

**House of Representatives
Committee on Public Health
February 23, 2011**

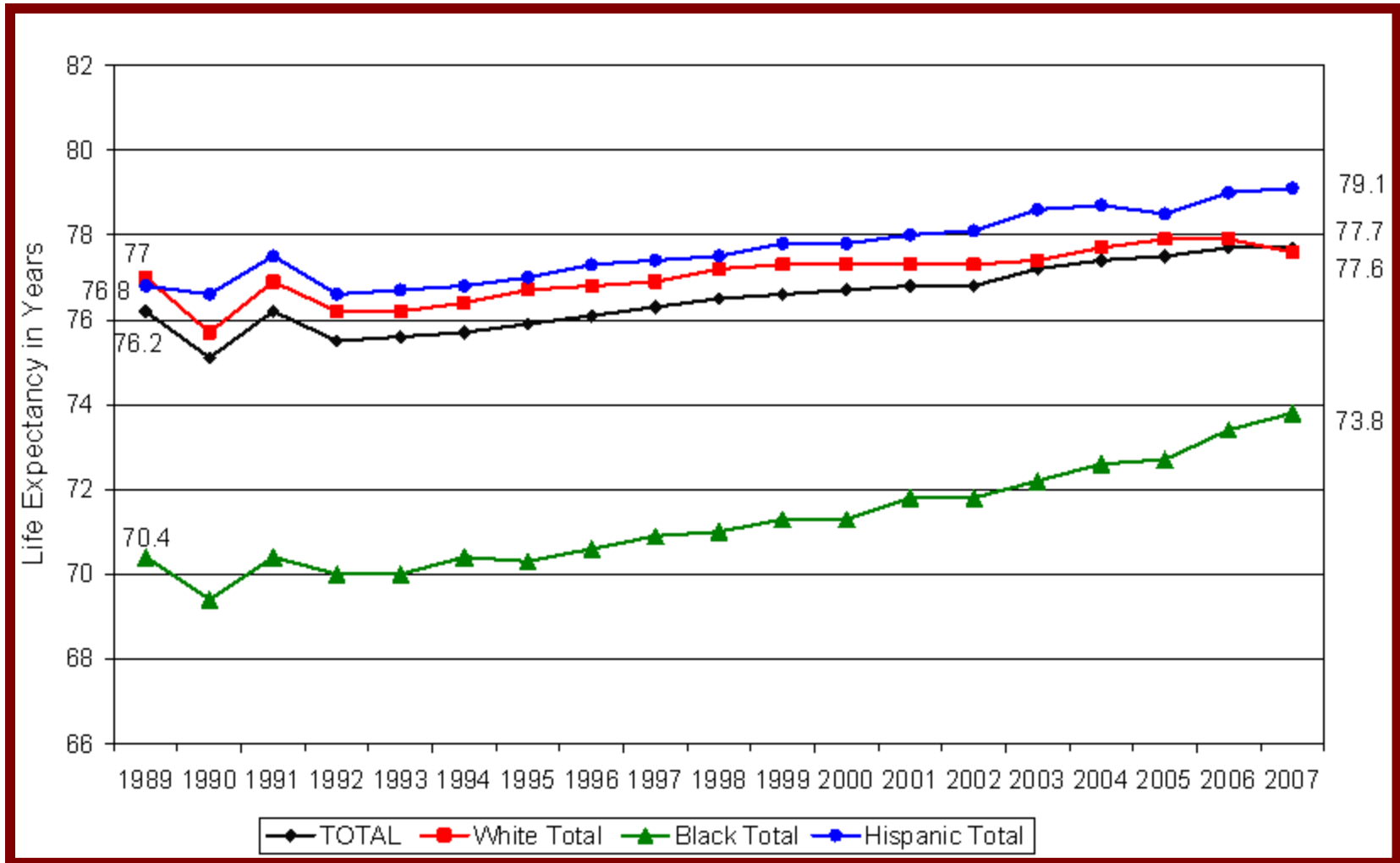
***Overview: Texas Department
of State Health Services***

