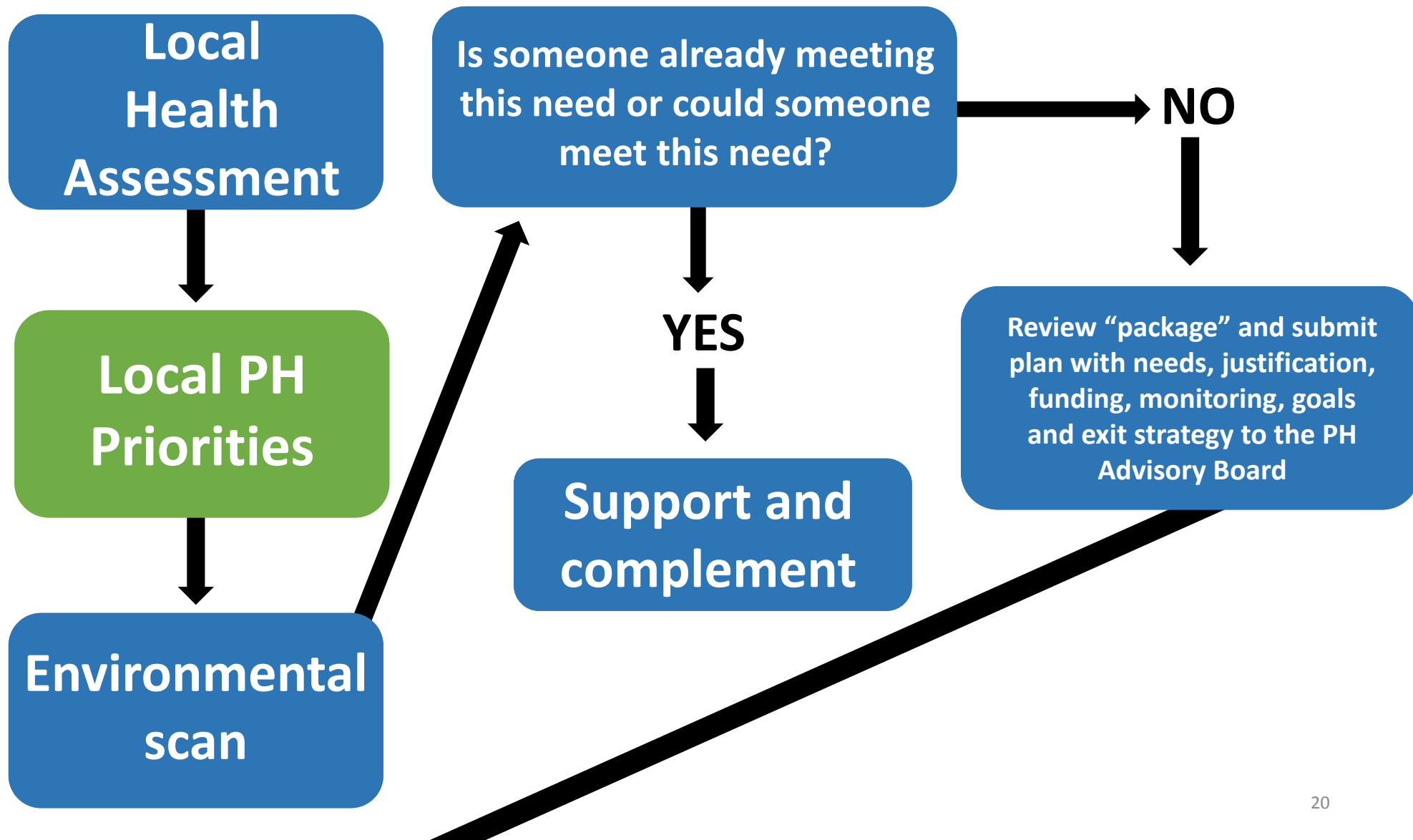
WIC


HANDS

HARM REDUCTION
& SUD

How can we preserve local autonomy while creating accountability at ALL levels?

