Public Health Funding and Policy Committee Meeting

June 11, 2025

Minutes

Committee Members Attending

Phillip Huang, MD, MPH – Dallas County Health and Human Services – Vice Chair

Jennifer Griffith, DrPH, MPH – Texas A&M University

Sharon Whitley – Hardin County Health Department

Teresa Byrd, PhD, MPH, RN – University of Texas at Tyler

Aurelia Schmalstieg, MD – DSHS, Public Health Region 2/3

Lisa Dick, Brownwood – Brown County Health Department

Attendees:

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| Amy Yeager | Courtney Dezendorf | Kim White |
| Anne Mazuca | Zena Hooper | Esmeralda Flores |
| Aryana Valdez | Christina Kubenka | Gloria Diaz |
| Saeed Azadi | Laura Recio-Garcia | Lilian Mbise |
| Dana Birnberg | Mary Beth Bess | Emilie Prot |
| Austin Hood | Matt Richardson | Stephanie Alvey |
| Michael Comfort | Matthew Gonzales | Leah Barton |
| Glenna Laughlin | Brenda Narro | Dairen Sarmiento Rangel |
| Monica Rodriguez | Shannon Richter | Erika Martinez |
| Colin Crocker | Roberto Garcia | Candy Blair |
| David Gonzales | Sarah Sorensen | Katherine Wells |
| Cassandra DeLeon | Christina Garcia | Amy Fagan |
| Michael DeLeon | Sharon Thomas | Josh Hutchison |
| Estefana Mendoza | Sydney H. | Norris Foster Harrell |
| Gordon Mattimoe | Vanessa S. Limas | Saroj Rai |
| Jordan Hill | William B. Byrd | Imelda Garcia |
| Henry Presas | Nichole Brathwaite-Dingle | Jessica Hyde |
| Danielle Steadman | Clifton Karnes | David Gruber |
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Vice Chair, Dr. Philip Huang called the meeting to order at 9:02 am and the committee members introduced themselves.

**April 9, 2025, Meeting Minutes:**

Ms. Sharon Whitley motioned to approve the minutes. Dr. Huang seconded. Minutes approved.

**Federal Funding Changes and Potential Impacts to Local Health Departments:**

Ms. Imelda Garcia briefed the committee on the status of federal grant funding from the Centers for Disease Control and Prevention (CDC). She reported that a temporary suspension of activities was communicated last month to contractors involved in HIV prevention, HIV surveillance, and the Ending the Epidemic initiative. This action became necessary due to the absence of official notification regarding the grant award, which was expected to begin on June 1, 2025. As of June 11, 2025, this notification remained outstanding. Staff are actively monitoring the Federal Grant Solution System daily and have repeatedly inquired with their federal counterparts, but definitive information has not yet been received. The Department of State Health Services (DSHS) does not have the budgetary capacity to independently support these programs while awaiting further direction from the CDC.

Regarding federal funds scheduled to expire on June 30, 2025, notification of grant awards and the associated funds remains pending. Notification of awarded grant funds typically arrives near the end of the fiscal year, around July 1, 2025. Ms. Garcia alerted the committee to the possibility of further delays in the coming weeks.

The Immunizations Cooperative Agreement Grant, Public Health Emergency Preparedness Cooperative Agreement, Public Health Emergency Preparedness City Readiness Grant, Hospital Preparedness Program, School Health Grant, Diabetes Grant, and Cardiovascular Community Health Grant, alongside HIV Prevention funds, represent approximately $119 million in pending CDC funding. Additional grant awards are anticipated later in the summer, including the Epidemiology and Laboratory Capacity Grants at the end of July 2025. Although these grants do not directly benefit local health departments (LHDs), they are crucial for supporting wastewater surveillance activities in local jurisdictions, statewide laboratory capacity for various statewide infectious diseases, and epidemiological efforts across Texas.