**David Lakey, M.D.
Commissioner**

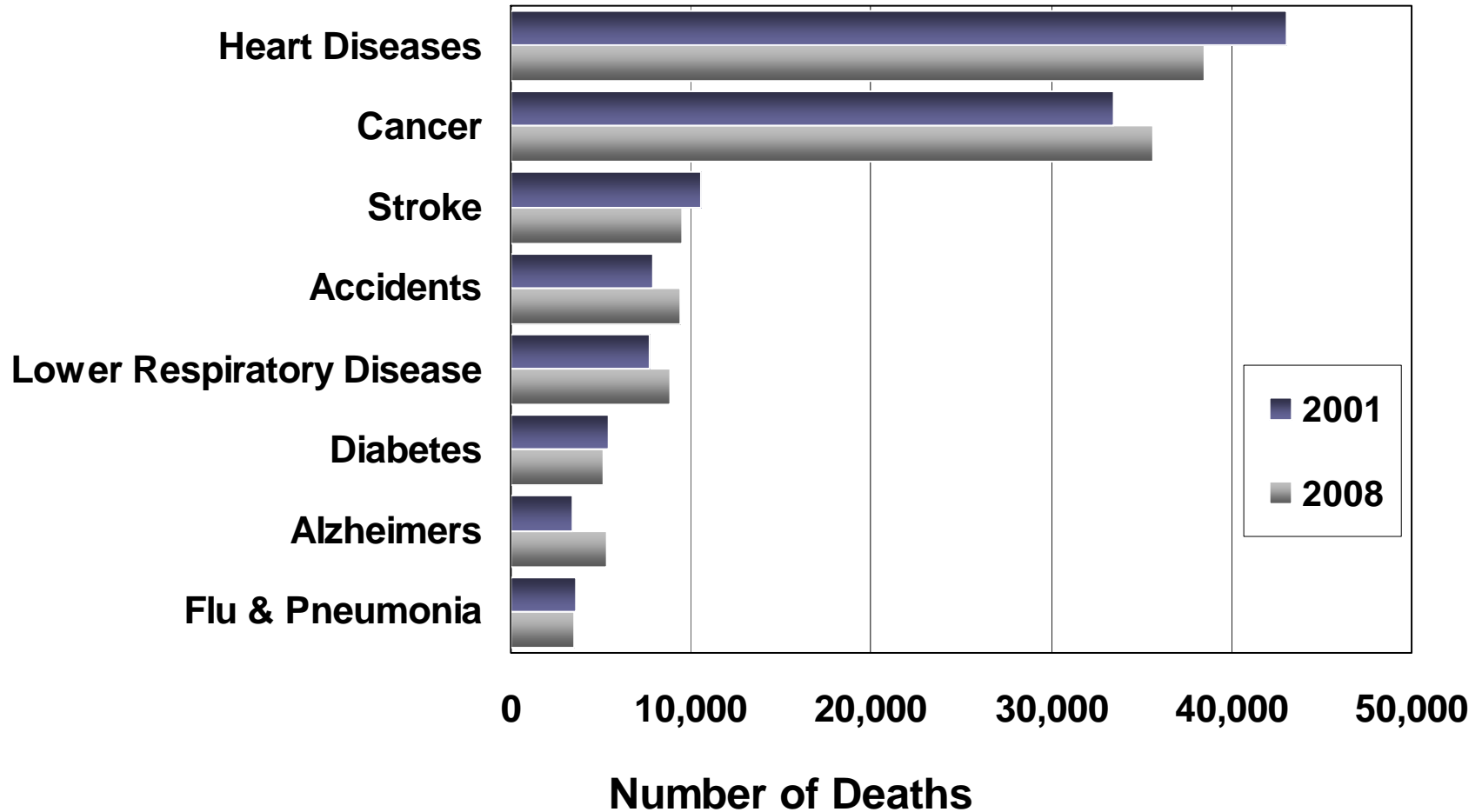


Life Expectancy in Texas

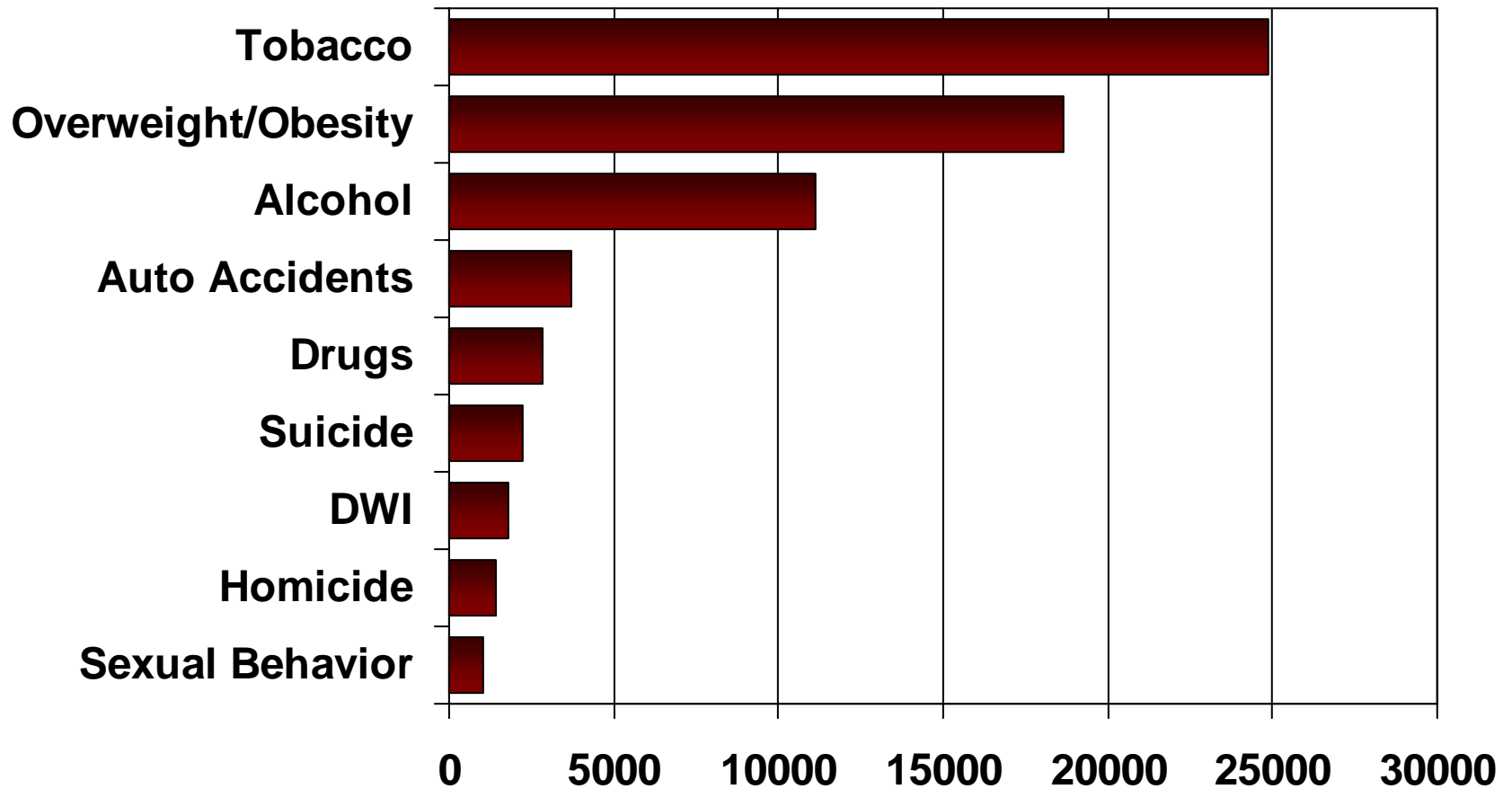
Total and by Race, 1989 - 2007



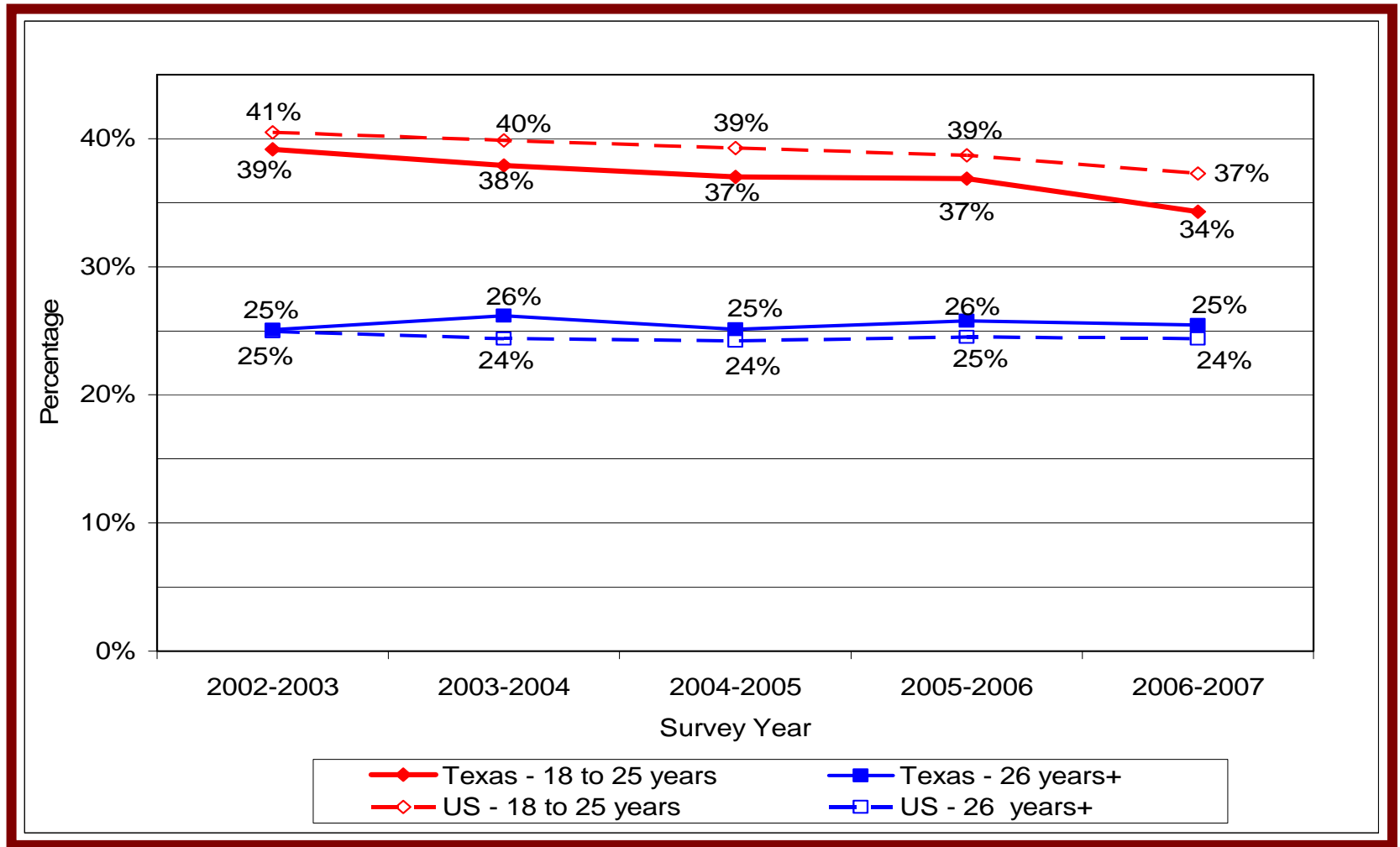
Leading Causes of Death Texas 2001 and 2008



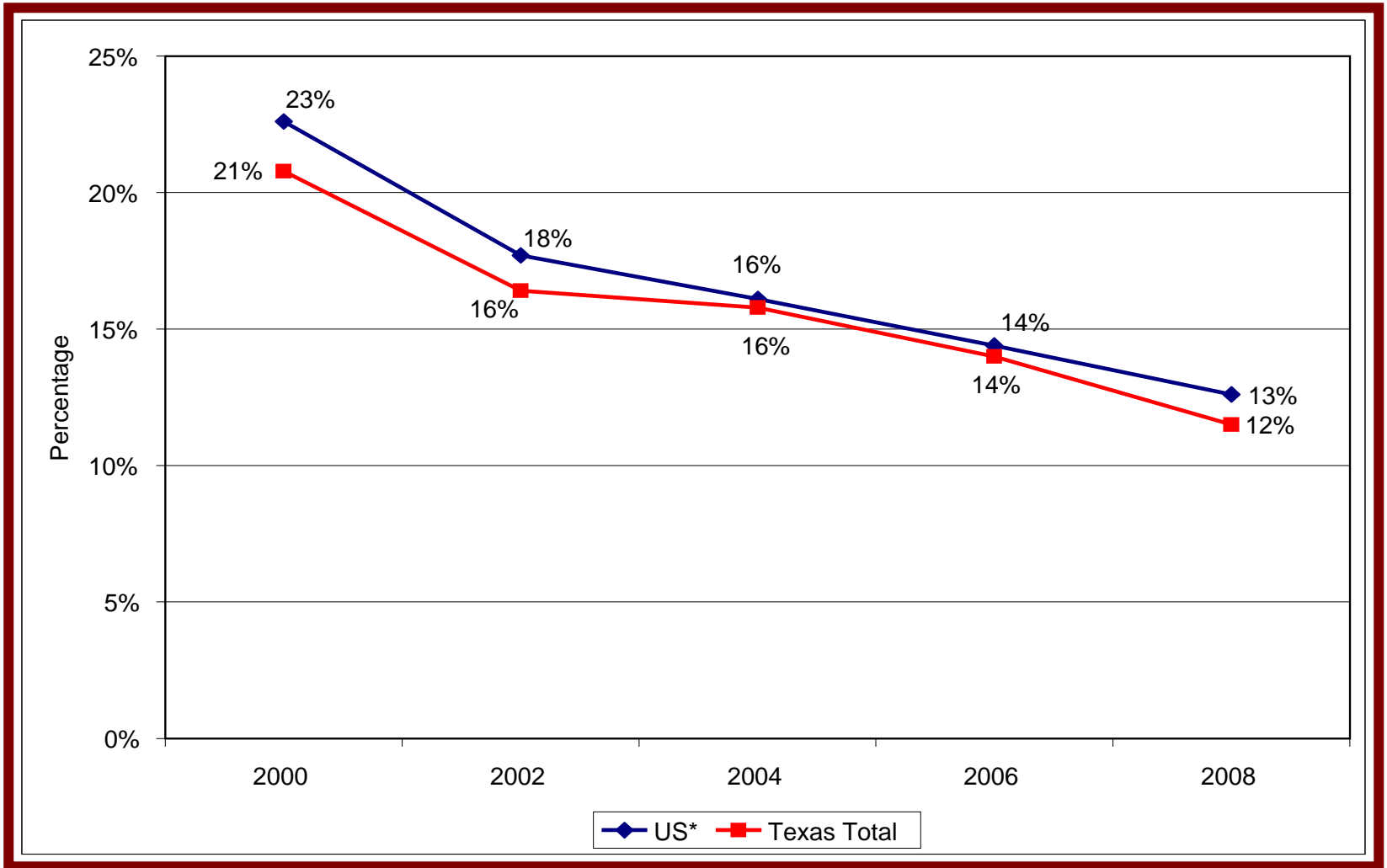
Actual Causes of Death Shaped by Behavior



