



Local Health Department Structure and Financing: 2023 Update

JCHC Analyst: Kyu Kang

Study purpose

- Catalog and compare public health services provided by local health departments (LHDs) across the state
- Identify standards used to evaluate the quality of LHDs and identify if LHDs across Virginia are meeting these standards
- Compare Virginia's LHD structure and financing to other states to identify advantages and disadvantages
- Recommend any necessary changes

NOTE: Study mandate approved by the Commission on December 07, 2021.

Findings in brief

- Code of Virginia does not require all core public health program areas, and some are lacking at LHDs
- There is no system for LHD accountability and performance management
- LHDs need additional support for information technology and workforce
- Current LHD funding allocations do not account for true service costs or community needs

LHD = local health department

Policy options in brief

- LHD roles and expectations
- Accountability and performance management
- IT and data systems
- Workforce development
- Additional operational support
- Funding

LHD = local health department

Member actions following briefing

Budget amendment requests to provide salary increases to improve LHDs' ability to recruit and retain necessary staff

Letter to VDH requesting a workgroup and report with:

- Prioritized policy options from the JCHC report
- Other policy options that may be helpful
- Recommended legislation and/or budget amendments that may be required
- Cost projections for each recommendation

LHD = local health department

VDH Workgroup on Local Health Department Structure and Financing

Briefing to Joint Commission on Health Care

November 13, 2023

Elaine Perry, MD, MS

Director – Richmond/Henrico Health District

DRAFT

2022 JCHC Study

Identified eleven policy options pertaining to:

- Clinical services, and linkages to care, provided by local health departments
- Performance management process
- Centralized data system
- Funding for loan repayment as staff retention incentive
- Funding for targeted staff salary increases
- Funding for regional operations and facilities management positions
- Community health assessments and community health improvement plans
- Communications capacity across all health districts
- Cooperative budget funding per capita
- Environmental health inspection fees
- Civil monetary penalties for violations of environmental health regulations

Request for Follow-up by VDH

JCHC requested VDH to create a workgroup to prioritize the policy options, identify any additional options, provide recommendations on necessary legislation or budget amendments, along with cost estimates for any recommendations and report back to the General Assembly.

Workgroup should include the Office of the Secretary of Health and Human Resources, Virginia Municipal League, and Virginia Association of Counties

May also include others such as the Virginia Public Health Association and the Virginia Community Healthcare Association

Workgroup Members

Dr. Elaine Perry - Director, Richmond/Henrico Health District

Reisa Sloce - Director, Lenowisco and Cumberland Plateau Health Districts

Jim Taylor - Deputy County Administrator, Hanover County (Virginia Association of Counties)

Joe Flores - Director of Fiscal Policy, Virginia Municipal League

Michael Jackson - Director of Government and Legislative Affairs, Virginia Community Healthcare Association

Rufus Phillips - CEO, Virginia Association of Free and Charitable Clinics

Ben Barber - President-elect, Virginia Public Health Association

Leah Mills - Deputy Secretary of Health and Human Resources

**Bob Hicks - Deputy Commissioner for Population Health and Preparedness,
Acting Deputy Commissioner for Community Health Services - Virginia
Department of Health**

**Joe Hilbert - Deputy Commissioner for Governmental and Regulatory Affairs -
Virginia Department of Health**

VDH Steering Committee

Bob Hicks - Deputy Commissioner for Public Health and Preparedness, and
Community Health Services

Angela Tillery - Assistant Deputy Commissioner for Community Health Services

Jeff Lake - Senior Advisor for Community Health Services

Dr. Kyndra Jackson - Director of Public Health Nursing

Ashley Reed - Director of Business Process, Community Health Services

John Ringer - Director of Public Health Planning and Evaluation

Dr. Elaine Perry - Director, Richmond/Henrico Health District

Dr. Cynthia Morrow - Director, Roanoke/Alleghany Health District

Dr. Scott Spillmann - Director, Pittsylvania/Danville, Southside Health Districts

