Presentation to the Little Hoover Commission
Public Hearing on California's Public Health System
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Thank you for the invitation to present to you today on the status of California's public health system. The County Health Executives Association of California (CHEAC) is a statewide organization of county and city Health Department and Health Agency Directors, who are responsible for the administration, oversight and delivery of a broad range of local public health and indigent health care services. Local health departments are key partners with the state in the delivery of public health services and administer many categorical public health programs on behalf of the state and federal governments, as well as being responsible for delivering core communicable disease control and indigent health care services.

In order to address your question of how the creation of the new California Department of Public Health has affected the interaction and coordination between local health departments and the state, I would like to first focus briefly on some broader challenges facing local public health departments. Though local health departments have long been the primary providers of public health services, the methods of financing these services have varied over the years, often in response to changing political realities (such as Proposition 13). Our reliance on categorical public health funding for targeted populations, such as for maternal and child health services and HIV/AIDS education and prevention, often makes it difficult to create cohesive public health strategies to attain our core mission to protect and improve the health of our communities. It also means we have extremely limited resources to address many current and emerging public health threats such as chronic disease prevention and management.

The federal public health emergency preparedness funding has provided a much needed infusion of resources into a decaying public health infrastructure, including building up our epidemiology, laboratory and public health nursing capacity. However, we are now faced with the challenge of maintaining these core capacities in an era of declining funds, which we will address in more detail later in our testimony.

During the reorganization of the Department of Health Services, CHEAC identified key principles for success. We have structured our comments to you around those principles.

Effective Leadership

Dr. Horton and his senior staff are dedicated public health professionals who have demonstrated a commitment to improving the delivery of public health

services in California. However, with the creation of the new Department, it has taken considerable time to fill key positions, and only recently have all Centers had permanent Chiefs appointed. The lack of continuity from staff turnover in senior management positions has created challenges for local health departments in establishing necessary working relationships.

Strong Partnerships

Coordination and collaboration between the Department of Public Health and both local health departments and the Department of Health Care Services is necessary in order to create a true partnership strategy to protect the public's health. The establishment of two new state departments has created both opportunities and challenges for local health departments.

Since local health departments administer programs under contract to both the Departments of Public Health and Health Care Services, we are now in the position of needing to develop and maintain good working relationships with the leadership of two departments instead of one. CHEAC leadership meets monthly via conference call with the Directors of both Departments and their senior management in order to further communication and collaboration.

We also continue to urge both Departments to promote effective communication between the Departments. One of our concerns regarding the reorganization was around the need to maintain the input of public health into decisions made by direct health care services programs. An example of that challenge was evident from the Governor's recent proposal to eliminate Medi-Cal services to newly arrived immigrants, which would have meant the loss of Tuberculosis treatment funding. While trying to analyze the potential impact on local TB control programs, we were quite challenged in getting consistent, coordinated information from the two departments.

Sufficient Infrastructure/Funding

One of our primary concerns in the reorganization of the former Department of Health Services was that it was being done on a cost-neutral basis during an on-going state budget crisis. Consolidated departments are often able to achieve economies of scale through shared administrative infrastructure. In addition, when programs are contained in larger budget units, shortfalls in one department can often be covered by savings in other programs. There has been some indication from the Department that meeting the cost neutrality requirements without impacting programs has been a challenge.

Effective Programs/Services

While the Department leadership appears to be supportive of integration of services and development of measurable outcomes, it is too early to determine how successful they will be.

Efficient and Streamlined Administration

Local health departments administer many categorical public health programs for targeted populations under contracts or agreements with the state. As a result we must navigate a labyrinth of administrative requirements that often vary from contract to contract. CHEAC has long been seeking opportunities to reduce the administrative burden of these contracts on both local and state health department staff so that limited resources could instead be directed at effective delivery of services.

At the request of local health departments, we are currently in on-going discussion with the Department on strategies to simplify and streamline public health contracting, and appreciate the Department's commitment to this process. We also continue to seek administrative relief from the Department regarding contract requirements that are not integral to achieving contract deliverables.

Other issues raised by the Commission:

<u>Role of Public Health Advisory Committee</u>

The creation of the Public Health Advisory Committee provides an excellent opportunity for input to the Department in its early stages from a broad spectrum of public health experts. We are very pleased that CHEAC's Vice-President, Susan Harrington, Director of Public Health for Riverside County, sits on the Committee.

<u>Planning and coordination for public health emergency preparedness</u>

The Department of Public Health's Emergency Preparedness Office and local health department leadership continue to meet via monthly conference calls to discuss and coordinate emergency preparedness activities. Response to the recent Northern California fires was a good example of effective coordination between state and local public health agencies. In particular, the state's guidance to local health agencies on appropriate smoke inhalation messaging was very helpful.

A key issue currently under discussion by a planning group of state and local public health representatives is emergency preparedness planning and priority setting in an era of declining funding, as well as strategies for integration of emergency preparedness into core public health activities. While review of the

local health department assessment conducted a few years ago has helped inform this discussion, our primary focus is how to maintain and achieve future preparedness.

Currently local health departments are having to cope with declining federal funding and state budget reductions to public health programs at the same time that our counties are facing their own fiscal crises. The state Department of Public Health is facing the same challenge at the state level.

Federal public health emergency preparedness funding to California has declined 28.6%, from $70 million in FY 03/04 to $50 million in FY 08/09. State pandemic influenza preparedness funding has declined from $16 million in FY 05/06 to $4.9 million in the current year. Meanwhile, there is an ongoing need for staff training, exercising and coordination with our community partners.

Assessment of the state's public health laboratory capacities

At the request of local health department leadership, the Department of Public Health has convened a workgroup with local health directors, health officers and public health laboratory directors to identify strategies for maintaining and improving California's public health laboratory system.

A key concern for local health departments is the shortage of public health laboratory director candidates who meet both state and federal requirements. Local health departments have long advocated for restoration of a statewide microbiologist training program. We were very pleased that the Governor included funding for the new LabAspire program in last year's state budget. The training program was designed with input from both state and local public health laboratory experts, and is an important component in meeting future public health laboratory needs.

Installation of a real-time surveillance system that can quickly detect the emergence of contagious disease

Development of a statewide real-time, electronic disease reporting system has encountered a number of delays over recent years. As a result, most large counties moved forward to develop and implement their own electronic disease reporting systems. These county based systems now cover a large portion of the state's population. The state's Web-CMR/ELR system will expand this capacity to smaller counties. One of the key roles of the Department's user group will need to be assuring that the state's system is compatible with existing county based systems.

We appreciate the opportunity to provide input to the Commission.