

DSHS Response to Public Health Funding and Policy Committee Annual Report Recommendations

In accordance with Senate Bill 969, authored and passed into law by Senator Jane Nelson during the 82nd Texas Legislative Session, the Department of State Health Services (DSHS) assembled the Public Health Funding and Policy Committee (PHFPC), a committee consisting of nine public health professionals. DSHS Commissioner, David Lakey, M.D., appointed three local health entity directors, two local health authorities, two deans from schools of public health, and two DSHS health service region medical directors to serve on the committee. DSHS also provided a staff person who provides support to the Committee and coordinates communication between the agency and the Committee.

As outlined in SB 969, the Committee submitted its annual report on April, 1, 2013 to the Governor, Lieutenant Governor, and the Speaker of the House of Representatives. The report included recommendations for DSHS. The recommendations were presented in six conceptual clusters: (1) service and contract efficiencies; (2) accreditation of public health entities; (3) role of public health and the Texas 1115A Medicaid Waiver; (4) public health workforce; (5) public health program areas; and (6) healthcare reform and public health.

In response to the PHFPC report, DSHS has prepared the following responses regarding each recommendation. The department was able to implement a number of the recommendations this fiscal year. Some of the remaining recommendations require further analysis and consideration; others need legislative action. DSHS will continue to work on these issues and looks forward to continued work with the Public Health Funding and Policy Committee in creating positive change for public health in Texas.

Maximizing Efficiencies of Resources

Recommendation A (1): The committee recommended to the DSHS Commissioner that the agency bundle noncompetitive contracts.

Response: Committee members advocated bundling grants together to reduce redundancy in the competitive grant process, especially for entities that are the only eligible safety net or public health agency. Bundled contracts and reduced redundancy are more conducive to the development of a cooperative relationship.

DSHS agreed with this recommendation. Non-competitive sub-recipient contracts for local health departments have been migrated to one core contract with attachments for each program. This change will reduce the administrative burden for LHDs seeking approval of contracts throughout the year. Additionally, DSHS will work to reduce and better coordinate onsite monitoring visits relating to bundled contract programs starting in Fiscal Year 2013.

Status: Completed September 1, 2012.

Recommendation A(2): The committee recommended to the DSHS Commissioner that the agency allow local health departments to utilize up to five percent of a grant funded staff's time for non-categorical activities.

Response: DSHS agreed with this recommendation. LHDs, within their bundled contracts, may utilize up to five percent of their grant funds to respond to emergency situations.

Status: Completed September 1, 2012.

Recommendation A (3): The committee recommended to the DSHS Commissioner that the agency increase allowable budget category changes in noncompetitive contracts from 10% to 25%.

Response: Federal grants give grantors the flexibility to transfer 25 percent of funds from one category to another without approval. State grants generally only allow the transfer of 10 percent. The committee advised that LHDs should be allowed to transfer 25 percent in order to more effectively carry out the program's business and to reflect federal practice.

DSHS agreed with this recommendation. Restrictions placed on budget category changes were modified from the current 10 percent to 25 percent. This is consistent with the boundaries of federal requirements.

Status: Completed September 1, 2012.

Recommendation A (4): The committee recommended to the DSHS Commissioner that the agency increase allowable equipment purchases in non-competitive contracts from \$500 to \$5,000. (See Appendix D, pp.40)

Response: Federal cooperative agreements provide that certain items are considered supplies and do not require prior approval for purchase. These items must have an acquisition cost of at least \$5,000, and must have a useful life of more than one year. They are consumable items necessary to carry out the services under the contract, and include items such as desktops, laptops, and non-portable printers.

The state threshold amount for equipment is \$500, which means LHDs must obtain pre-approval to purchase computers, printers, and other small items that would otherwise be considered supplies under the federal guidelines. The committee recommended that making this item consistent with federal procedures would benefit LHDs because consumable items could be purchased more easily.

DSHS agreed with this recommendation; therefore, the threshold for items considered to be equipment was raised from \$500 to \$5,000, as recommended by the Public Health Policy and Funding Committee.

Status: Completed September 1, 2012.

Accreditation

Recommendation B: The committee recommends to the DSHS Commissioner that the agency work with the Public Health Accreditation Board (PHAB) to pursue public health accreditation and serve as the model for all other public health entities in the state. Furthermore, the committee recommends that DSHS explore ways to support local health department initiatives to seek public health accreditation.

Response: DSHS continues to review and analyze the benefits of accreditation for a state agency. While DSHS has not made a decision regarding the pursuit of accreditation, DSHS is taking steps to assess its readiness for accreditation and has taken action to support local health entities considering accreditation.

DSHS is conducting an internal assessment to evaluate DSHS' readiness to meet resource requirements for Public Health Accreditation Board (PHAB) accreditation. This readiness evaluation will be completed in Fiscal Year 2014.