Jon Richardson - Director, Eastern Shore Health District

Reisa Sloce - Director, Lenowisco and Cumberland Plateau Health Districts

Paul Brumund - Chief Operating Officer, Norfolk and Virginia Beach Health
Districts

Joe Hilbert - Deputy Commissioner for Governmental and Regulatory Affairs

Prioritization of Certain JCHC Policy Options

Option 7 - Directing VDH to require all health districts to participate in the CHA/CHIP process, in coordination with the state health assessment process and local health system Community Health Needs Assessments. The legislation should include an enactment clause directing VDH to update the Local Government Agreements to reflect these changes.

Option 2 - Directing VDH to design a state performance management process for each LHD, with the goals of assessing the ability of each LHD to meet minimum capacity requirements, assisting in continuous quality improvement, and providing a transparent accountability mechanism to ensure public health functions are being met.

Option 9 - Directing that VDH track cooperative budget funding per capita, compare that funding to the identified needs of each LHD, and make appropriate adjustments as additional funding is made available.

Key Topics Discussed by Workgroup

- Identification and Targeting of Services that are a Priority for Diverse Parts of the State
- Improving Accountability of Local Health Departments to Funders and Public
- Modernizing Allocation of Funding to Local Health Departments
- Facilitating access to, and linkages with, clinical care and other services
- Explore alignment of local health department staffing with current public health needs and availability of the workforce
- Future roles and priorities of local health departments

Virginia Association of Counties Survey Findings

- Counties requested more regular communication on performance measures, with a focus on environmental health.
- Counties reported that turnover in local health departments posted challenges in establishing and maintaining consistent relationships. Some counties reported that staffing challenges are having an impact on economic development.
- Counties also pointed out the issues created by the differing timelines in finalizing the local health department budget relative to finalizing the locality's budget (and issues relative to year end settlements).

Virginia Association of Counties Survey Findings

- Counties responded that they are aware of the Community Health Assessment / Community Health Improvement Plan process and felt the stakeholder engagement was beneficial.
- Some localities requested more involvement in the process and more communication on the CHA / CHIP efforts.
- Some localities expressed concerns about any additional resources needed to conduct the CHA / CHIP.
- Counties indicated a desire to better understand the current funding formula and what services are being provided under the current system. They also expressed uncertainty about the benefits or drawbacks of moving to a different model.

Identify and Target Services that are a Priority for Diverse Parts of the State

Related to JCHC Policy Option 7

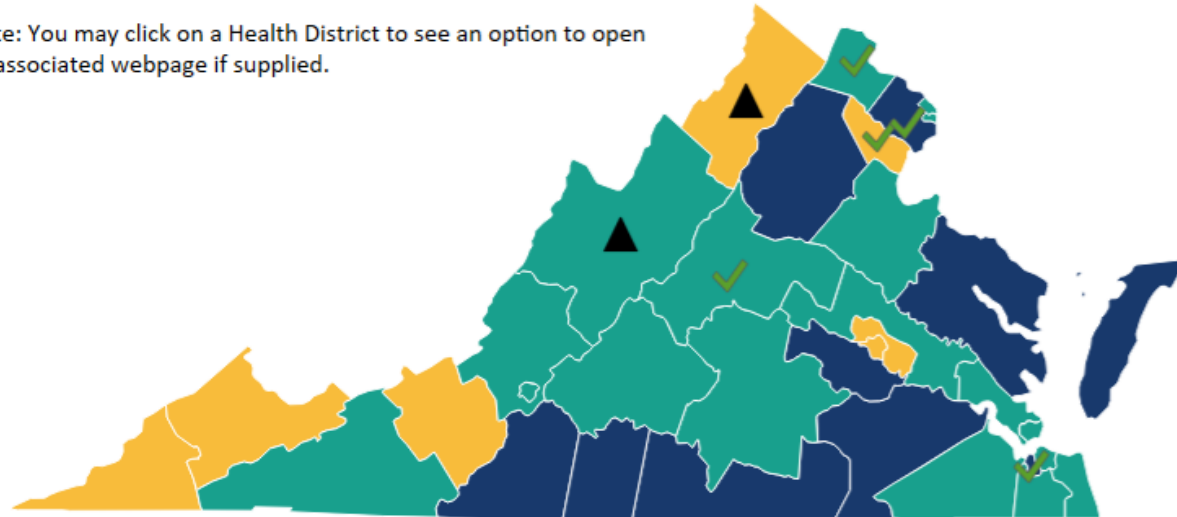
Each Health District will participate in a community health assessment (CHA) with community partners, including hospitals and business owners, as well as a community health improvement plan (CHIP) that will prescribe the objectives necessary outline steps to achieve the improvement plan. VDH proposes to include the Community Health Assessment and Community Health Improvement Plan in local government agreements to assure this is done statewide

