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HOUSE BILL 1985

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State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Moeller and Pedersen

Read first time 02/05/09. Referred to Committee on Health Care & Wellness.

1            AN ACT Relating to public health financing; amending RCW 43.70.514,  
2 43.70.516, and 43.70.518; adding new sections to chapter 43.70 RCW;  
3 creating a new section; and repealing RCW 43.70.512 and 43.70.522.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            NEW SECTION.    **Sec. 1.** The legislature finds that public health is  
6 a core function of state government. The local health jurisdictions in  
7 Washington state's decentralized public health system depend on a  
8 combination of federal, state, and local funding. This funding system  
9 can make public health funding unstable on the local level and can  
10 adversely affect the public health services available to the citizens  
11 of the state. It is therefore the intent of the legislature to help  
12 provide local health jurisdictions with a more stable dedicated funding  
13 system by creating a single account through which all state funding for  
14 public health will be distributed. The legislature further intends  
15 that local health jurisdictions receiving state funds be held  
16 accountable for the use of those funds based on the minimum standards  
17 of public health protection in the state's public health improvement  
18 plan.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 43.70 RCW  
2 to read as follows:

3        (1) The public health improvement account is created in the state  
4 treasury. Moneys in the account may be spent only after appropriation.

5        (2) Except as provided in subsection (3) of this section, during  
6 the month of January 2010, and every January thereafter, the state  
7 treasurer shall distribute the account's annual receipts to each local  
8 health jurisdiction in the state to be used for core public health  
9 functions of statewide significance. The state treasurer shall  
10 distribute the moneys required under this subsection as follows:

11        (a) Each local health jurisdiction shall receive a base level of  
12 funding of one hundred thousand dollars.

13        (b) The remainder of the funds to be distributed under this  
14 subsection (2) shall be distributed among the jurisdictions on a per  
15 capita basis.

16        (3) The state treasurer may not distribute funds to a local health  
17 jurisdiction under subsection (2)(a) of this section if he or she  
18 receives notice from the secretary of health, under RCW 43.70.516, that  
19 the jurisdiction is not in substantial compliance with the minimum  
20 standards for public health protection established under RCW 43.70.520.  
21 The state treasurer shall retain funds withheld under this subsection  
22 until he or she receives notification from the secretary, under RCW  
23 43.70.516, that the jurisdiction has achieved substantial compliance.

24        (4) A local health jurisdiction may use funds provided under this  
25 section to supplant other funding sources for public health programs.

26        (5) For purposes of this section:

27        (a) "Per capita basis" means the amount multiplied by the  
28 proportion of the population of the jurisdiction in the previous  
29 calendar year to the population of the state in the previous calendar  
30 year.

31        (b) "Population" means the number of persons as last determined by  
32 the office of financial management. If the jurisdiction is comprised  
33 of a single county, "population" means the number of persons in that  
34 county. If the jurisdiction is comprised of two or more counties,  
35 "population" means the number of persons in all counties of which the  
36 jurisdiction is comprised.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 43.70 RCW  
2 to read as follows:

3        (1) The secretary shall establish a review process for determining  
4 whether a local health jurisdiction is in substantial compliance with  
5 the minimum standards for public health protection established under  
6 RCW 43.70.520.

7        (2) Except as provided in subsection (5) of this section, the  
8 secretary shall use the process established in subsection (1) of this  
9 section to review each local health jurisdiction in the state at least  
10 once every three years.

11        (3)(a) If the secretary finds that a local health jurisdiction is  
12 not in substantial compliance with the minimum standards for public  
13 health protection, he or she shall notify the local health jurisdiction  
14 in writing.

15        (b) A local health jurisdiction receiving written notice under this  
16 subsection shall submit a plan of correction within sixty days. The  
17 plan of correction must explain the measures that the jurisdiction will  
18 undertake to achieve substantial compliance with the standards within  
19 one hundred eighty days.