Past Month Cigarette Use Among Adults in Texas & US

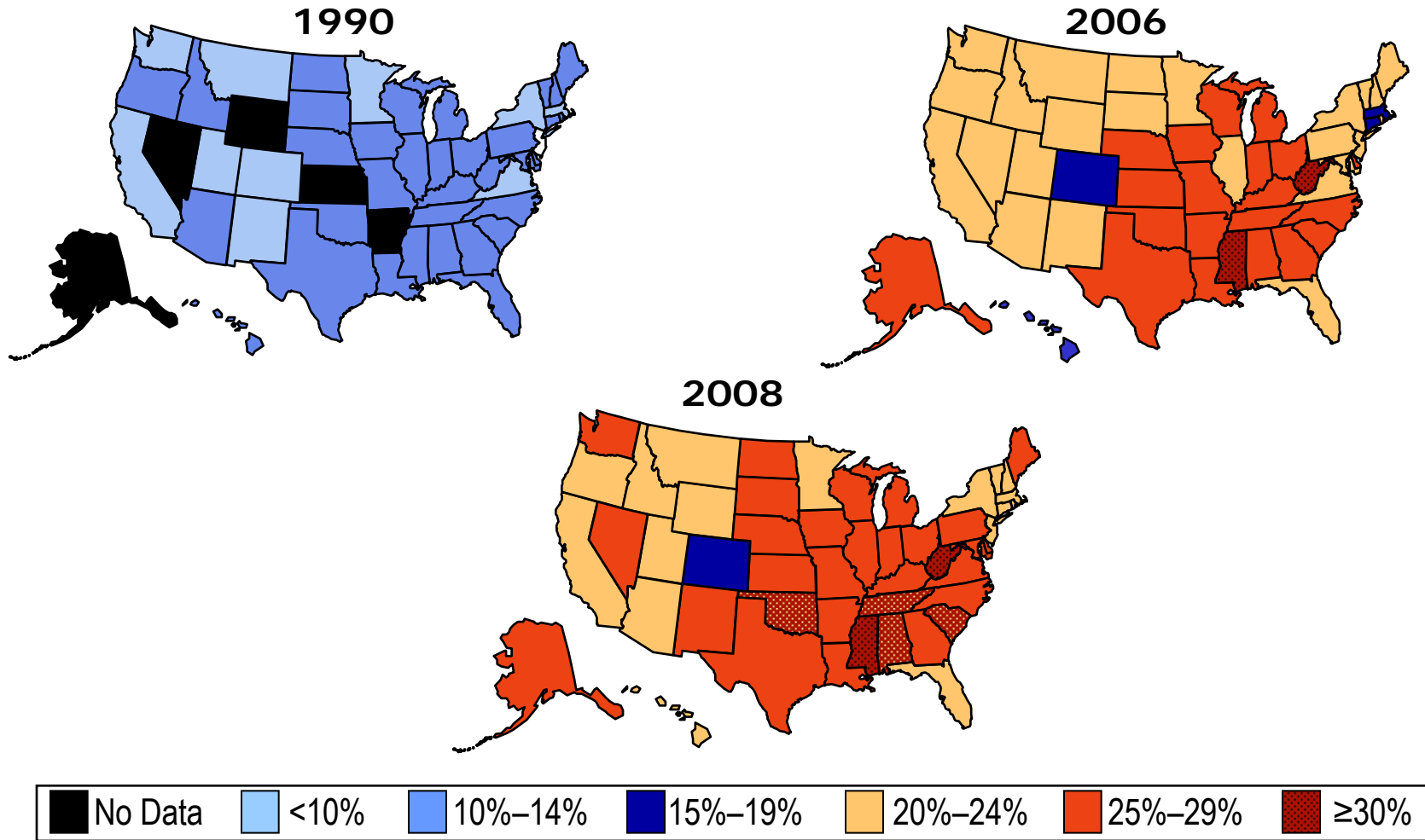


Past Month Cigarette Use Among Youth in Texas & US

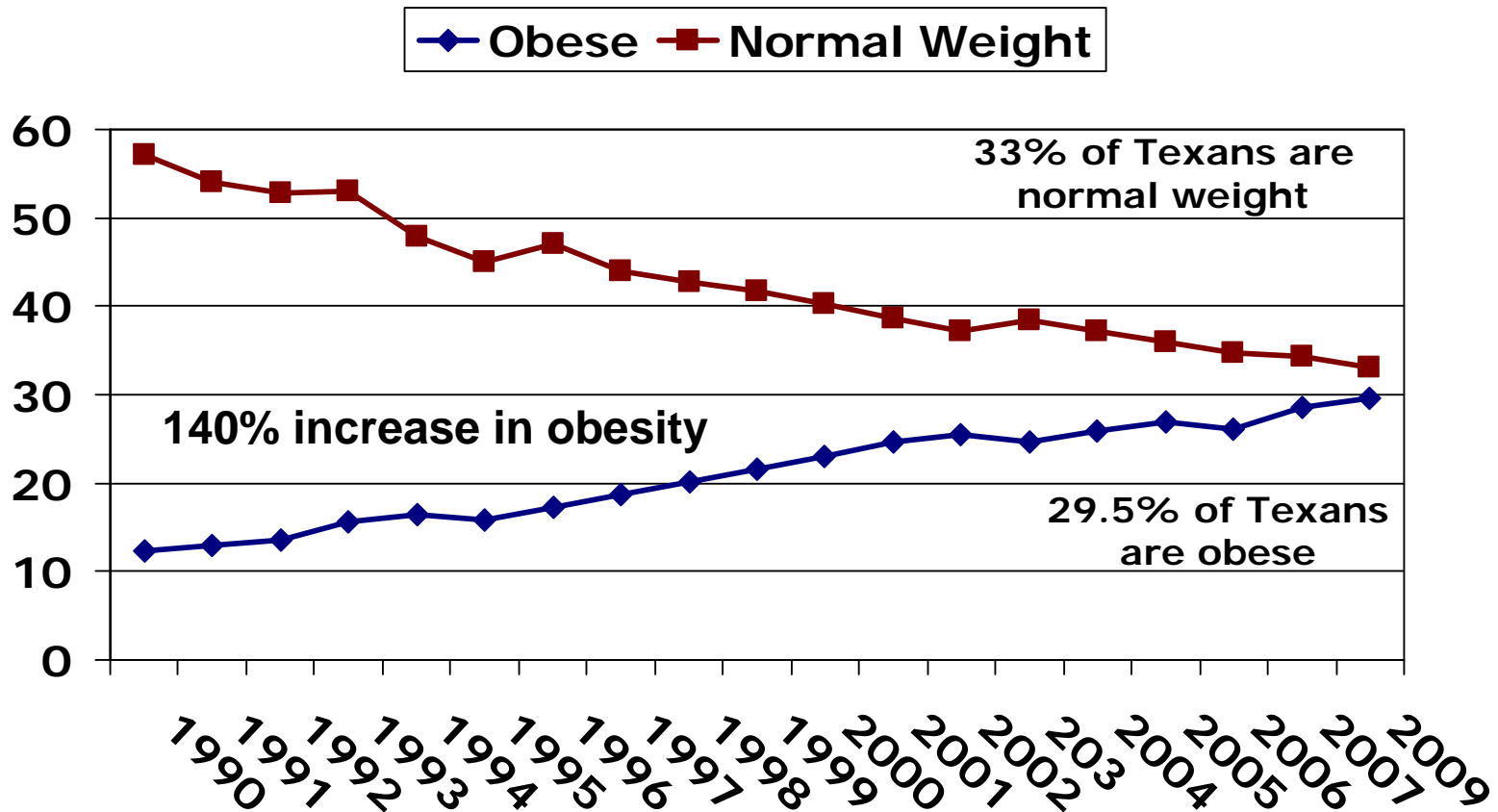


Obesity Trends* Among U.S. Adults

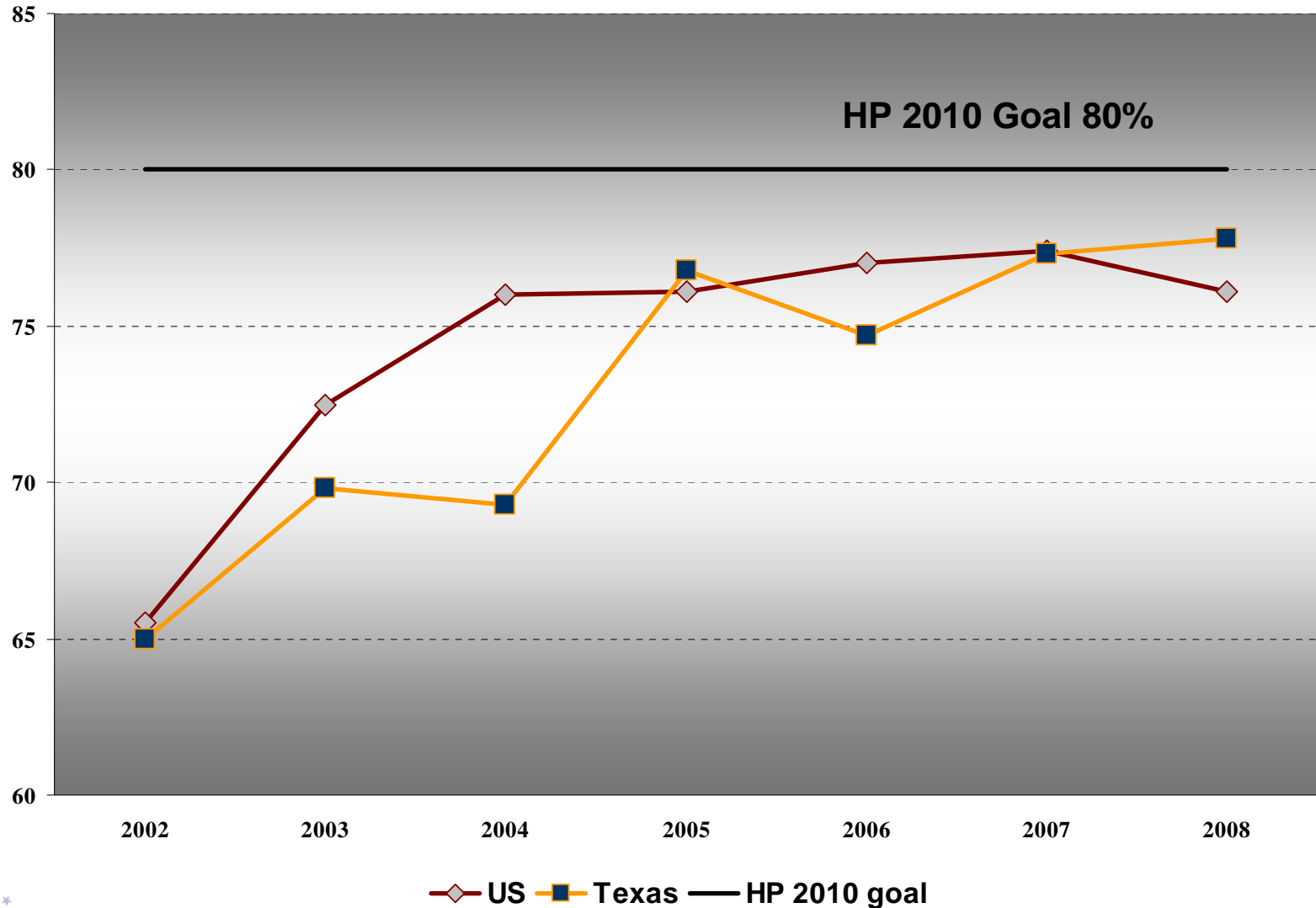
(*BMI ≥ 30 , or about 30 lbs. overweight for 5'4" person)