Health District Overall CHA/CHIP Progress

Status (last updated 6/1/2023)

- CHA Complete/CHIP in Progress in Past 5 Years
- CHA In Progress
- Not Started

Note: You may click on a Health District to see an option to open its associated webpage if supplied.



Source: Virginia Department of Health, Center for Community Health Improvement, Health District CHA/CHIP Progress Report

* Black triangle indicates the CHA is led by the hospital system. Green check indicates accreditation.

VDH is Developing a Standardized CHA - CHIP Process

- These are currently draft standards under review in VDH.
- CHA-CHIP could be separate for each locality, a district wide that includes focus from each locality, or a multi locality process in coordination with not-for-profit hospitals.
- CHA-CHIP should be completed every 3 – 5 years.

VDH is Developing a Standardized CHA - CHIP Process

- The draft standards clarify the roles of the districts, the Center for Community Health Improvement, and external partners such as hospitals and health systems.
- The CHA CHIP process is part of the Public Health Accreditation Board standards for high performing local health departments.

Improve Accountability

VDH will continue to look at what other states are doing and talk to localities in Virginia to see what kind of measures and data are most valuable to them.

VDH will move forward with developing a performance management system for local health departments that includes both:

- Public health outcome measures
- LHD process output measures
- Program efficiency / effectiveness measures

Improve Accountability

VDH has reviewed the performance management systems implanted by other states as part of this process:

Florida - reporting tool focused more on public health outcomes at the community level

Oregon - part of a larger state performance measurement / management system with a focus on SMART goals for government

Indiana - a County Health Scorecard focused on public health outcomes

Modernize Allocation of Funding to Local Health Departments

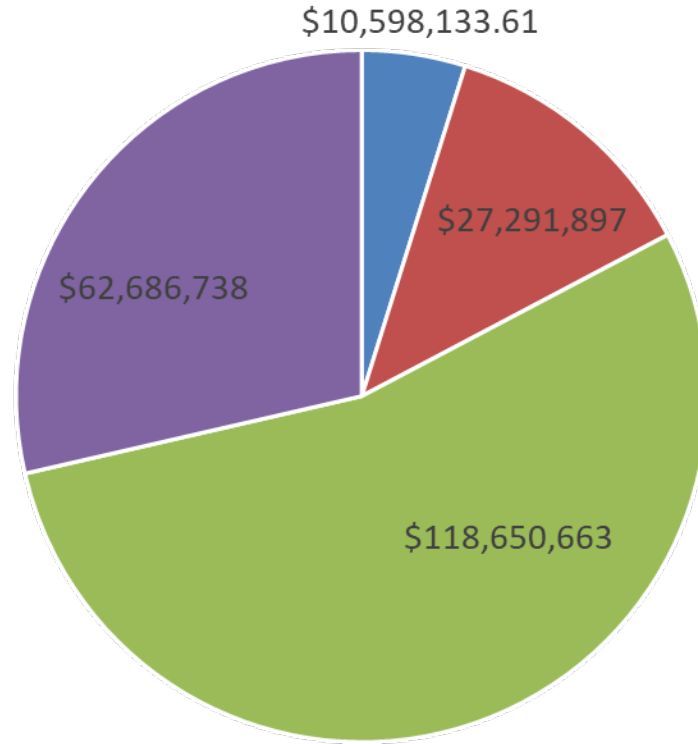
Related to JCHC Policy Option 9

VDH relies on a historical funding pattern that has not changed substantially in decades.