Additionally, DSHS is contracting with an outside entity to support two or three local health departments to prepare for components of accreditation as identified by the PHAB. This guidance and assistance may include, but is not limited to, two or more of the following:

- Completing the PHAB accreditation readiness checklist;
- Provide training on a toolkit for public health accreditation;
- Conducting a community health assessment (CHA);
- Developing a community health improvement plan (CHIP);
- Preparing an agency strategic plan;
- Working through one or more of the PHAB domains; and/or
- Submitting documentation electronically to PHAB.

Status: In progress.

1115A Medicaid Waiver for Public Health

Recommendation C: The committee recommends to the DSHS Commissioner that the agency work with the HHSC Executive Commissioner to grant special consideration to the area of public health under the 1115A Medicaid Waiver.

Response: DSHS agreed with this recommendation and worked with the Health and Human Services Commission to ensure the inclusion of public health as part of the 1115 Waiver. A five percent public health set-aside was included as part of the Transformation Waiver planning process, which allowed local health departments to partner and participate in the 1115 Waiver. This created the opportunity to show true delivery system reform and increased emphasis on prevention.

Status: Completed May 31, 2012.

Workforce

Recommendation D (1): The committee recommends to the DSHS Commissioner that the agency charge the Public Health Consortium, consisting of the Schools of Public Health and Central DSHS administration, to develop a plan to identify and address workforce needs.

Response: DSHS is still reviewing this recommendation and will consider actions that could be taken to address this recommendation. However, any further planning or data collection of this nature would likely require legislative direction or funding.

The DSHS Health Professions Resource Center collects health workforce information in the State of Texas. The Center:

- Collects, analyzes, and disseminates data concerning the supply trends, geographic distribution, and demographics of health care professionals;
- Studies health care workforce issues and prepare reports on the findings;
- Designates health care delivery sites where mid-level providers can practice limited prescriptive authority; and
- Provides resources for primary care providers seeking collaborative practice opportunities through a clearinghouse program.
- Collects data on supply and distribution of health professions, as well as Federal and State Shortage Designations.

The Statewide Health Coordinating Council (SHCC), an independent agency administratively staffed by DSHS, is required to issue a plan regarding workforce concerns. The SHCC's plan is located at: <http://www.dshs.state.tx.us/CHS/SHCC/reports/SHP07ch2.pdf>; the updated plan is located at: <http://www.dshs.state.tx.us/chs/shcc/reports/TSHP-Report,-2013-14-PDF.pdf>.

Status: Pending further analysis and potential future legislative action.

Recommendation D (2): The committee recommends to the DSHS Commissioner that DSHS provide adequate resources and commit to meeting its statutory requirement for annual Local Health Authority (LHA) Continuing Medical Education (CME), and work with the committee to study, draft and vet language to clarify the LHA's role.

Response: DSHS agrees with this recommendation.

Texas Health and Safety Code Chapter 121, Subchapter F, Public Health Consortium, Section 121.101 directs DSHS to work with the consortium and local health departments in developing curricula for training LHAs when funds are available. Currently, no dedicated funding supports LHA services.

Since 2008, DSHS has sponsored two LHA Conferences/Workshops. The DSHS Division for Regional and Local Health Services supported a LHA Education and Training Steering Committee chaired by Dr. Mark Guidry, LHD Director and LHA for Galveston County & Cities Health District. In 2012, a statewide LHA survey was conducted assessing roles, responsibilities, and training needs.

As funds allow, DSHS will continue to provide opportunities for LHA training. The department is currently considering a proposal for an annual public health conference that would include LHA training as a component.

Status: Pending further consideration.

Programs

Recommendation E (1): The committee recommends to the DSHS Commissioner that the agency seek adequate funding for the DSHS Division of Regulatory Services, Environmental and Consumer Safety Section, to ensure environmental programs function at full capacity throughout the State, or consider options for local health departments to perform regulatory duties on behalf of DSHS and retain adequate revenue collected from these activities.

Response: DSHS agrees that adequate resources are needed to complete regulatory responsibilities. DSHS continually reviews its resources and requests funding to address identified needs. For instance, DSHS included in its Legislative Appropriations Request for the 2014-2015 biennium an exceptional item to fund for ten sanitarians focused on food safety.

Other options, like allowing LHDs to perform certain regulatory duties on behalf of the state, require more analysis of legal authority and funding. In some cases, the state and local jurisdictions share regulatory responsibilities. In others, the state may have sole responsibility. If the Texas Legislature chooses to pursue this route, legislative changes may be required to ensure LHDs have the authority to carry out the department's regulatory functions and to retain the funds. DSHS is committed to identifying opportunities to deliver services, including regulatory services, in the most efficient manner.

Status: Requires more analysis and potential legislative action.

Recommendation E (2): The committee recommends to the DSHS Commissioner that the agency enhance resources supporting the Infectious Disease Prevention program's capacity to identify and treat persons with active and latent Tuberculosis (TB) infection.

Response: DSHS agrees that additional resources are needed to combat Tuberculosis in Texas. DSHS' ability to meet the increased needs for resources at regional and local levels is impacted by issues such as federal sequester reductions, increased testing costs, and increasing medication costs. However, DSHS has taken actions to increase funding and direct it to areas of the state most in need.