Obesity Prevalence Trends in Texas Adults 1990 to 2009

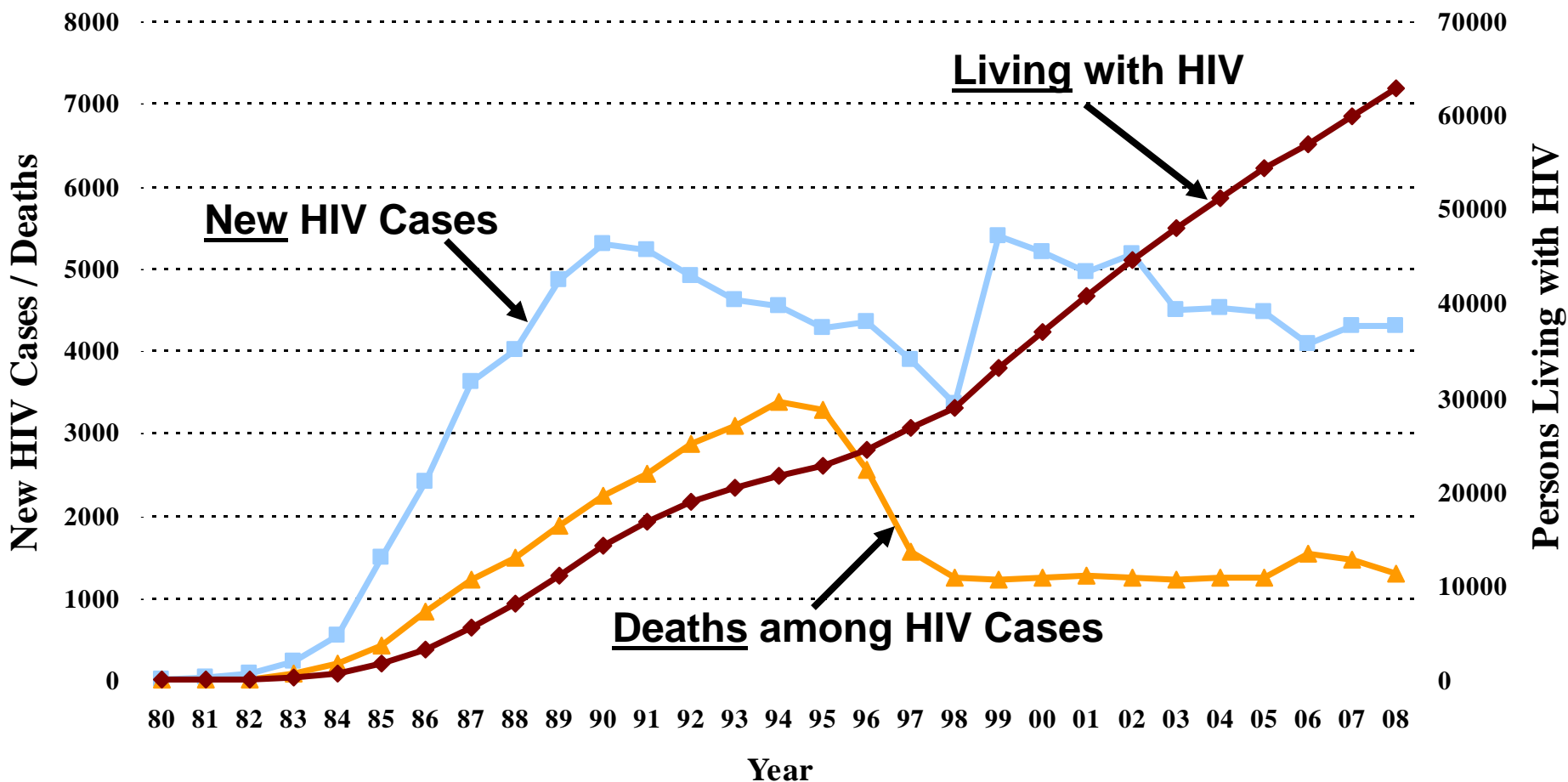


Childhood Immunizations

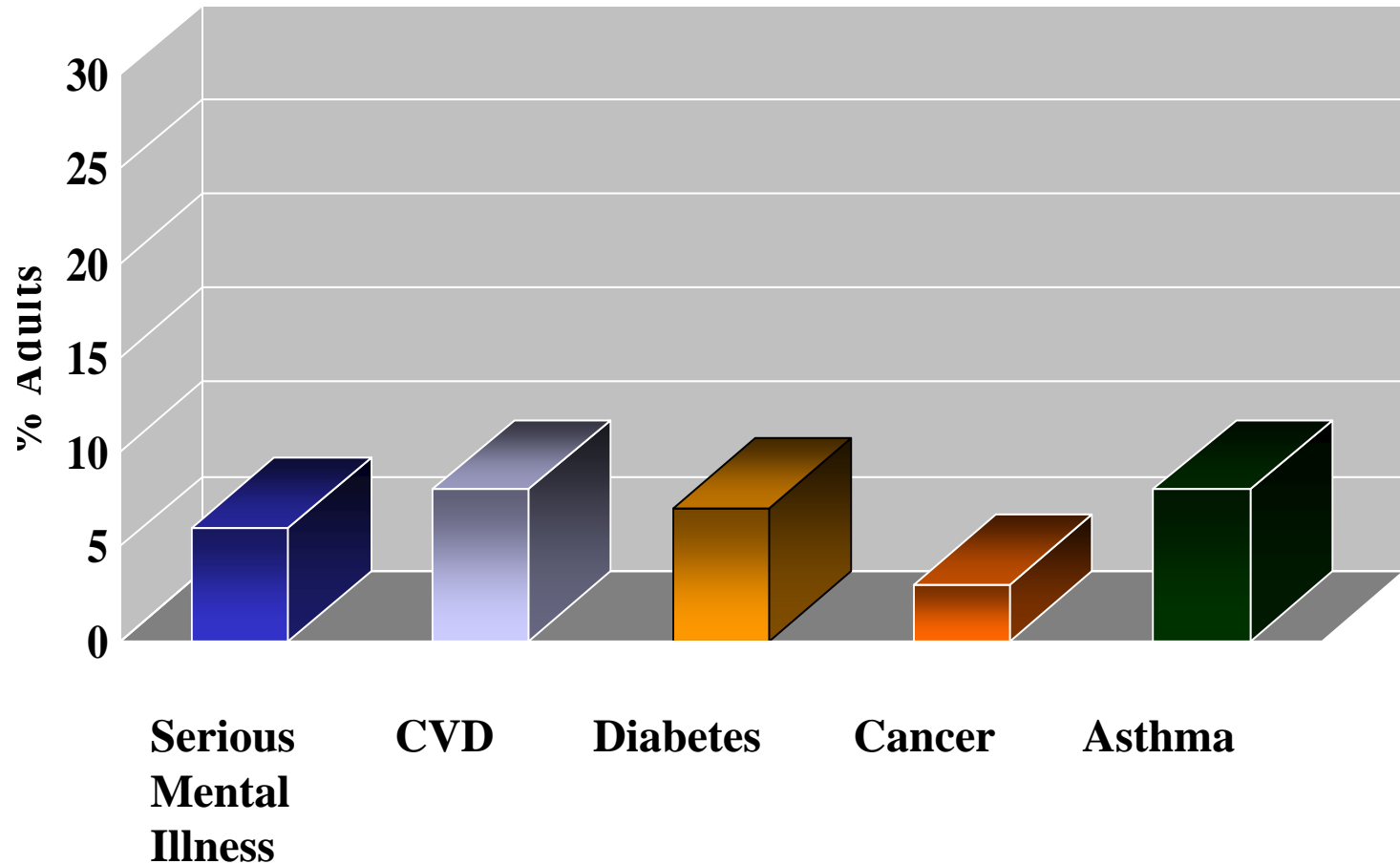


Newly Diagnosed HIV Cases, Deaths, & Persons Living with HIV

(Texas, 1980-2008)



Role of Serious Mental Illness



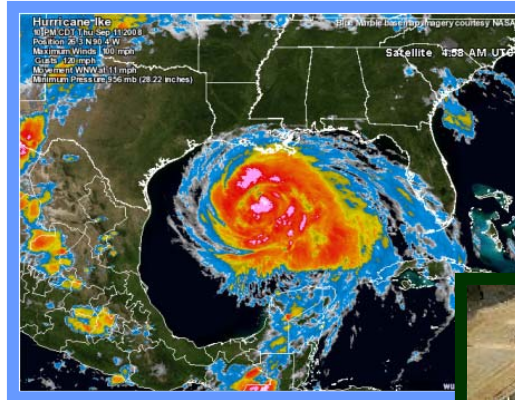
CDC BRFSS, SEER Cancer Statistics Review, 1975-2002, "Prevalence, Severity, and Co-morbidity of 12-Month DSM-IV Disorders" *Arch Gen Psychiatry*. Vol. 62, June 2005

2008 - 2010 Response Events

1. Hurricanes:

- Dolly
- Gustav
- Ike
- Alex
- Tropical Storm Edouard

1.



2. San Angelo

- Yearning for Zion Ranch

2.



3. Epi Investigations

- Raw vegetables
- Salmonella

4. Salmonella Outbreak

- Peanuts

5. H1N1 Pandemic

3. & 4.



5.



Public Health Response to Hurricane Ike



Agency Overview

The mission of the Department of State Health Services is to improve health and well-being in Texas.

