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RESEARCH BRIEF

Local Health Departments' Spending on the Foundational Capabilities

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The Cost of Public Health is Unclear

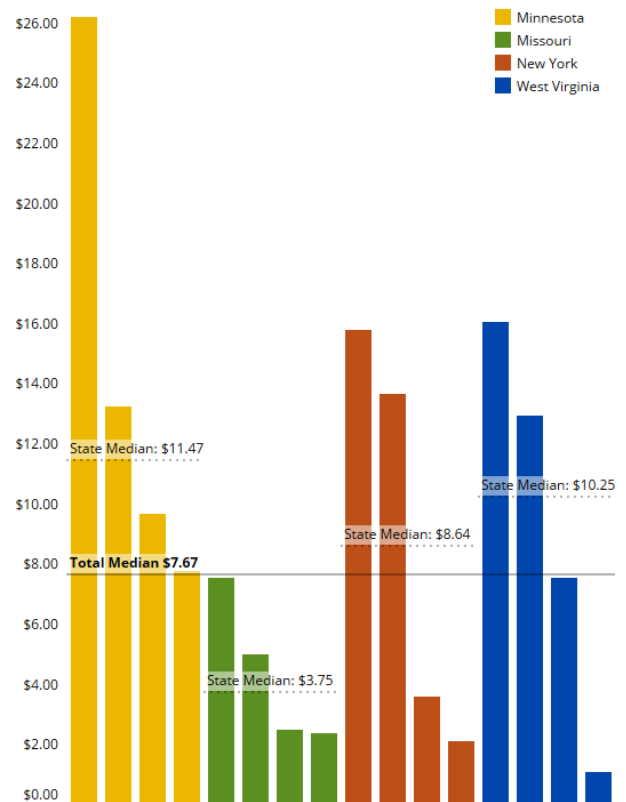
Local public health departments are vital to a healthy population, but we still don't know how much it costs to provide the "minimum package" of services and cross-cutting capabilities, which the National Academy of Medicine called for in its 2012 public health finance report.ⁱ In response, the Public Health Leadership Forum developed the Foundational Public Health Services (FPHS) framework to outline a basic set of programs and capabilities.ⁱⁱ The FPHS framework includes both foundational areas (i.e., substantive areas of expertise or program-specific activities necessary to protect the community's health) and foundational capabilities (i.e., cross-cutting skills and capacities that need to be present to protect the community's health and achieve health equity). While the FPHS framework is considered a useful practice tool, estimating the resources needed to implement it in state and local health departments continues to be a challenge.

In 2015, the Robert Wood Johnson Foundation funded the Public Health Activities and Services Tracking (PHAST) project at the University of Washington to refine and implement a previously developed uniform chart of accounts crosswalk for public health agencies.ⁱⁱⁱ The PHAST Uniform Chart of Accounts (UCOA) allows for cross-agency comparisons of expenditures and revenues using a standard organizational structure of seven program areas and the foundational capabilities. During the pilot phase, PHAST worked with 4 state health departments (MN, MO, NY, and WV) and 4 local health departments (LHDs) in each state to crosswalk their financial data to the UCOA.

Local Expenditures on Foundational Capabilities

LHDs from the UCOA pilot study reported median per capita expenditures on foundational capabilities of **\$7.67**, with large variability across states. Minnesota LHDs, for instance, all reported per capita spending above the median (median for MN LHDs was **\$11.47**), whereas Missouri LHDs all reported per capita