DSHS has been working with a TB Funding Formula workgroup, composed of representatives from regional and local health departments, the Texas Association of Local Health Officials (TALHO) and the PHFPC, to address TB funding issues. The workgroup made recommendations regarding changes in eligibility for TB funding and funding formula elements. Those recommendations were endorsed by the PHFPC and approved by Commissioner Lakey. The new funding formula will be utilized for Fiscal Year 2014 contracts with local health departments.

Additionally, DSHS requested \$5.67 Million for Tuberculosis Prevention and Treatment as part of its 2013 Legislative Appropriations Request. Senate Bill 1 (83rd Texas Legislature, Regular Session, 2013) currently includes \$3 Million in additional funds for the purpose of increasing Interferon-Gamma Release Assay (IGRA) testing for tuberculosis. DSHS will continue to work to identify resources to address TB in Texas.

Status: Pending legislative funding decisions.

Recommendation E (3): The committee recommends to the DSHS Commissioner that the agency propose the use of 1115A funds to implement a TB strategy focusing on regional population-based activities.

Response: As one of the 1115 Waiver projects proposed by Regional Healthcare Partnership 6 (which includes Bexar County and counties along the Texas-Mexico border, DSHS will be providing TB outreach, education, testing, and Latent Tuberculosis Infection (LTBI) short course treatment to the region. These services focus on populations at high-risk of tuberculosis, including: contacts to active TB Cases, persons who are homeless, have substance use disorders, living with HIV, or living with diabetes. The 1115 Waiver funding for this will span five years; the effort is currently in its second year, which focuses on planning activities. Implementation will likely begin in year three.

RHP 6 is implementing provider-focused and population-based outreach and education efforts with the goal of informing providers and the public about LTBI short-course treatment and encouraging use of routine Interferon-Gamma Release Assays (IGRAs) testing instead of skin testing. This will promote quicker and more accurate test results, and better health outcomes for those needing treatment. These funds will also provide funding for testing and LTBI short-course treatment. The goal is to increase LTBI treatment completion and increase therapy of active TB by five percent over the course of the five years. Additionally, 1115 Waiver funds will provide access to telemedicine for those individuals within the region with complicated cases of TB who do not have access to a TB specialist. This use of telemedicine will help ensure that individuals in outlying areas of the region receive the necessary care. As a part of RHP 6, DSHS' Texas Center for Infectious Disease (TCID) will facilitate the hospitalization for patients who need inpatient care due to complicated or drug-resistant TB and for those patients who are court-ordered to receive care at TCID. TCID will also facilitate the telemedicine support for the region.

DSHS is supportive of opportunities that increase the state's ability to reduce the incidence of TB, through population-based and individual services. As the RHP 6 project progresses, DSHS will evaluate the outcomes of its population-based efforts and seek to determine if opportunity and funding exists for expanded or additional efforts in other parts of the state.

Status: Requires additional consideration and possible legislative action.

Recommendation E (4): The committee recommends to the DSHS Commissioner that the agency seek resources to restore adult safety-net and Texas Vaccine for Children (TVFC) vaccines.

Response: As part of its 2013 Legislative Appropriations Request, DSHS submitted an Immunizations exceptional item requesting almost \$18 Million for the Adult Safety Net (ASN) and \$8.5 Million for meningococcal vaccine for college students. Currently, the appropriations bill includes funding for adult immunizations, although the amount is pending final funding decisions by the Texas Legislature. The funding originally requested for meningitis vaccine may not be necessary pending action on a statutory change that would narrow the college admission requirement for meningitis vaccination.

Status: Subject to legislative action.

Recommendation E (5): The committee recommends to the DSHS Commissioner that the agency support and promote simplified credentialing for local health departments with Children's Health Insurance Program (CHIP), Medicaid and private insurance companies.

Response: The Health and Human Services Commission is currently in the process of exploring a streamlined managed care credentialing process for all Medicaid/CHIP providers, including local health departments. Private insurance matters fall under the purview of the Texas Department of Insurance.

This issue may be addressed through the Texas Legislature. Bills, notably House Bill 2731, have been filed related to the credentialing issue.

DSHS will continue, within its authority, to support reducing administrative burdens on LHDs. Recently, DSHS received a CDC grant to evaluate health department immunization billing processes. DSHS hired a consultant to survey local health departments and health service regions to assess their capacity to implement third party billing for immunization services.

Status: In progress at other state agencies.

Healthcare Reform and Public Health

Recommendation F: The committee recommends to the DSHS Commissioner that Texas' response to Health Care Reform and state Medicaid planning continue to include deliberate

provisions for public health agencies to provide preventive and population-based public health services.

Response: DSHS' function as a state agency is to implement public health policy according to legislative direction. DSHS will continue to fulfill its responsibility in providing information and data about the effectiveness of preventive and population-based public health services to legislative decision makers.

DSHS will emphasize the importance of public health as it works with the Health and Human Services Commission regarding any implementation of the Affordable Care Act.

Status: Subject to legislative action.