Should further delays in federal funding occur, suspension of local contracts will become necessary. CDC has notified stakeholders of impending federal funding reductions. Specifically, the National and State Tobacco Control Program have not been renewed. DSHS has been authorized to expend remaining unutilized funds until October 29, 2025. Contract termination notices were disseminated to relevant contract recipients the previous week.

Tuberculosis (TB) funding has been reduced by 20 percent and DSHS received informal notification, yesterday, regarding potential reductions to the Public Health and Emergency Preparedness Grant. The CDC has indicated its capacity to fund states only partially, contingent upon the allocation of supplementary funding. However, a formal Notice of Grant Award, specifying the prospective new funding amount, has not yet been received. Inquiries regarding specific programs may be directed to DSHSDocuSign@dshs.texas.gov.

Dr. Huang inquired whether the DSHS had initiated staff layoffs. Ms. Garcia clarified that while the HIV Grants program was "On Pause" and not officially terminated, no staffing reductions had been implemented as a result, to date.

Dr. Huang noted that Congress had approved appropriations for Fiscal Year 2025, specifying that HIV grants were the only allocations affected. In response, Ms. Garcia stated uncertainty regarding whether HIV grants were the sole area impacted by these appropriations.

Dr. Huang inquired whether existing funding would cover the remainder of the fiscal year or if the proposed changes constituted an immediate reduction. Ms. Garcia clarified that the federal TB grant operates on a January-to-December cycle, and that they had recently experienced a 20 percent reduction in funding.

Dr. Huang inquired whether the proposed reductions would impact the current fiscal year. Ms. Garcia emphasized the uncertainty surrounding the exact funding allocation. She explained that until formal written notification is received, the specifics remain unknown. DSHS prefers to avoid acting on speculation until official documentation is available. CDC has released a document justifying its Fiscal Year 2026 budget. This document outlines potential reductions in some areas, alongside the reallocation of funds to different departments as part of an organizational restructuring. However, the precise impact on the organization's funding remains uncertain.

Dr. Huang inquired whether the committee could collectively undertake any actions to enhance public understanding of the actual consequences stemming from the reductions. Ms. Molly Fudell, DSHS attorney, clarified that the group's actions were limited by its statutory authority. She advised that concerns can be addressed in the annual report. Beyond this, she noted, individual members could act independently in their own capacity.

Ms. Amy Yeager inquired whether the committee had received any updates regarding Public Health Infrastructure Grant (PHIG). Ms. Garcia responded that the PHIG grant renewal is not due until later in the fall.

Dr. Huang inquired if the $700 million COVID funding cuts had led to any staffing or program reductions. Ms. Garcia confirmed that layoffs had indeed occurred in the previous month. The timing of these layoffs varied depending on the specific grant under which the employees were funded. While some employees were successfully reassigned to other programs with different funding sources, she acknowledged DSHS had to lay off employees.

Ms. Amy Fagan inquired about the methodology used by DSHS when funding cuts occur. Ms. Garcia stated the department is committed to minimizing the impact on LHDs and Regions and whenever feasible although the precise allocation formula was still under development.

**Emerging and Infectious Diseases Update:**

Dr. Saroj Rai updated the committee on the measles situation, presenting data current as of June 11, 2025. As of the preceding Monday, Texas had reported a total of 744 confirmed cases. While data suggested a slowing trend, thirty-five counties had reported at least one confirmed case, with the South Plains region continuing to account for a considerable proportion of the overall caseload. Since the outbreak's beginning, the pediatric population has been disproportionately affected. Of the 744 confirmed cases, 701 individuals were either unvaccinated or had an unknown vaccination status. The outbreak has resulted in two fatalities. Counties designated as having ongoing measles transmission are under continuous evaluation, and recommendations for individuals planning to visit these areas have been published.