State general funds must be matched, up to a certain percentage, by each locality.

Local match rates were recently adjusted based on current data concerning local revenue generation capacity

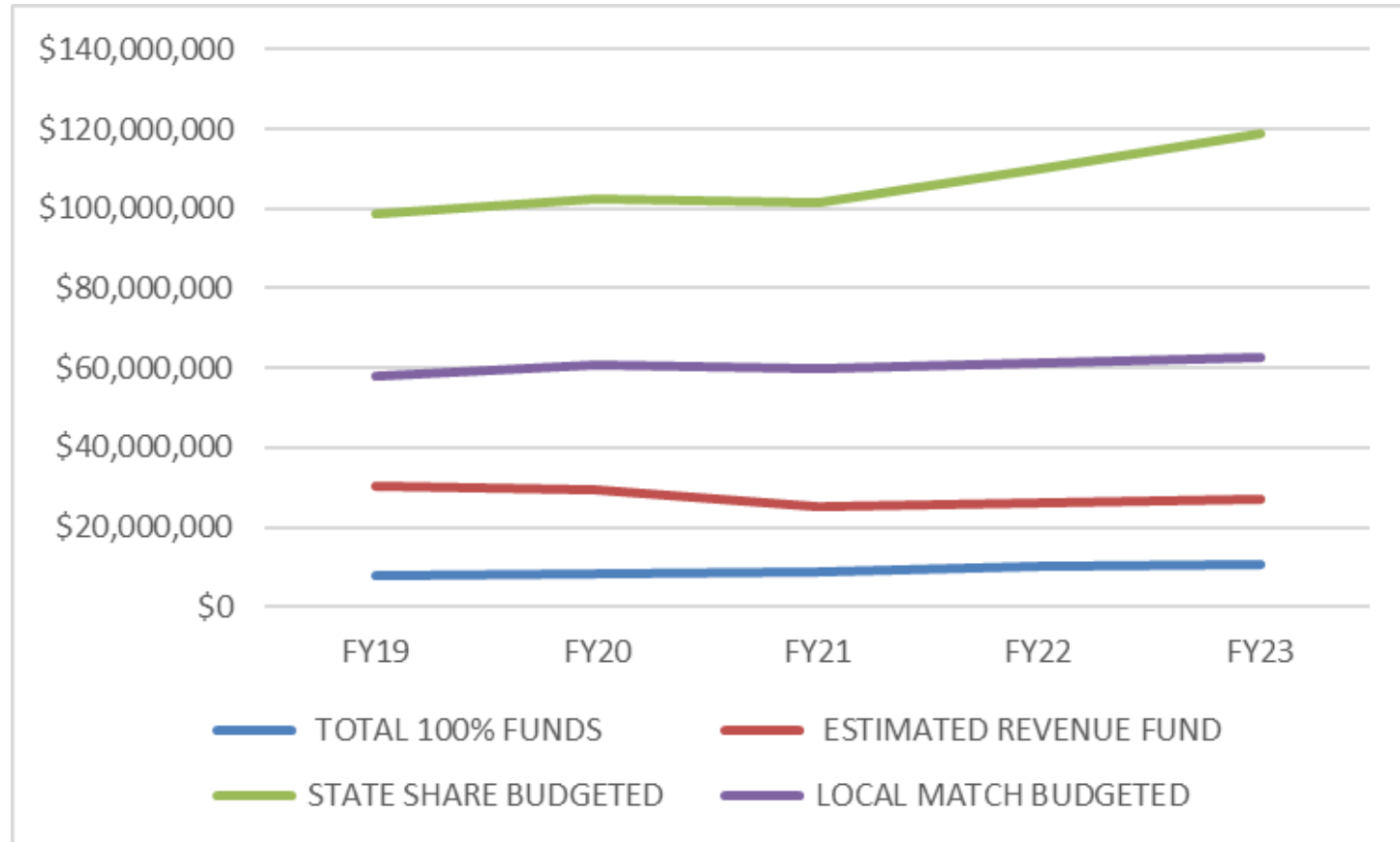
FY2023 Total Local Health District Budgets – State and Local Funds