Health Priorities





Accountability and Transparency



KHDA
President



KALBOH
President



KPHA
President



University
Representative rotated
on a 2 year cycle
(UK/UL/EKU/WKU)



Commissioner of
Public Health

- The Public Health Advisory Board will review evidence-based and best practices to develop PH Service Packages and make them available to every LHD.
- The Advisory Board will also review local priorities with plans as described.
- The Advisory Board may request revision, clarification, approve or deny submitted plans.

PURPOSE OF THE BOARD

- Accountability and oversight (DPH, LHD, and LBOH)
- Create, review, and disseminate evidence-based, best practice packages for common PH issues in KY
- Pursuant to the statute, regulations, and strictly drafted by-laws, the board will review and approve Local Health Priorities, as described
- Identify and connect potential partners for funding, sharing, and economy of scale opportunities

FIVE COMPONENTS OF LOCAL HEALTH PRIORITY REVIEW

- ✓ Data-driven need
- ✓ Evidence-based solution (program or service)
- ✓ Adequate funding identified
- ✓ Performance and quality management plan
- ✓ Exit strategy

THE BOARD IS NOT...

- It is **NOT** a “state” board
- It is **NOT** a public health policy board
- It is **NOT** associated with funding allocations

**Okay, but how will this system
be funded?**

CORE PH – Projected FY20

Available Funding	LHDs excluding Louisville	Louisville	Total
Foundational PH Cost	(90,189,624)	(12,716,879)	(102,906,503)
WIC Cost	(30,297,204)	(2,424,350)	(32,721,554)
HANDS Cost	(37,921,316)	(1,284,834)	(39,206,150)
Harm Reduction Cost	(7,999,809)	(1,230,666)	(9,230,474)
			(184,064,681)
Foundational PH Revenue			92,827,575
WIC Revenue			32,868,157
HANDS Revenue			37,810,990
Harm Reduction			9,230,474
			172,781,296
			(11,283,385)

Doesn't include other potential revenue streams or efficiencies outside of HANDS or WIC

Total Funding for KY's PH System

Available Funding	DPH	LHD	Total
DPH General Fund	39,729,500	36,630,500	76,360,000
DPH Federal	137,899,300	52,481,000	190,380,300
DPH Restricted (agency – fees)	54,447,300	32,431,100	86,878,400
DPH Tobacco	19,199,400	6,810,900	26,010,300
	<u>251,275,500</u>	<u>128,353,500</u>	<u>379,629,000</u>
Local Public Health Tax (Collection)			*87,205,670
Fiscal court (7 counties do not have tax)			*19,864,749
Local Fees (eg., Medicaid, environmental, etc.)			74,406,098
			<u>181,476,517</u>
Total Funding:			561,105,517

**Local tax contributions rates are 94,156,122 total.*

KEY POINTS

- SIMPLIFY, FOCUS, PRIORITIZE
- Emergent vs. Directed
- Up to 42 LHDs face default in FY20
- DPH's model will change
- LHDs will be doing less than they are today, but it will be more focused
- We canNOT be afraid to be innovative
- Accountability will be equally distributed
- This plan is budget neutral
- DPH will have to find new partners to execute many federally funded programs → we will need local support