DSHS Services

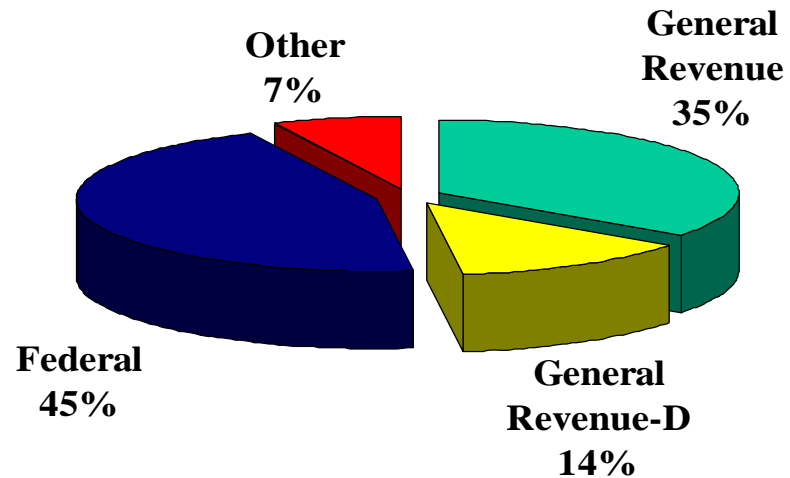
- Family & Community Health Services
- Health Information & Vital Statistics
- Mental Health & Substance Abuse Services
- Prevention & Preparedness Services
- Regional & Local Health Services
- Regulatory Services

Scope

- Alzheimer's to Zoonosis and Ambulances to Zebra Meat
- Impact on millions of people
- Nearly 7900 client services and administrative contracts
- ~160 DSHS sites

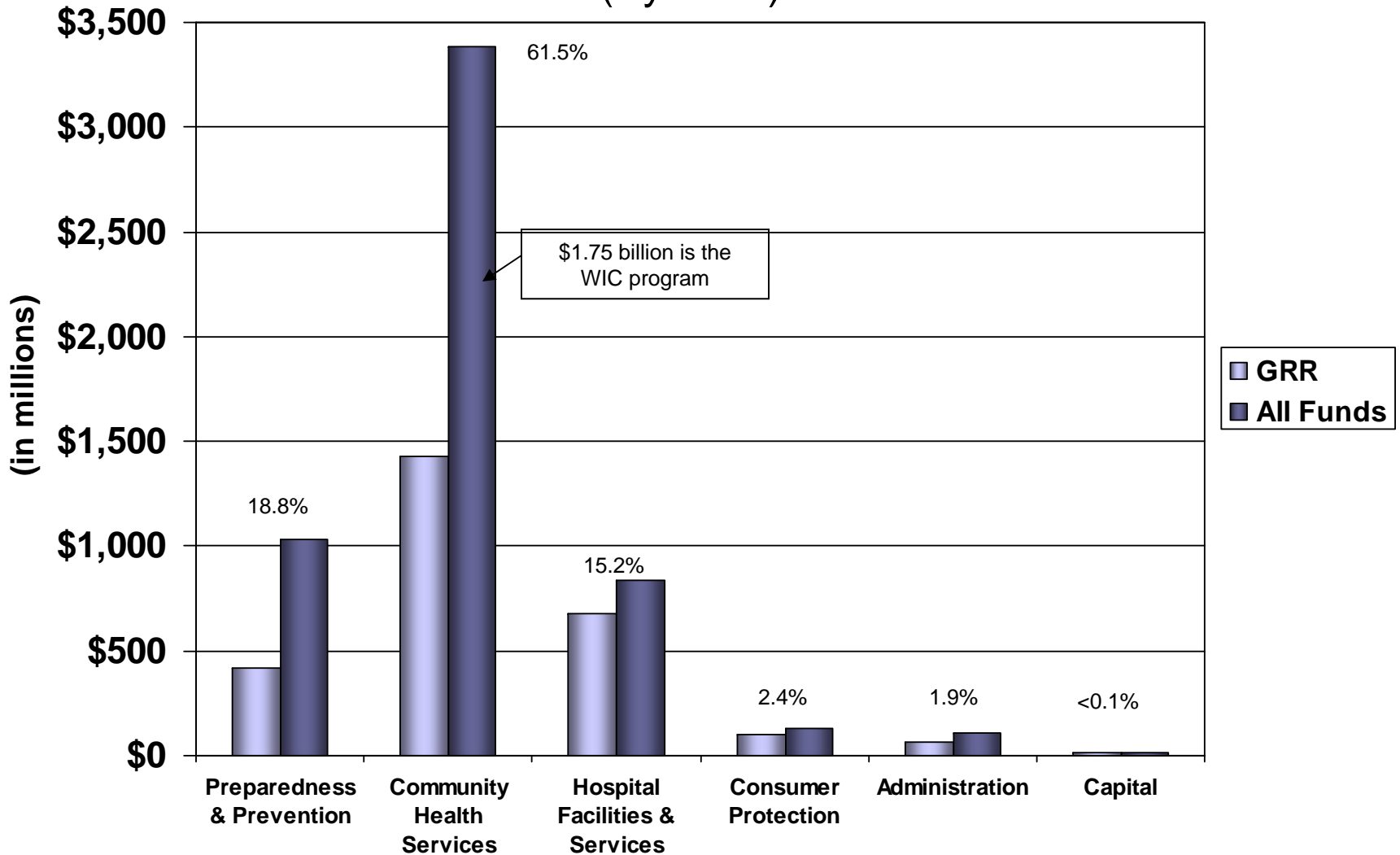
DSHS Budget Facts – FY 10-11

- \$6.16 billion biennial budget
- 50% of the DSHS budget is general revenue (GR/GR-D)
- Over 50% of DSHS GR is for mental health services
- DSHS has 220 funding streams/methods of finance
- Regulatory Services are primarily supported by fees



H.B. 1 - FY 2012-13

(By Goal)



Fiscal Year 2012-13 Issues

Public Health Threats

- Public health emergency preparedness/response protect Texans from natural and man-made disasters
- Infectious diseases remain a threat to Texans
- The burden of chronic diseases is increasing and is a driver of health care costs
 - prevention programs for obesity and tobacco help to mitigate this burden

Health Cost Containment by DSHS

- Community mental health services reduce the need for more costly services, such as hospitalizations
- Substance abuse continues to be a driver of poor health and costs throughout the state budget
- Community health services improve health and reduce costs to the state budget, such as Medicaid
- Health care quality is an important factor in reducing health care costs

Regulatory Services – Impact to Business and Health

- Diminished regulatory services affect licensing and inspection activities

Comparison of Current Biennium with H.B. 1 as Introduced

Description	FY2010-11	FY2012-13
	Exp/Bud	Introduced Bill
GOAL 1 - Preparedness and Prevention	\$1,220,532,170	\$1,031,731,514
GOAL 2 - Community Health Services	\$3,706,877,855	\$3,384,611,515
GOAL 3 - Hospital Facilities	\$874,304,269	\$835,860,020
GOAL 4 - Consumer Protection Services	\$147,847,016	\$129,786,829
GOAL 5 - Indirect Administration	\$112,204,513	\$106,178,139
GOAL 6 - Capital Items	\$78,392,897	\$12,861,691
TOTAL AGENCY REQUEST	\$6,140,158,720	\$5,501,029,708
General Revenue	\$2,165,220,342	\$1,963,394,650
General Revenue-Dedicated	\$789,769,030	\$729,114,464
Fed Funds	\$2,727,030,856	\$2,426,538,270
Federal FMAP Adjustment	\$23,944,523	
Other Funds	\$434,193,969	\$381,982,324
TOTAL, METHOD OF FINANCING	\$6,140,158,720	\$5,501,029,708
FTEs	12,580.7	12,347.0

Implementing H.B. 1

- **Change available services;**
- **Modify policies, such as eligibility or co-payments/cost-sharing;**
- **Consider changes to service delivery and business models;**
- **Consider wait lists;**
- **Implement other cost containment strategies;**
- **Review fees for regulatory and laboratory services per rider direction; and**
- **Request statutory changes.**