Note: Includes Loudoun Health District, which in FY24 is locally administered

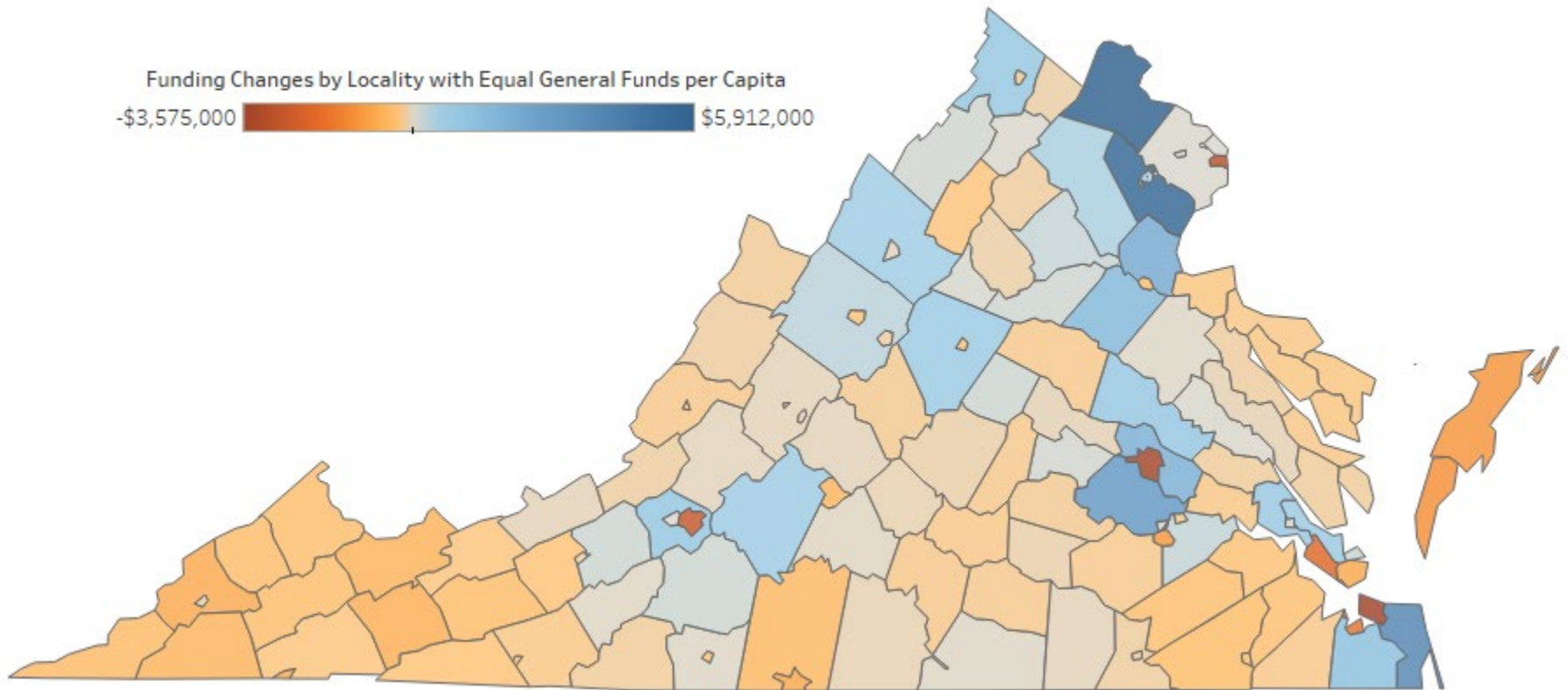
- TOTAL 100% FUNDS
- ESTIMATED REVENUE FUND
- STATE SHARE BUDGETED
- LOCAL MATCH BUDGETED