20        (c) If the secretary determines that the plan of correction is  
21 likely to bring the jurisdiction into substantial compliance within one  
22 hundred eighty days, he or she shall provide technical assistance to  
23 the jurisdiction to help it to successfully complete the plan of  
24 correction. If the secretary determines that the plan of correction is  
25 not likely to bring the jurisdiction into substantial compliance within  
26 one hundred eighty days, he or she shall reject the plan of correction  
27 and allow the jurisdiction to revise and resubmit the plan within  
28 fifteen days. If the secretary finds that the revised plan of  
29 correction is not likely to bring the jurisdiction into substantial  
30 compliance within one hundred eighty days, or if the jurisdiction does  
31 not resubmit a revised plan within fifteen days, he or she shall send  
32 notice to the state treasurer that the jurisdiction is out of  
33 substantial compliance under subsection (4) of this section.

34        (d) The secretary shall review a local health jurisdiction with an  
35 approved plan of correction one hundred eighty days after the approved  
36 plan's submission. If the secretary finds that the jurisdiction  
37 remains out of substantial compliance after the review required by this

1 subsection (3)(d), he or she shall send notice to the state treasurer  
2 that the jurisdiction is out of substantial compliance under subsection  
3 (4) of this section.

4 (4)(a) The secretary shall notify the state treasurer when the  
5 secretary finds, under subsections (3)(c) or (d) of this section, that  
6 a local health jurisdiction is out of substantial compliance  
7 established under RCW 43.70.520. Upon notification under this  
8 subsection, the state treasurer shall suspend any distributions made to  
9 the jurisdiction under section 2 of this act until the secretary sends  
10 notice that the jurisdiction is back in substantial compliance.

11 (b) The secretary shall review, using the process established under  
12 subsection (1) of this section, a jurisdiction subject to suspension  
13 under (a) of this subsection no sooner than one hundred eighty days  
14 after notice of suspension was sent to the state treasurer. If the  
15 secretary finds that the jurisdiction remains out of substantial  
16 compliance, the secretary shall continue the suspension and review the  
17 jurisdiction at intervals of at least one hundred eighty days until the  
18 secretary finds that the jurisdiction is in substantial compliance.  
19 Once the secretary finds that the jurisdiction is in substantial  
20 compliance after a review under this subsection, he or she shall notify  
21 the state treasurer, who shall immediately resume the distributions  
22 required under section 2 of this act and distribute any moneys the  
23 jurisdiction should have received during the period of suspension.

24 (5) The secretary may exempt a local health jurisdiction from the  
25 review process required by this section if the jurisdiction is  
26 accredited by an organization whose accreditation standards meet or  
27 exceed the minimum standards for public health protection established  
28 under RCW 43.70.520.

29 **Sec. 4.** RCW 43.70.514 and 2007 c 259 s 61 are each amended to read  
30 as follows:

31 The definitions in this section apply throughout (~~sections 60~~  
32 ~~through 65 of this act~~) this section and RCW 43.70.516 and 43.70.518  
33 unless the context clearly requires otherwise.

34 (1) "Core public health functions of statewide significance" or  
35 "public health functions" means health services that:

36 (a) Address: Communicable disease prevention and response;  
37 preparation for, and response to, public health emergencies caused by

1 pandemic disease, earthquake, flood, or terrorism; prevention and  
2 management of chronic diseases and disabilities; promotion of healthy  
3 families and the development of children; assessment of local health  
4 conditions, risks, and trends, and evaluation of the effectiveness of  
5 intervention efforts; and environmental health concerns;

6 (b) Promote uniformity in the public health activities conducted by  
7 all local health jurisdictions in the public health system, increase  
8 the overall strength of the public health system, or apply to broad  
9 public health efforts; and

10 (c) If left neglected or inadequately addressed, are reasonably  
11 likely to have a significant adverse impact on counties beyond the  
12 borders of the local health jurisdiction.

13 (2) "Local health jurisdiction" or "jurisdiction" means a county  
14 board of health organized under chapter 70.05 RCW, a health district  
15 organized under chapter 70.46 RCW, or a combined city and county health  
16 department organized under chapter 70.08 RCW.