HOME HEALTH

PUBLIC HEALTH TRANSFORMATION UPDATES

1. Legislation

- HB 308, HB 358
- ? Senate alternative

2. DPH

3. Advisory Committee work products

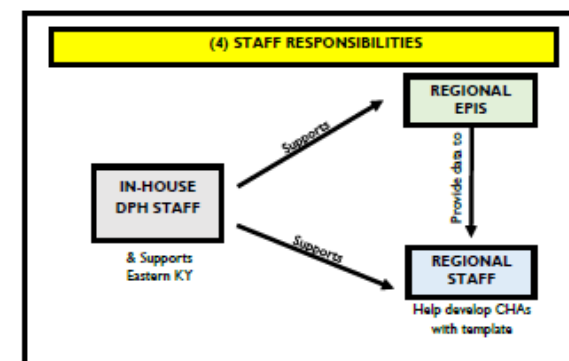
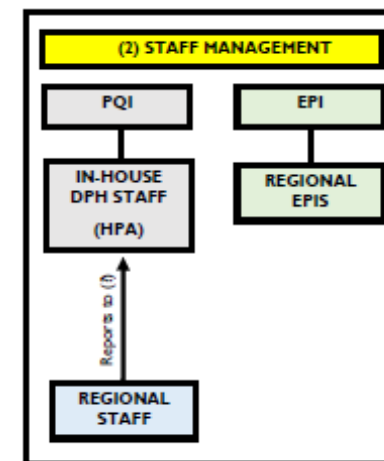
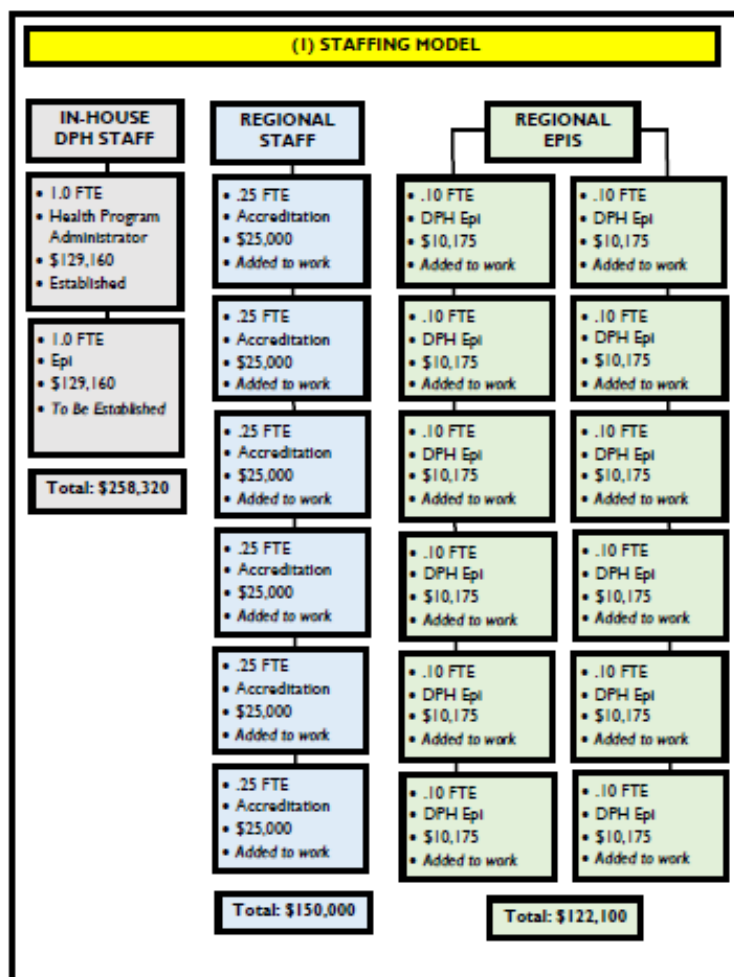
- HANDS – Scott Lockard
- WIC – Randy Gooch
- Environmental – Matt Rhodes and Dr. Crystal Miller
- Administration/CHA/Accreditation – Dr. Angie Carman and Dennis Chaney
- LBOH – Allison Adams and Dr. Georgia Heise
- Preparedness – Shawn Crabtree and Dr. Kraig Humbaugh
- Clinical services – Dr. Sarah Moyer and Andrea Renfro