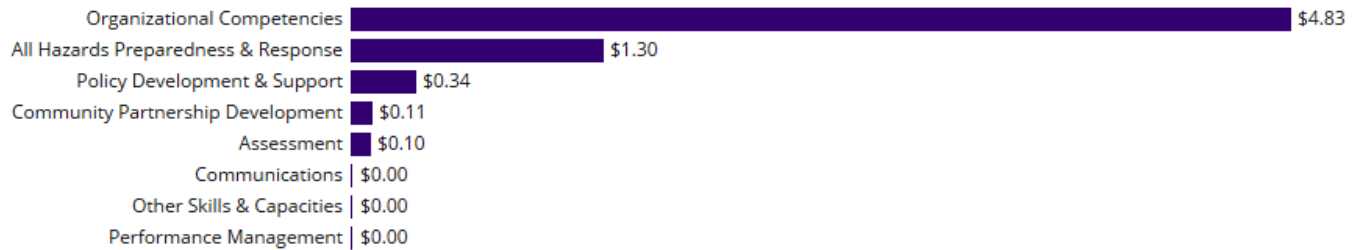
LHDs' Median per Capita Expenditures on Foundational Capabilities



spending below the sample median (median for MO LHDs was **\$3.75**).

The foundational capabilities include eight skills and capacities. Organizational competencies account for the largest share of LHDs' expenditures on the foundational capabilities (**\$4.83**), and include such skills and capacities as accounting, human resources, and information technology. All hazards preparedness and response had the second highest per capita expenditures (**\$1.30**) with such skills and capacities as emergency management services and emergency and disaster preparedness. The other 6 skills and capacities together account for the remainder.

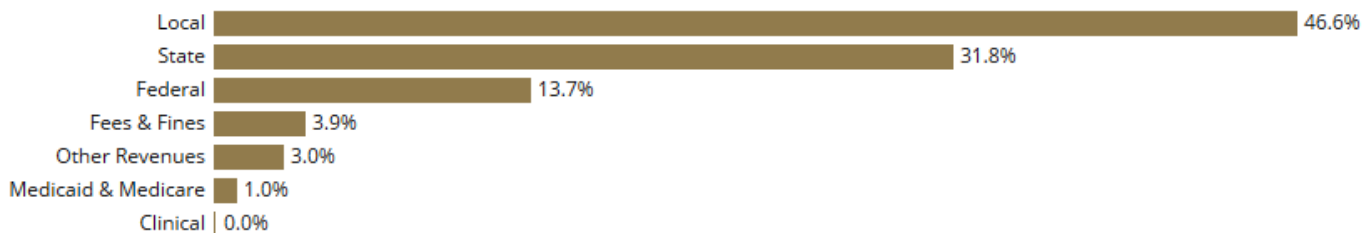
Composition of Foundational Capabilities: Median per Capita Expenditures by Skills/Capacity for all 16 LHDs across 4 States



Revenue Sources of Foundational Capabilities

Funding for foundational capabilities comes primarily from local (**46.6%**), state (**31.8%**), and federal (**13.7%**) sources. Fees and fines, Medicaid and Medicare, clinical, and other revenue sources comprise the remaining 7.9% of revenues for the foundational capabilities.

Revenue Sources for Expenditures on Foundational Capabilities for all 16 LHDs across 4 States



Get Involved

For more data from PHAST's pilot study, visit phastdata.org/viz/coa-dashboard. If you are interested in learning more about helping PHAST set the standard for comparing expenditures and revenues in public health and participating in the second phase of the UCOA, please contact us at phast@uw.edu, or visit our website, coa.phastdata.org.

Look for our full paper soon, in press at the [Journal of Public Health Management & Practice](#). Singh S, Bekemeier B, Leider JP. Local health departments' spending on the foundational capabilities. *J Public Health Manag Pract*. 2018 In press.

ⁱ Institute of Medicine. For the public's health: investing in a healthier future. National Academies Press; 2012.

Mamaril CB, Mays GP, Branham DK, Bekemeier B, Marlow J, Timsina L. Estimating the cost of providing foundational public health services. *Health Serv Res*. 2018;53(Suppl 1): 2803-2820.

ⁱⁱ Public Health National Center for Innovation. FPHS Factsheet. https://phnci.org/uploads/resourcefiles/PHNCI-FPHS-Factsheet_FINAL-1.pdf. Published March 2014. Accessed June 20, 2018.

ⁱⁱⁱ G.P. Mays, Public Health Cost Estimation Workgroup. Estimating the Costs of Foundational Public Health Capabilities: A Recommended Methodology. University of Kentucky, Lexington, KY (2014)