FY19-FY23 LHD Coop Budgets



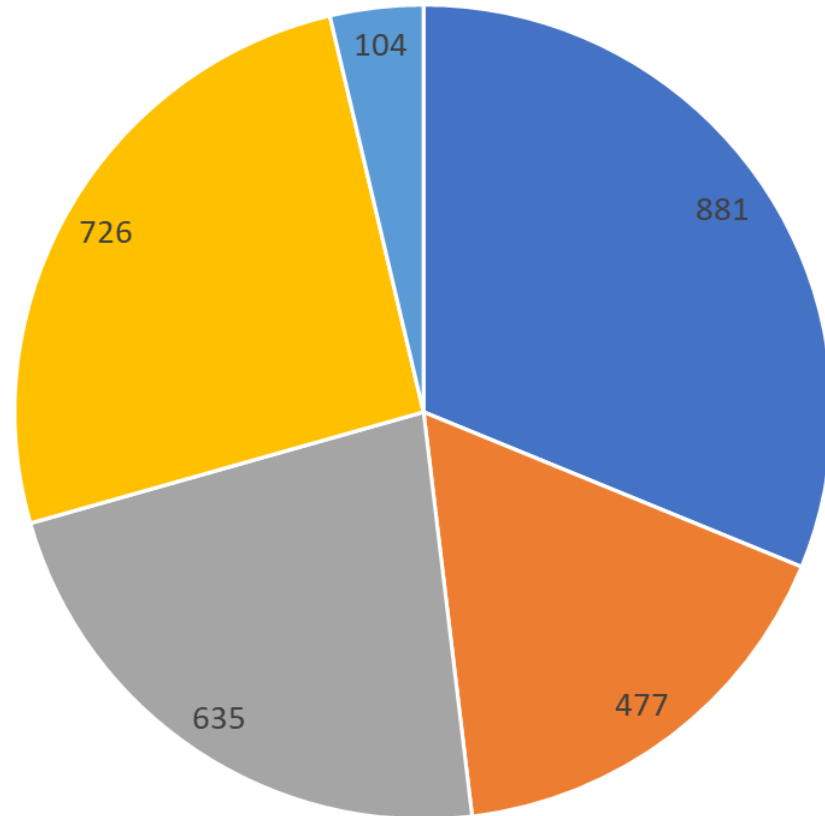
Note: These totals do not include the two locally-administered districts - Fairfax and Arlington - in the state share budgeted and totals. Loudoun is included.

Impact of Moving to Per Capita Funding



FY2023 Position Types in Local Health Departments

- Office support specialists (includes office services staff, fiscal techs, secretaries, program support techs)
- Environmental health
- Clinical
- Direct service and program administration (includes WIC staff (nutritionists, health educators) population health managers, emergency management coordinators)
- Other (includes epidemiologists, policy analysts, and business managers)



FY2023 Position Types in Local Health Departments

- **Office Support Specialists:** These are employees who are welcome customers to local health departments, provide vital records services, respond to requests for environmental health records, register patients for clinical visits, submit expenditures into financial systems, and procure basic goods and supplies.
- **Environmental Health;** These are employees who inspect restaurants, wells, and septic systems, marinas, beaches, hotels, and campgrounds.
- **Clinical / Preventive:** Nurses and physicians who provide clinical preventive services such as immunizations, family planning, sexually transmitted infection testing and treatment, and tuberculosis testing and treatment.
- **Direct service and program administration:** includes WIC staff (nutritionists, health educators) population health managers, and emergency management coordinators.
- **Other:** includes epidemiologists, policy analysts, and business managers, and non-physician health directors.

