



Public Health Policy Funding and Policy Committee 2025 Report

**As Required by
Health and Safety Code
Section 117.103**

November 2025

Table of Contents

Executive Summary	2
Introduction.....	3
Recommendations.....	5
Future Considerations.....	6
List of Acronyms	7

Executive Summary

Texas Health and Safety Code (HSC), Section [117.103](#), requires the Public Health Funding and Policy Committee (PHFPC) to publish an annual report summarizing committee actions. HSC, Chapter [117](#), requires PHFPC to make formal recommendations to the Texas Department of State Health Services (DSHS) regarding:

- Funds available to local health departments (LHDs) for core public health functions;
- Ways to improve public health;
- Transitioning from a contractual relationship to a cooperative agreement relationship between DSHS and the LHDs; and
- Fostering a continuous collaborative relationship between DSHS and LHDs.

The availability of public health services varies across communities. DSHS has contracts with 56 local jurisdictions to provide certain public health services. Many other counties and cities provide a small subset of services like environmental permitting or clinical services. In communities without an LHD, DSHS public health regions (PHRs) provide basic coverage. PHRs often support LHDs to provide services when the LHD does not have the resources available. PHRs also assist with subject matter expertise and response to disease outbreaks and natural disasters.

Local public health service funding is complex. LHDs may receive city, county, state, federal, or other sources of funding. Historically, LHD funding does not always align with known public health risks, vulnerabilities, threats, and/or disease statistics.

The committee made one recommendation to DSHS this year, aimed at increasing the department's allocation of state and federal funding to LHDs.

Introduction

In alignment with the charges to PHFPC outlined in HSC, Section [117.103](#), PHFPC continues to focus on public health infrastructure needs; data modernization and sharing; and public health threats facing local public health. In response to reductions to public health funding at the federal level, the committee is currently working to identify strategies to maximize public health resources and capacity. These funding cuts have created significant challenges, particularly for local health departments that rely heavily on grant support to sustain essential services. Without these resources, many departments are facing reduced staffing, limited outreach, and constrained ability to respond to emerging health threats. The committee is assessing current assets, exploring opportunities for resource sharing, and working to strengthen partnerships across jurisdictions to ensure continued delivery of critical public health services despite funding limitations. In an effort to maximize current resources, the committee recognizes the continued need for clear and formal delineation of roles and responsibilities among LHDs and PHRs. Data modernization and sharing and data system interoperability are significant ways to improve the technological side of public health infrastructure and increase coordination and efficiency. Without updated systems and strong data collaboration, public health may face delays, inefficiencies, and missed opportunities to protect community health. Ongoing discussions with DSHS as it continues to develop avenues to move data systems development forward and to make more and better data available to LHDs have been critical. DSHS created data sharing avenues such as the State Health Analytics and Reporting Platform (SHARP) to enable improved data analytics, data usage, and data sharing with local public health partners. SHARP also allows LHDs direct access to data and the ability to visualize public health information for their jurisdictions, contiguous jurisdictions, and aggregate state-level data. The committee continues to monitor and request updates on these new initiatives to identify specific needs and develop best practices.

Continued updates on grant funding to LHDs allow the committee to stay involved with the allocation and implementation of these funds and provide feedback. PHFPC recognizes the importance of this collaboration, especially during this time of transition away from significant COVID-19 related funding and uncertainty with continued and historic federal funding.

Ongoing discussions and follow-up are held at PHFPC meetings on Medicaid billing and the Public Health Provider-Charity Care Program (PHP-CCP). The PHP-CCP is designed to allow qualified providers to receive reimbursement for the cost of delivering healthcare services, including behavioral health services, vaccine services, and other preventative services, when those costs are attributed to an uninsured patient and there is no expectation of reimbursement. PHFPC received ongoing updates from HHSC on the program as a source of reimbursement for the uncompensated costs of delivering services to people outside of the Medicaid program.

Updates from DSHS on statewide data trends are useful in facilitating discussion around local strengths and barriers to improving health outcomes. PHFPC facilitates discussion and provides input on emerging and infectious disease interventions and best practices.

Recommendations

The Public Health Funding and Policy Committee recommends that DSHS allocate 60% of state and federal funding resources directly to local health departments and allocate 40% to the state health department, with public health regions included in the state 40%. This recommendation is made in light of ongoing reductions of state and federal funding for public health and to ensure the most effective use of state and federal public health funds distributed through state governments. As part of the allocation process, the PHFPC recommends a review of current and historical service provision methods, considering the unique needs of local communities.

Future Considerations

The PHFPC remains committed to engaging in meaningful and ongoing discussions that address the most pressing needs facing the public health system. Key areas of focus include sustainable funding for local health departments, enhancements to data systems that support timely and effective public health action, and clear, delineated roles at the state and local level. Through collaboration and strategic planning, the committee aims to support a resilient and responsive public health system that meets the evolving needs of Texas communities.

Increasing public health capacity and investing in public health infrastructure strengthens the public health system by improving its ability to prevent, detect, and respond to health threats. Enhanced capacity means a more skilled workforce, better coordination across agencies, and improved access to essential services at the local level. Infrastructure investments enable quicker decision-making, more effective resource deployment, and stronger community outreach. These investments build a more resilient system that can adapt to evolving health challenges and protect the health and well-being of all Texans.

List of Acronyms

Acronym	Full Name
DSHS	Department of State Health Services
HHSC	Health and Human Services Commission
HSC	Texas Health and Safety Code
LHA	Local Health Authority
LHD	Local Health Department
PHFPC	Public Health Funding and Policy Committee
PHP-CCP	Public Health Provider-Charity Care Program
PHR	Public Health Region
SHARP	State Health Analytics & Reporting Platform