CHA SUPPORT

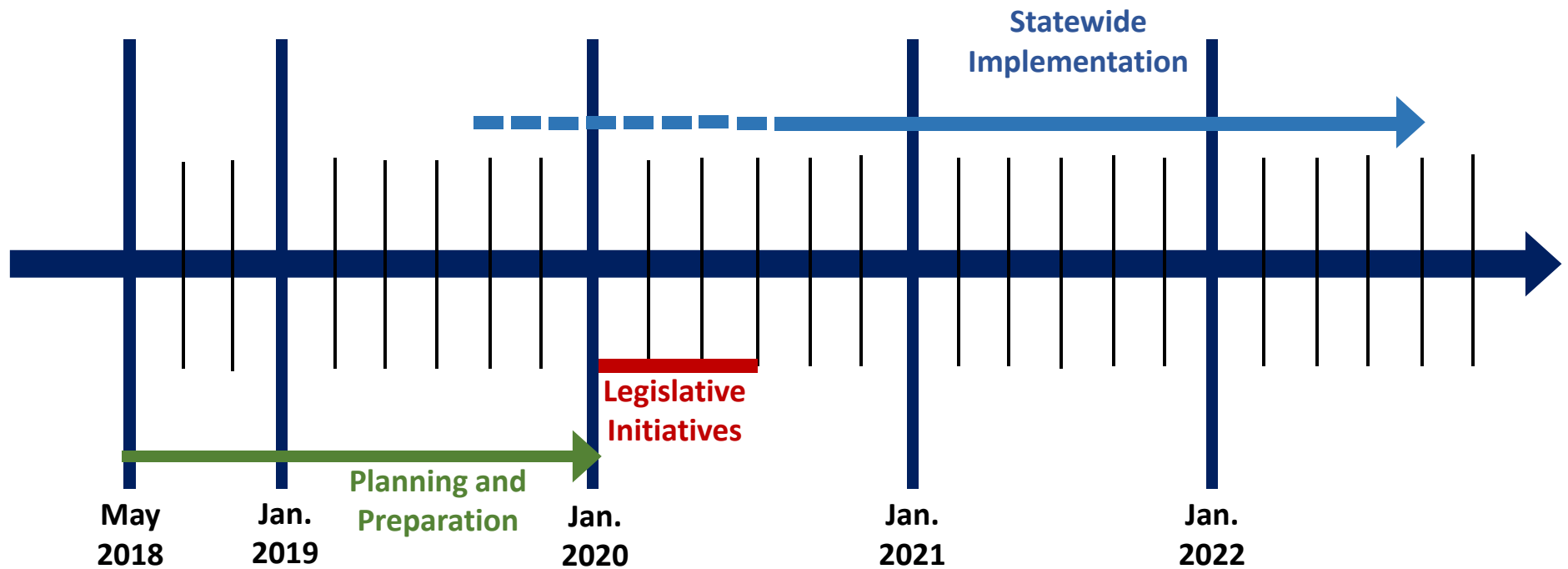
1. PH Block Grant repurpose

- CHA TA
- Data Support

2. Three Rivers District pilot



TIMELINE



Commonwealth of Kentucky Department for Public Health

Mandated Services of **Local Health Departments**

August 1999
Rice C. Leach, M.D.
Commissioner

Kentucky Public Health Department Services

Mandated Services Required of all Public Health Departments

Seven Core Services Required by Statute or Regulation

Preventive Services for Specific Populations from Appropriated Funds

Enforcement of Public Health Regulations
Surveillance of Public Health
Communicable Disease Control
Public Health Education
Public Health Policy
Families and Children Risk Reduction
Disaster Preparedness

Family Planning
Prenatal Care
Well Child Care
Women, Infants, and Children (WIC)
Adult Preventive Services
Chronic Disease Monitoring
and Support

The services listed above are required for all health departments. The authority for core activities exists in the Commonwealth of Kentucky's statutes or regulations. The authority for preventive services is found in state budget language and in grants and contracts with agencies of the United States Public Health Service. These preventive patient services were added as state and federal governments appropriated the funds.

Local Option Services Provided after Mandated Services are Assured

Other Population-Based Services (Negotiated Services)

Other Services for Individuals (Negotiated Services)

Local health departments at their discretion offer **Local Option Services**. Statute or regulation permits but does not mandate these services. Health departments participating in these activities are expected to be able to compete in the medical marketplace without requiring support from state-appropriated funds. If a community elects to subsidize these services after mandated services have been adequately funded, that is the community's prerogative.