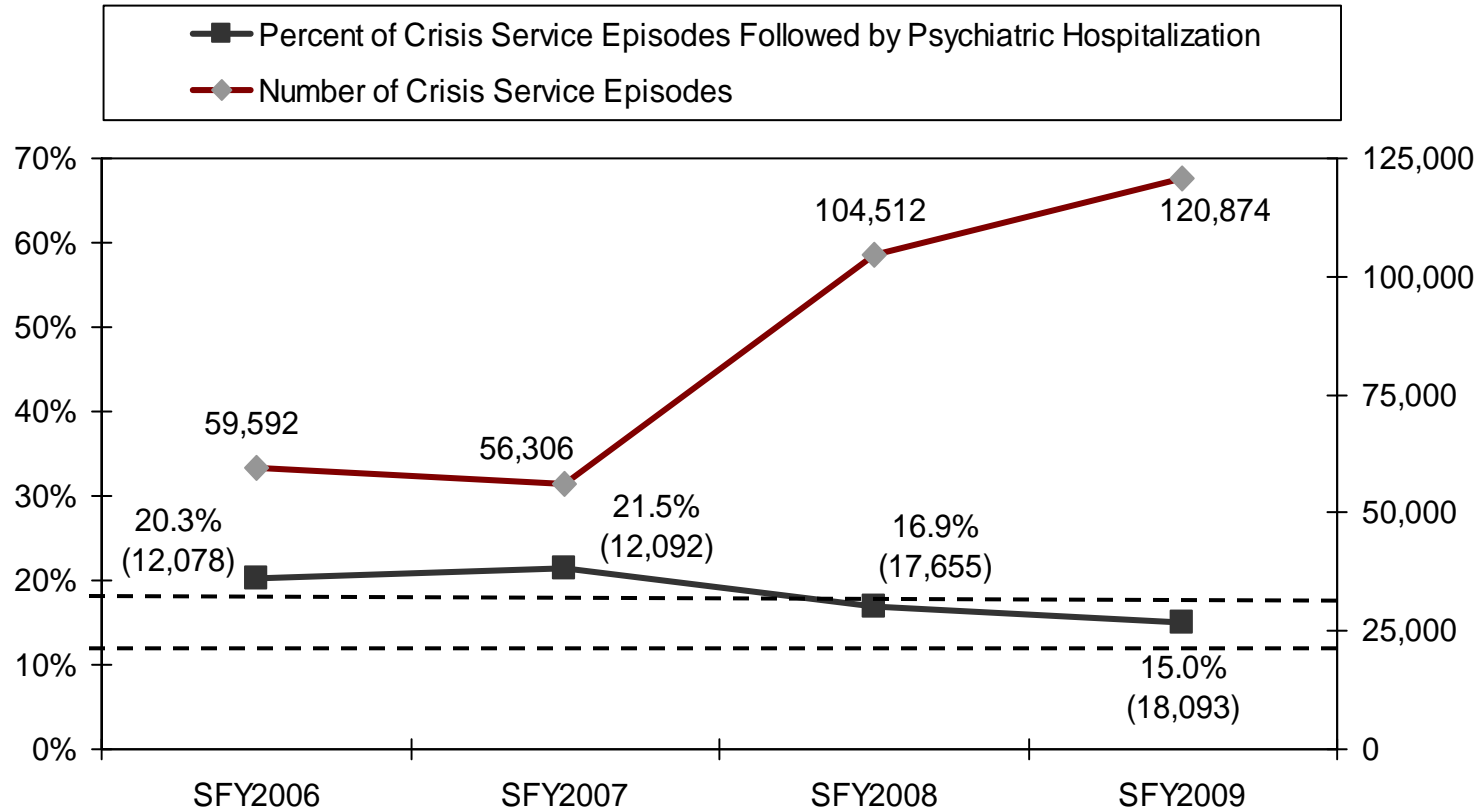
Priorities for Consideration

Agency Request Above Introduced Bill		FY 2012		FY 2013		BIENNIAL TOTAL		FY 2012	FY 2013
		GR	All Funds	GR	All Funds	GR	All Funds	FTEs	FTEs
1	Restore Critical Base Bill Reductions	\$84,738,836	\$119,536,402	\$84,738,836	\$118,150,842	\$169,477,672	\$237,687,244	154.5	154.5
2	Preserve Public Health Services	\$2,510,780	\$2,510,780	\$21,710,779	\$21,710,779	\$24,221,559	\$24,221,559	0.0	0.0
3	Maintain Hospital Operations	\$28,432,112	\$28,432,112	\$29,791,927	\$29,791,927	\$58,224,039	\$58,224,039	49.0	49.0
4	Hospital Capacity	\$5,180,553	\$5,180,553	\$5,180,553	\$5,180,553	\$10,361,106	\$10,361,106	0.0	0.0
5	Hospital Repair and Maintenance	\$5,268,681	\$57,268,681	\$5,060,495	\$5,060,495	\$10,329,176	\$62,329,176	0.0	0.0
6	Patient Safety	\$1,550,446	\$1,550,446	\$1,074,236	\$1,074,236	\$2,624,682	\$2,624,682	8.0	8.0
7	Healthy Babies	\$2,050,000	\$2,050,000	\$2,050,000	\$2,050,000	\$4,100,000	\$4,100,000	0.0	0.0
8	Preventable Hospitalizations	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	0.0	0.0
9	Infectious Disease Prevention & Treatment	\$2,685,654	\$2,685,654	\$3,630,154	\$3,630,154	\$6,315,808	\$6,315,808	21.0	21.0
10	Environmental Safety	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	0.0	0.0
11	Critical Repairs to the Moreton Building	\$0	\$20,000,000	\$0	\$0	\$0	\$20,000,000	0.0	0.0
Total Agency Requests		\$134,417,062	\$241,214,628	\$155,236,980	\$188,648,986	\$289,654,042	\$429,863,614	232.5	232.5

Item #1: Restore Critical Base Bill

Reductions

Texas Crisis Redesign Services Leading to Fewer Psychiatric Hospitalizations as a Percent of Crisis Episodes



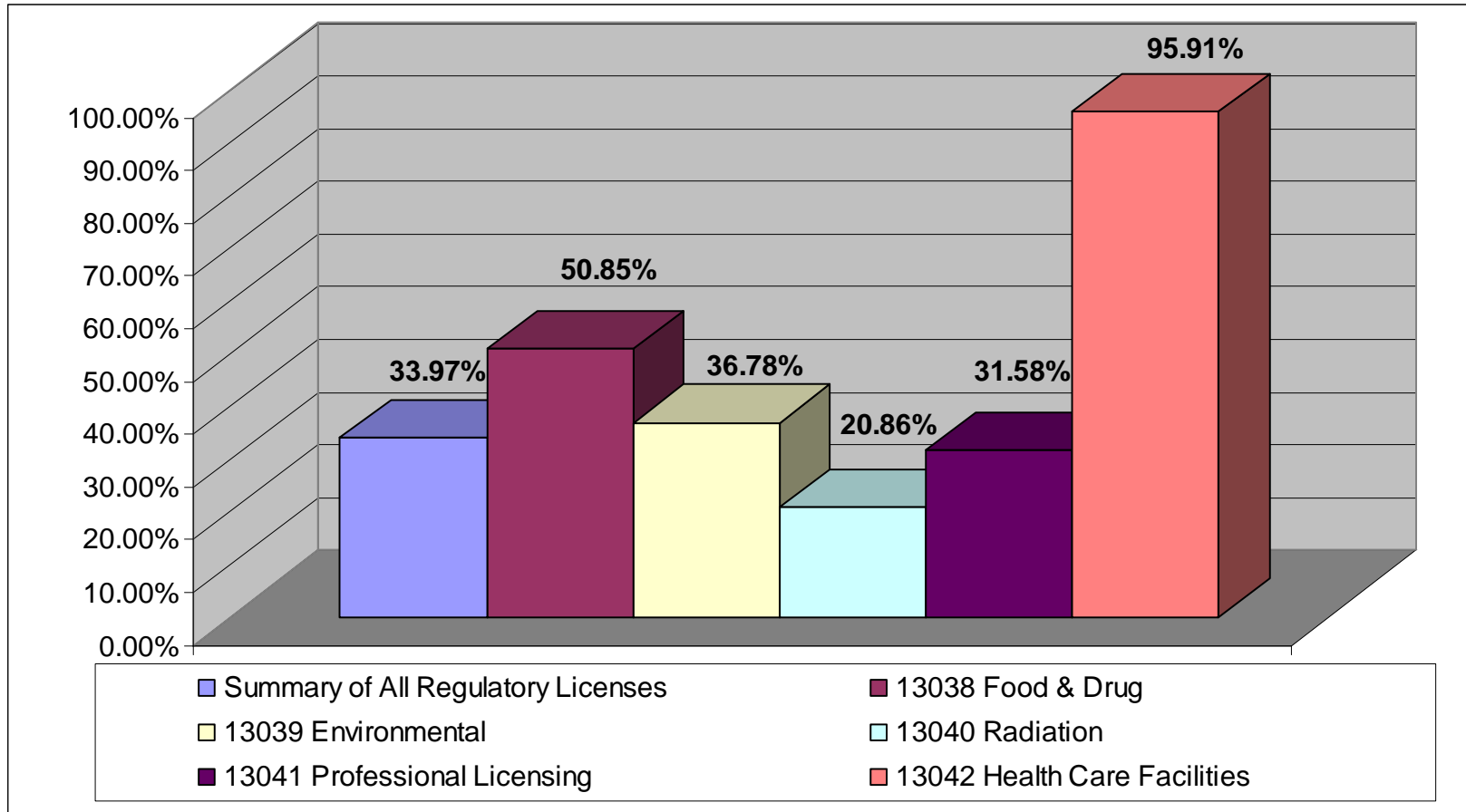
Sources: DSHS Client Assignment and Registration (CARE) system and DSHS NorthSTAR Data Warehouse.

Percent of Crisis Episodes at DSHS-Funded Community Mental Health Centers Followed by a State or Community Psychiatric Hospitalization within 30 Days



Item #1: Restore Critical Base Bill Reductions

Increase in Licenses for Division of Regulatory Services



Item #3 and #5: State Mental Health Hospital System



Austin State Hospital



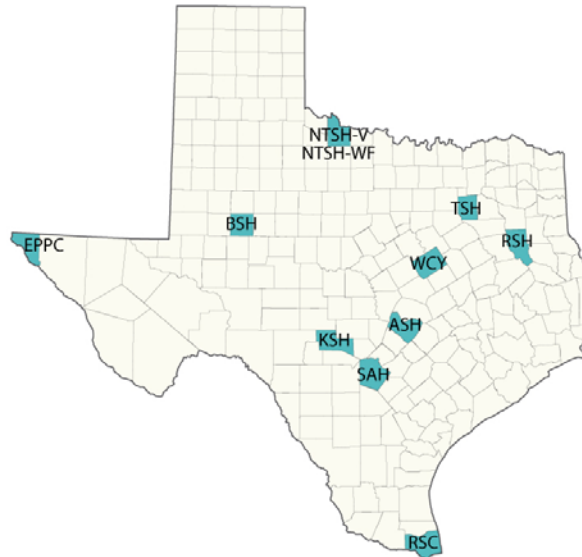
Terrell State Hospital



North Texas State Hospital

11 State Mental Health Facility campuses

- ~2,000 acres, 557 buildings, 5 million square feet
- ~\$900 million replacement value
- Average age of hospitals is >55 years old



Item #6: Patient Safety

Health care associated infections (HAIs) are the leading cause of infectious deaths in Texas with:

- 8,000-9,000 deaths each year
- HAIs add more than \$500 million in annual medical costs