How should we think about LHD Staffing Needs?

- What are some factors we should consider in local health department staffing?
- Need (well and septic sites, restaurants, etc.)
- Demand (patients, immunizations, vital records service visits, nursing home inspections, etc.)
- Community Resources (availability of other providers)
- Public health need (community health rankings)
- Growth rate of the locality
- General administrative management
- Turnover is high in some LHD positions and hiring staff in those positions is very challenging (nursing, environmental health, office support staff.)

Local Health Districts - Position Vacancy Rates as of October 1, 2023

District	Position Vacancy Rate %	District	Position Vacancy Rate %
Alexandria	27	New River	7
Alleghany	5	Norfolk	32
Blue Ridge	20	Peninsula	32
Central Shenandoah	7	Piedmont	4
Central Virginia	17	Pittsylvania-Danville	18
Chesapeake	25	Portsmouth	26
Chesterfield	12	Prince William	21
Chickahominy	15	Rappahannock	17
Crater	32	Rappahannock-Rapidan	7
Cumberland Plateau	7	Richmond	21
Eastern Shore	17	Roanoke	11
Hampton	25	Southside	38
Henrico	15	Three Rivers	6
Lenowisco	2	Virginia Beach	29
Lord Fairfax	18	West Piedmont	21
Mt. Rogers	12	Western Tidewater	18

Non-Physician Local Health Directors

Authorized by General Assembly in 2022 (Chap. 804) in response to director vacancies in certain districts

Non-Physician Directors have been hired in five districts:

- Western Tidewater
- Eastern Shore
- Mount Rogers
- Lenowisco/Cumberland Plateau
- Lord Fairfax

Under consideration as part of director recruitment in other districts

Linkages to Care and Services- Community Health Workers

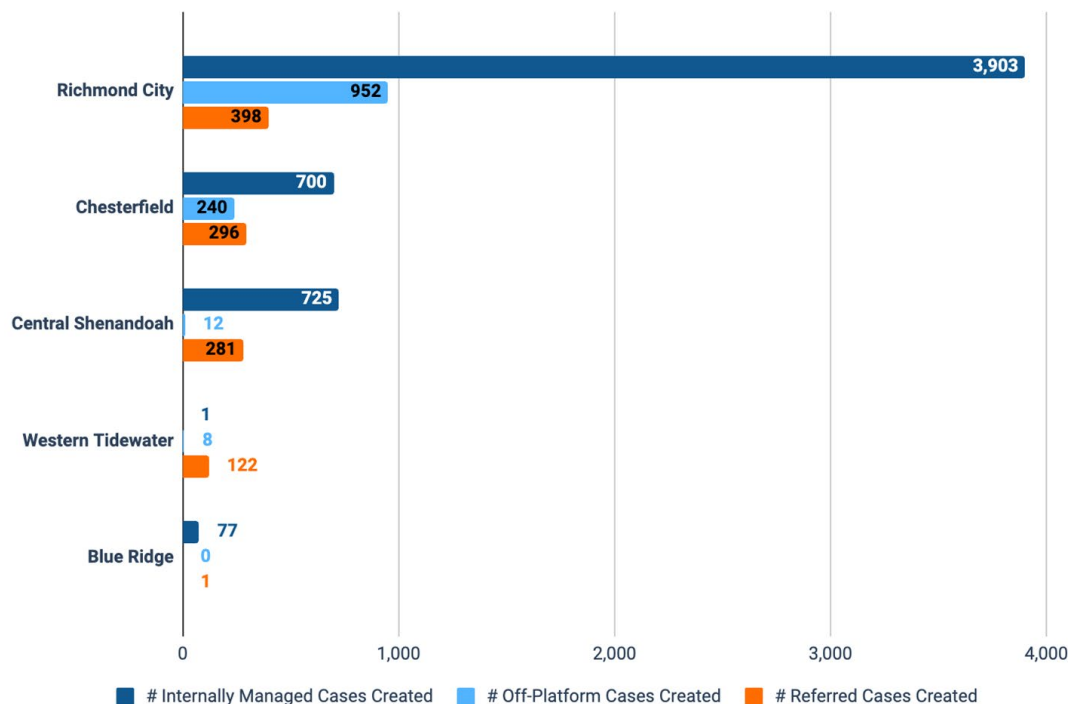
- **Community Health Workers in local health districts can play an important role in connecting people to the proper care.**
- **VDH currently has 113 CHWs in the districts. The average is 3.8 CHWs per district but five districts have zero CHWs, Fairfax has 13, and Richmond has 15.**
- **Most CHWs are paid out of federal grant funds that will expire in June 2024 and June 2025.**