Following Dr. Rai's update, Mr. Josh Hutchison briefed the committee on vaccine ordering and reporting procedures. He addressed Texas Vaccines for Children (TVFC)/Adult Safety Net (ASN) and outbreak dose guidelines, encouraging personnel to register for participation in the measles response effort. Mr. Hutchison recommended ordering a sufficient vaccine supply, potentially exceeding the established maximum stock level. He emphasized that eligible children should receive a TVFC/ASN dose, even in cases requiring post-exposure prophylaxis. Outbreak doses are exclusively available to DSHS Public Health Regions (PHRs) and LHDs and are designated for insured children and adults receiving care at DSHS regional or LHD clinics within Public Health Regions 1, 9/10, and 4/5. Private TVFC providers are not eligible to receive outbreak doses. Data indicated that the shipment of TVFC Measles, Mumps and Rubella (MMR) doses in February and March increased from January in direct response to the escalating case numbers. Immunization Information System (IIS) data reflected an increase in MMR doses administered to individuals aged 17 and under, as reflected in registry data.

Dr. Huang inquired about the progress of ImmTrac. Mr. Hutchison responded that they had recently launched a new Customer Relationship Management (CRM) module as part of the IT systems infrastructure. This addition, was designed to address the long-term needs of their clients, facilitate issue management, and provide enhanced data analysis capabilities.

Dr. Huang asked if locals could use this. Mr. Hutchison clarified that it was specifically intended for the DSHS program staff to assist with the ticketing system involving providers and specialists, acknowledging occasional overlaps. He further explained that this system facilitates outreach to individuals who have chosen to remain in the program after turning 18, an option presented to them upon reaching adulthood. A postcard is then dispatched to the address listed in the system.

**Data Modernization/Public Health Data Sharing Updates:**

Mr. Norris Harrell updated the committee on data sharing initiatives, associated training programs, and stakeholder feedback. Regarding vital event information, he reported that 35 out of 40 LHDs had executed Memoranda of Understanding (MOUs). However, approximately 20 of these signatory LHDs had not yet registered users within the system. Mr. Harrell directed LHDs needing registration guidance to contact the designated data support email address for instructions.

Regarding hospital discharge data, the status showed 33 signed agreements and 22 LHDs without executed agreements. Data set rollouts had been conducted for participating LHDs, with individual LHDs responsible for user onboarding. For immunization data, 50 LHDs had registered, but approximately 31 still needed to onboard users. Concerning National Electronic Disease Surveillance System (NEDSS) provisional data, 35 epidemiology contracts were in place. However, to date, no LHDs had executed contracts specifically for this data section.

**Legislative Update:**

Mr. Austin Hood briefed the committee on the outcomes of the recent legislative session, specifically focusing on successfully passed bills. He reported that the session saw an initial submission of 9,014 bills. DSHS closely monitored 1,102 of these bills. 105 bills from that subset progressed to the Governor for final consideration. These approved bills are subject to a veto period, expiring on June 22, 2025, during which the Governor has the right to veto any of the legislation.

Dr. Teresa Byrd inquired about the specific legislation mandating nutrition education. Mr. Hood identified Senate Bill 25 as the relevant bill.

Dr. Huang raised a question regarding House Bill 2844 concerning mobile food vendors. He inquired whether the DSHS would assume responsibility for all mobile food inspections statewide. In response, Mr. Hood indicated that the department is currently beginning to work on implementation plans, noting that they have a year to establish a comprehensive plan.

Ms. Fagan indicated her understanding that the proposed bill included a provision requiring contracts with LHDs for inspection services. She inquired whether DSHS was interested in pursuing such contracts, or if it was premature to consider the possibility. Mr. Hood responded that DSHS is receptive to suggestions and collaborations with local jurisdictions.

Ms. Lisa Dick stated a concern regarding the bill's provision that places the responsibility for addressing complaints solely on the locals. She mentioned that the absence of external oversight during inspections could lead to a surge in grievances, particularly if ambiguities arise concerning licensing procedures. In response, Mr. Hood assured that this concern would be noted and considered in planning.