Michigan Keystone Intensive Care Unit Project

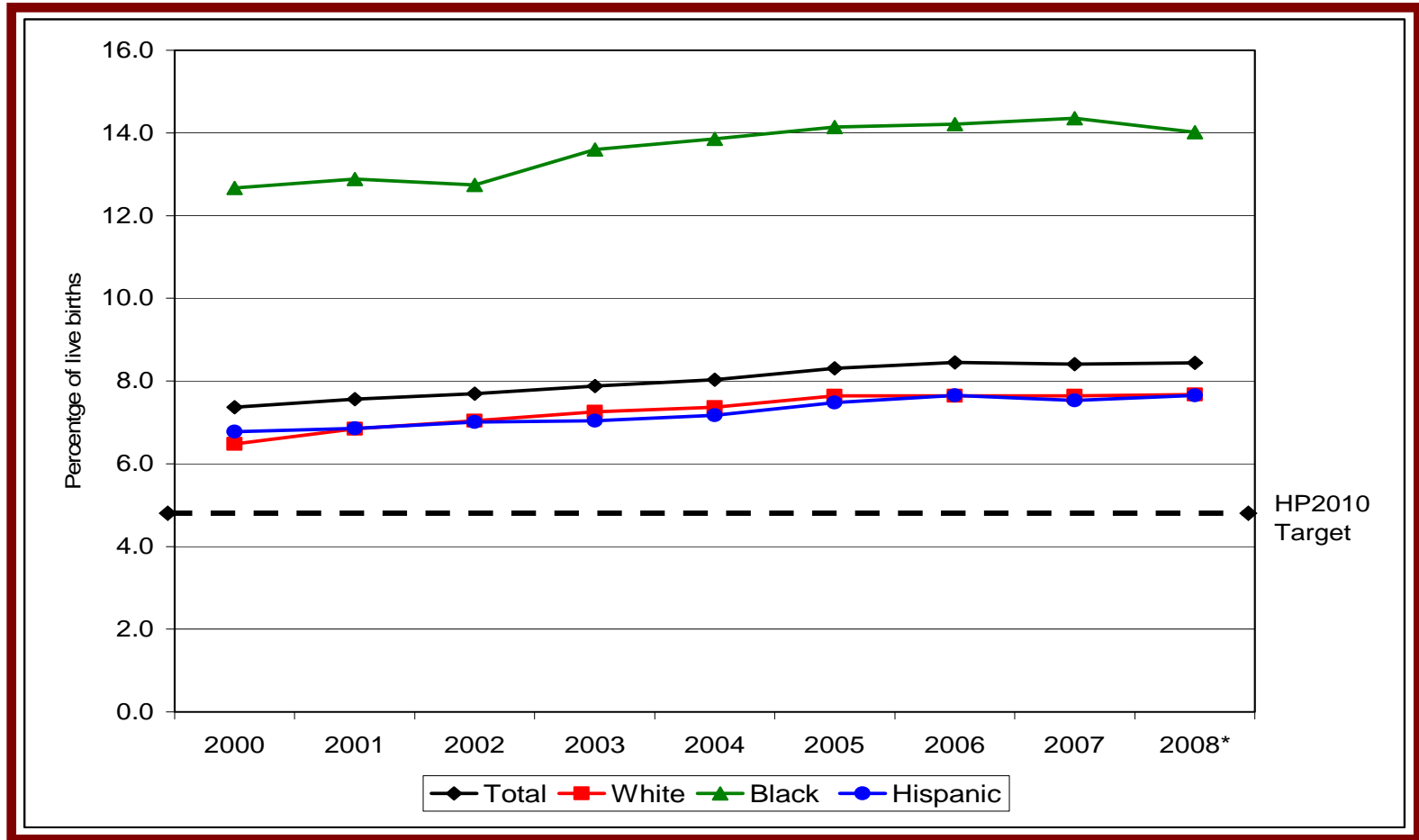
- Johns Hopkins and Michigan Health & Hospital Association
- Targeted catheter-related bloodstream infections in 100 ICUs
- Created a checklist – hand washing, cleaning patient’s skin, using a cap, gown and mask, and more careful catheter use
- Results:
 - 66 percent reduction in these infections
 - In 18 months, 1,500 lives and \$200 million saved
 - Return on investment was \$200 to every \$1 spent

HAI Quality Assurance Teams

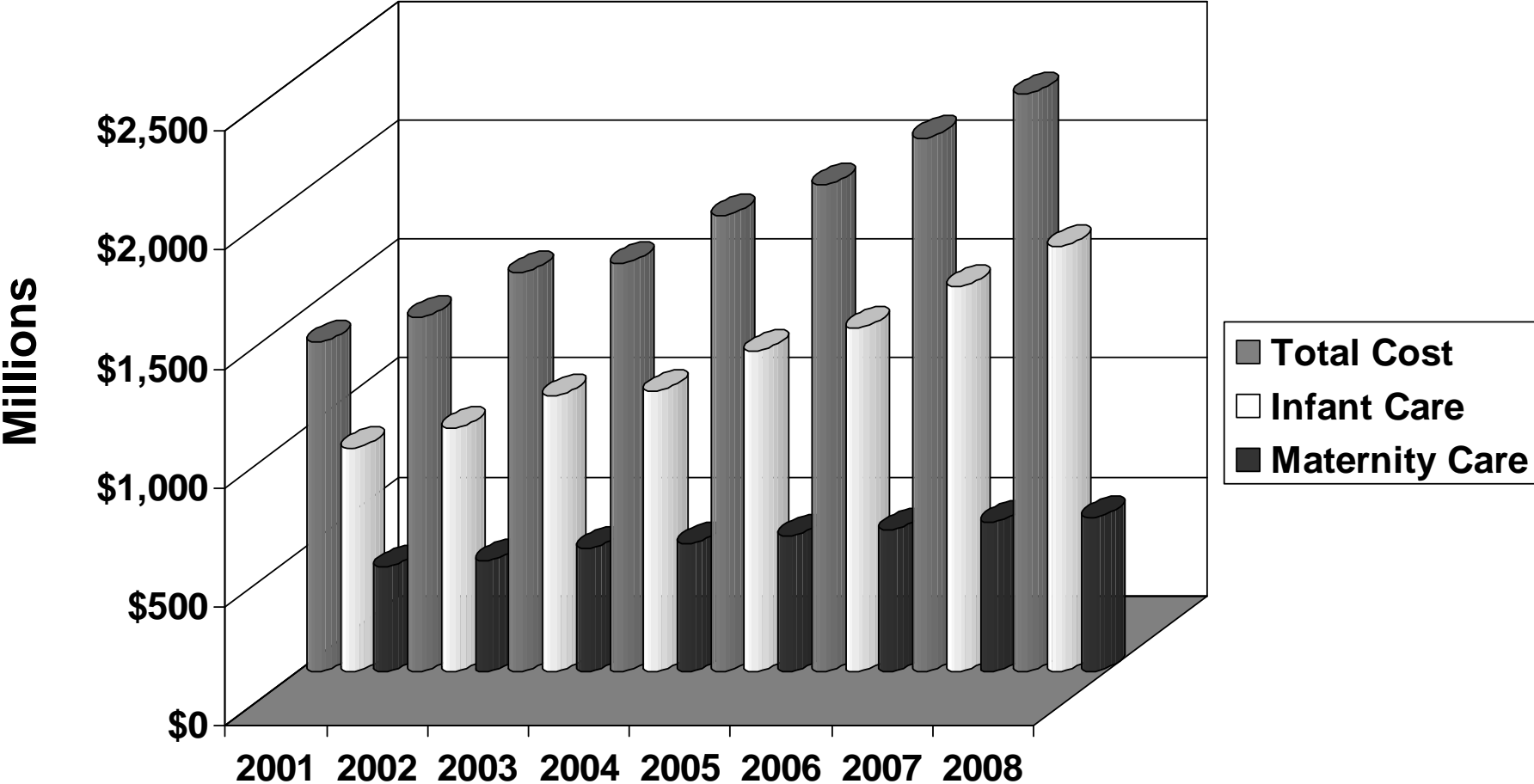
- Provides staffing for two quality assurance teams who will provide training and promote best practices for reducing health care-associated infections.

Item #7: Healthy Babies

Percent of Infants Born Low Birth Weight in Texas,
by Mother's Race/Ethnicity, 2000-2008 (preliminary)



Medicaid Expenditures - Births



Item #8: Preventable Hospitalizations

Bacterial Pneumonia Potentially Preventable Hospitalizations for Adult Texans (2005-2008)

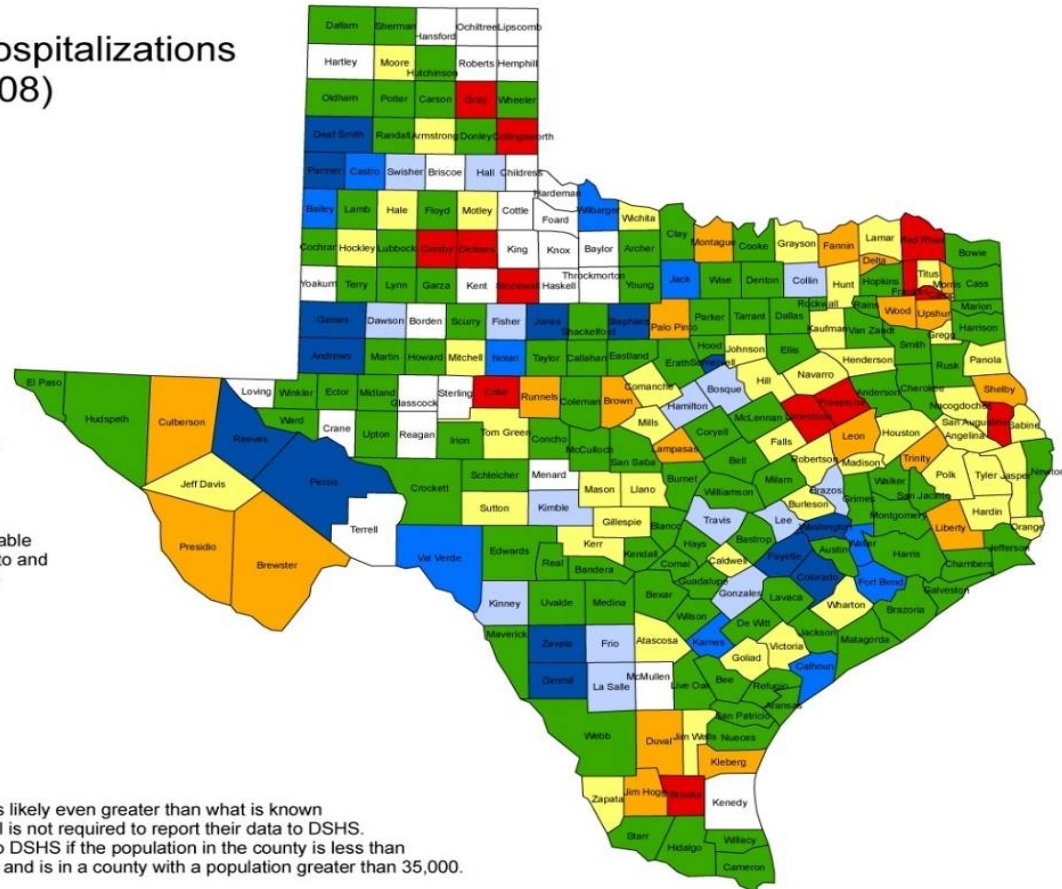
Red = Extremely Higher than State Average/Rate
(150%+ more than state average/rate)
Orange = Higher than State Average/Rate
(100% to 149% more than state average/rate)
Yellow = Slightly Higher than State Average/Rate
(50% to 99% more than state average/rate)
Green = Similar to State Average/Rate
(49% more to 49% less than state average/rate)
Light Blue = Slightly Lower than State Average/Rate
(50% to 99% less than state average/rate)
Blue = Lower than State Average/Rate
(100% to 149% less than state average/rate)
Dark Blue = Extremely Lower than State Average/Rate
(150%+ lower than state average/rate)
White = County Not Included (residents had less
than 20 hospitalizations)