17 **Sec. 5.** RCW 43.70.516 and 2007 c 259 s 62 are each amended to read  
18 as follows:

19 ~~(1) ((The department shall accomplish the tasks included in~~  
20 ~~subsection (2) of this section by utilizing the expertise of varied~~  
21 ~~interests, as provided in this subsection.~~

22 ~~(a) In addition to the perspectives of local health jurisdictions,~~  
23 ~~the state board of health, the Washington health foundation, and~~  
24 ~~department staff that are currently engaged in development of the~~  
25 ~~public health services improvement plan under RCW 43.70.520, the~~  
26 ~~secretary shall actively engage:~~

27 ~~(i) Individuals or entities with expertise in the development of~~  
28 ~~performance measures, accountability and systems management, such as~~  
29 ~~the University of Washington school of public health and community~~  
30 ~~medicine, and experts in the development of evidence-based medical~~  
31 ~~guidelines or public health practice guidelines; and~~

32 ~~(ii) Individuals or entities who will be impacted by performance~~  
33 ~~measures developed under this section and have relevant expertise, such~~  
34 ~~as community clinics, public health nurses, large employers, tribal~~  
35 ~~health providers, family planning providers, and physicians.~~

36 ~~(b) In developing the performance measures, consideration shall be~~  
37 ~~given to levels of performance necessary to promote uniformity in core~~

1 public health functions of statewide significance among all local  
2 health jurisdictions, best scientific evidence, national standards of  
3 performance, and innovations in public health practice. The  
4 performance measures shall be developed to meet the goals and outcomes  
5 in RCW 43.70.512. The office of the state auditor shall provide advice  
6 and consultation to the committee to assist in the development of  
7 effective performance measures and health status indicators.

8 ~~(c) On or before November 1, 2007, the experts assembled under this~~  
9 ~~section shall provide recommendations to the secretary related to the~~  
10 ~~activities and services that qualify as core public health functions of~~  
11 ~~statewide significance and performance measures. The secretary shall~~  
12 ~~provide written justification for any departure from the~~  
13 ~~recommendations.~~

14 ~~(2))~~ By January 1, 2008, the department shall ~~((~~

15 ~~(a))~~ adopt a prioritized list of activities and services performed  
16 by local health jurisdictions that qualify as core public health  
17 functions of statewide significance as defined in RCW 43.70.514 ~~((~~

18 ~~(b) Adopt appropriate performance measures with the intent of~~  
19 ~~improving health status indicators applicable to the core public health~~  
20 ~~functions of statewide significance that local health jurisdictions~~  
21 ~~must provide))~~.

22 ~~((3))~~ (2) The secretary may revise the list of activities ~~((and~~  
23 ~~the performance measures))~~ in future years as appropriate. Prior to  
24 modifying ~~((either))~~ the list ~~((or the performance measures))~~, the  
25 secretary must provide a written explanation of the rationale for such  
26 changes.

27 ~~((4) The department and the local health jurisdictions shall abide~~  
28 ~~by the prioritized list of activities and services and the performance~~  
29 ~~measures developed pursuant to this section.~~

30 ~~(5) The department, in consultation with representatives of county~~  
31 ~~governments, shall provide local jurisdictions with financial~~  
32 ~~incentives to encourage and increase local investments in core public~~  
33 ~~health functions. The local jurisdictions shall not supplant existing~~  
34 ~~local funding with such state-incented resources.))~~

35 **Sec. 6.** RCW 43.70.518 and 2007 c 259 s 63 are each amended to read  
36 as follows:

37 Beginning November 15, ~~((2009))~~ 2010, the department shall report

1 to the legislature and the governor annually on the distribution of  
2 funds to local health jurisdictions under (~~sections 60 through 65 of~~)  
3 this act and the use of those funds. The (~~initial~~) reports must  
4 discuss the (~~performance measures adopted by the secretary and any~~  
5 ~~impact the funding in chapter 259, Laws of 2007 has had on local health~~  
6 ~~jurisdiction performance and health status indicators. Future reports~~  
7 ~~shall evaluate~~) minimum standards for public health protection  
8 established under RCW 43.70.520 and any impact the funding provided in  
9 this act has had on local health jurisdictions' ability to meet those  
10 standards as well as trends in performance over time and the effects of  
11 expenditures on performance over time.

12 NEW SECTION. **Sec. 7.** The following acts or parts of acts are each  
13 repealed:

14 (1) RCW 43.70.512 (Public health--Required measurable outcomes) and  
15 2007 c 259 s 60; and

16 (2) RCW 43.70.522 (Public health performance measures--Assessing  
17 the use of funds--Secretary's duties) and 2007 c 259 s 65.

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