Ms. Yeager stated that her understanding is that the proposed mobile food bill stipulates a shift in permitting authority to the state level, acknowledging the statewide mobility of these food vendors. The state is expected to establish a notification system, alerting local jurisdictions of a mobile food vendor's presence within their boundaries. This system relies on vendors providing their itineraries to the state. A MOU would be formalized between the state and local entities, allowing local authorities to conduct inspections and manage complaints related to mobile food operations.

Ms. Yeager inquired whether the proposed 20% funding cuts for TB programs would be implemented in Fiscal Year 2025 or 2026 and asked about potential funding reductions to the immunizations program. Mr. Hutchison clarified that the TB funding reductions are retroactive to the award period beginning in January 2025. This means the affected entities must manage not only the prospective budget cuts but also reconcile expenditures from the preceding five months. Regarding federal funding for Immunizations, Mr. Hutchison explained that the funding cycle spans from July to June, annually. The specifics of any potential funding reductions were unknown, as no information regarding the new federal awards had been received.

Dr. Byrd inquired about the rationale behind the budget cut for TB programs. Mr. Hutchison explained that DSHS had received partial funding throughout the year due to the resolution of federal-level budget constraints. The initial understanding was that the funding amount would remain consistent. However, the recently communicated 20% reduction was likely to be permanent.

Dr. Huang suggested that a formal letter requesting a temporary pause of all activities related to the federal funding in question would be best received by local leadership to limit immediate staffing cuts. Mr. Hutchison confirmed that such a request was a viable option.

Ms. Blair inquired whether receipt of the letter would necessitate an immediate cessation of all services or if a grace period would be granted, given the absence of an award letter. Mr. Hutchison responded that the specific wording of the letter would be carefully reviewed in the future to provide guidance to all stakeholders.

**2025 PHFPC Annual Report Preparation:**

Dr. Huang presented the committee with proposed language for a recommendation focused on state and federal funding allocation for approval and vote by the committee. Ms. Dick moved to add this recommendation to the annual report, and Dr. Byrd seconded the motion. The committee unanimously approved the inclusion of this recommendation in the 2025 PHFPC Annual Report. The updated information will be incorporated into the report and subsequently submitted to the committee for approval. Mr. Michael Comfort and Ms. Glenna Laughlin will collaborate with the committee to finalize the 2025 PHFPC Annual Report, and Dr. Huang requested DSHS provide updated responses to the recommendations made in the 2024 report. The 2025 PHFPC Annual Report and the 2025 DSHS Response to the PHFPC Report are due begin internal DSHS review on August 1st. Both reports will be submitted, to the Governor's Office by November 30, 2025.

**Public Comment:**

No additional public comment. Comments in the online meeting chat:

1. Denton County Public Health has formally requested clarification from the Texas DSHS regarding the formula or allocation process governing federal grant reductions. The request seeks detailed information pertaining to the ratio and funding percentages allocated to the DSHS central office and regional entities versus local contracts, both before and after the program suspension. Provided the temporary cessation of Immunization and Public Health Emergency Preparedness (PHEP) activities, a formalized protocol may be necessary to facilitate the seamless transfer of responsibilities from local health departments to the state level. With an anticipated 20% reduction in federal funding for TB control, local health departments may require modifications to their work plans, prioritizing investigative activities, testing, and treatment protocols.
2. Collin County Public Health anticipates that the absence of funding for affected service areas will necessitate either the cessation or reduction of services to mitigate the impact of these financial constraints. It has requested the inclusion of specific language differentiating between temporary program suspensions and permanent program discontinuations to facilitate staff retention within the affected programs.

**Timelines, Next steps, Announcements, and Future Meeting Dates:**

The August meeting agenda will include an examination of LHDs affected by funding reductions, legislative update, DSHS federal funding update, an update on the measles outbreak, and data modernization.

The next meeting is scheduled for August 13, 2025.

**Adjourn:**

Dr. Byrd motioned to adjourn; Ms. Whitley seconded the motion to adjourn the meeting. Motion carried. Meeting adjourned.

Approved:

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Stephen L. Williams, Committee Chair Date