Linkages to Care and Services - UniteUS

Launch - Q2 2023



UNITEUS LHD Activity - Top Performers



Takeaway:

- 68% of all VDH platform activity relates to cases created within VDH organizations to manage (internally managed cases). Referred cases represent 17% of platform activity.
- Richmond City HD leads VDH activity volume in internally managed cases, off-platform cases, and referred cases. This is likely expected to continue as RCHD onboards all of their programming on the Platform.

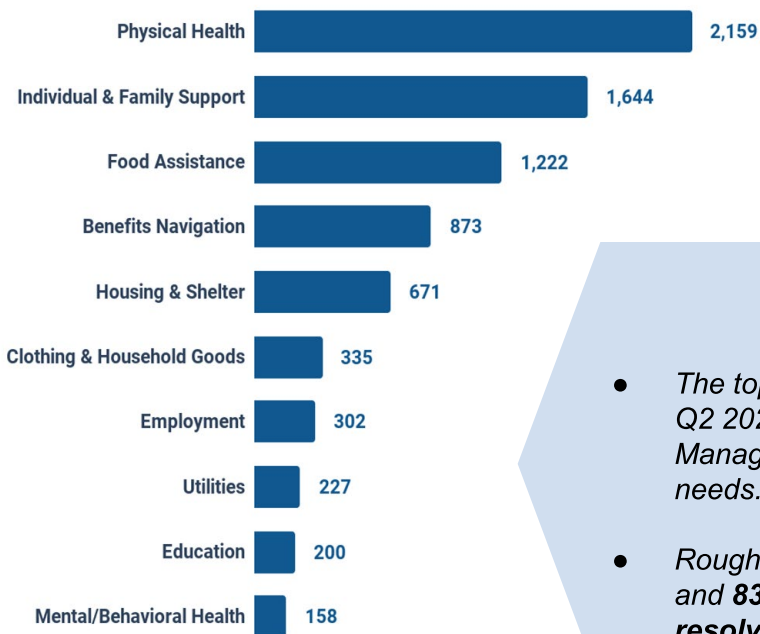
Linkages to Care and Services - UniteUS

Launch - Q2 2023



LHD Needs Identified

Top LHD Needs Identified by Service Type



Takeaway:

- The top need identified from launch through Q2 2023 is for Social Service Case Management (SSCM), representing 14% of all needs.
- Roughly 8% of all cases are currently open, and 83% of closed cases were closed as resolved.

Top Needs Identified by LHD by Sub-Type



1,142 Cases (14%)
Social Service Case Management



841 Cases (10%)
Screenings & Immunizations



162 Cases (9%)
Health Care Management/Coordination

Next Steps for VDH Staff

VDH should include the Community Health Assessment and Community Health Improvement Plan in local government agreements to assure this is done statewide.

VDH should continue to examine the levels and types of positions in local health districts, to include analysis of salaries, assessment of vacancies and critical/hard to fill positions, and ways to streamline the recruitment and hiring process.

Next Steps for VDH Staff

VDH should develop a uniform performance management process for local health departments.

VDH should develop an inventory of strategies and tactics currently used or planned to enable local health departments to facilitate access to care and linkages to services.

VDH should explore development of alternative options for modernizing allocation of general funds, which could include options for unmatched general funds for localities with highest demonstrated need.