The following conditions are called "potentially preventable hospitalizations," because if the individual had access to and cooperated with appropriate outpatient health care, the hospitalization would potentially have not occurred:

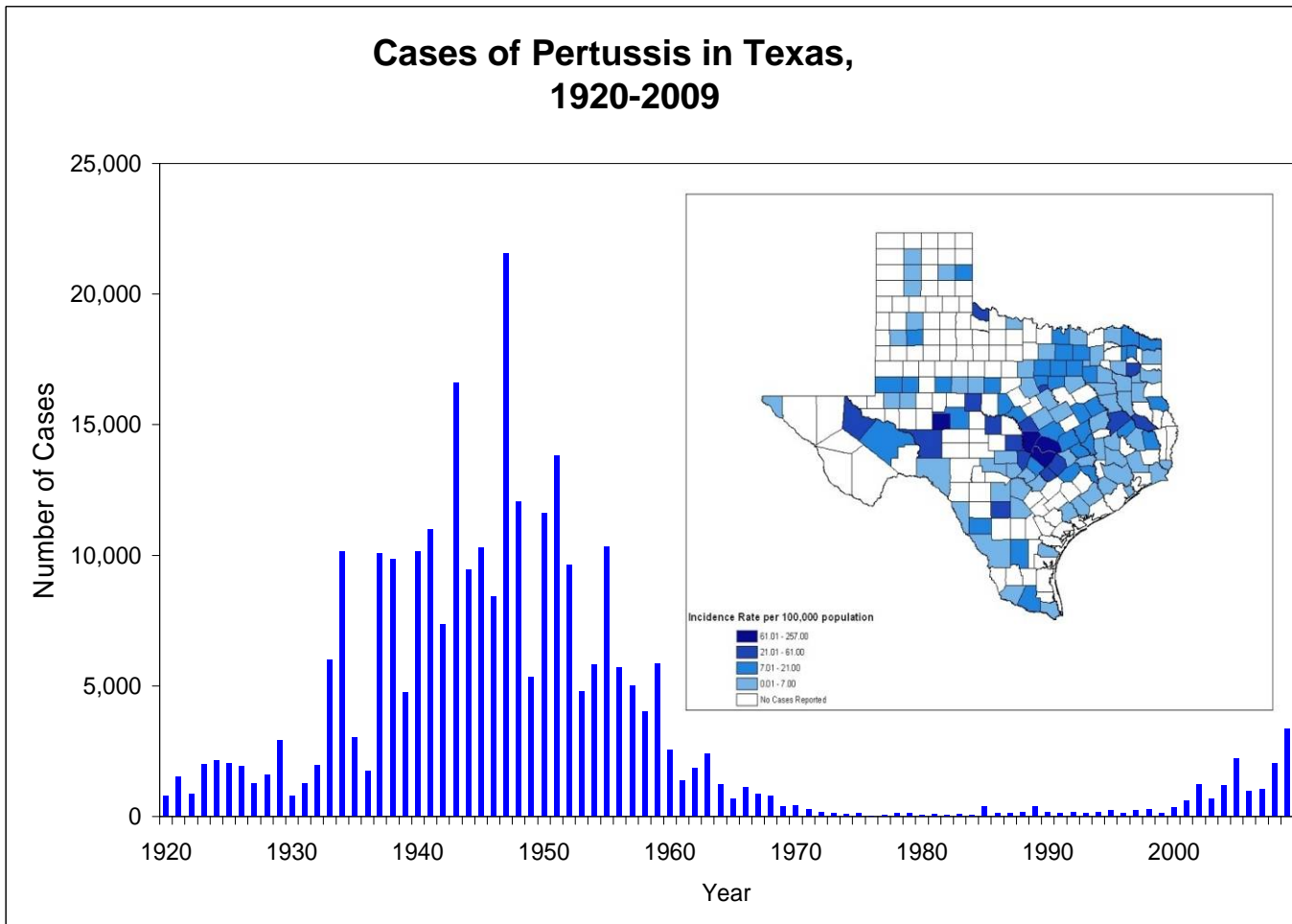
- Bacterial Pneumonia;
- Dehydration;
- Urinary Tract Infection;
- Angina (without procedures);
- Congestive Heart Failure;
- Hypertension (High Blood Pressure);
- Asthma;
- Chronic Obstructive Pulmonary Disease and;
- Diabetes.

The impact of potentially preventable hospitalizations is likely even greater than what is known for counties with no hospital or counties whose hospital is not required to report their data to DSHS. Hospitals are exempt from having to report their data to DSHS if the population in the county is less than 35,000 or the hospital has less than 100 licensed beds and is in a county with a population greater than 35,000.

For more information on Potentially Preventable Hospitalizations, go to www.dshs.state.tx.us/ph.



Item #9: Infectious Disease Prevention & Treatment



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
■ Pertussis Cases	287	152	327	615	1,240	670	1,184	2,224	954	1,051	2,046	3,358
■ Pertussis Deaths	0	1	2	5	4	6	2	9	1	0	4	3

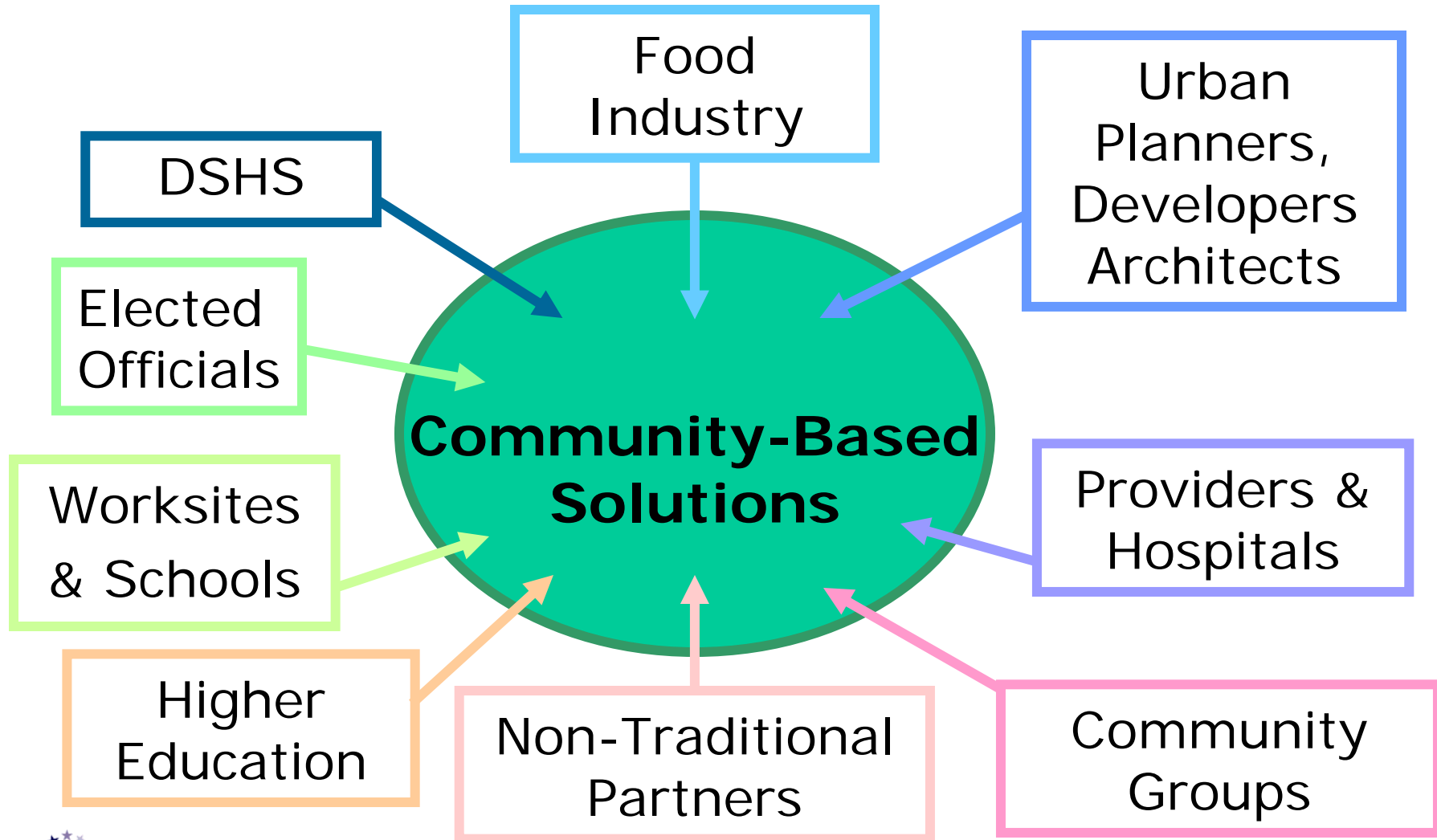
Item #9: Infectious Disease Prevention & Treatment

The new Texas Center for Infectious Diseases
opened September 22, 2010.



Additional funding is required to staff the 40 additional beds that will now be available to treat tuberculosis patients, many who are awaiting admission and/or being served in communities across the state

Partnerships Needed to Improve Health



Thank You!