



Public Health Funding and Policy Committee 2023 Report

**As Required by
Health and Safety Code
Section 117.103**

November 2023

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Executive Summary

The Public Health Funding and Policy Committee (PHFPC) 2023 Report is published in accordance with [Texas Health and Safety Code \(HSC\), Section 117.103](#), which requires the PHFPC to submit a report to the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives on the implementation of HSC, Chapter 117.

HSC Chapter 117, Subchapter C states that the PHFPC shall, at least annually, make formal recommendations to the Department of State Health Services (DSHS) regarding:

- The use and allocation of funds available exclusively to local health entities (LHEs) to perform core public health functions
- Ways to improve the overall public health of citizens in this state
- Methods for transitioning from a contractual relationship between DSHS and LHEs to a cooperative-agreement relationship between DSHS and the LHEs
- Methods for fostering a continuous collaborative relationship between DSHS and LHEs

Recommendations made must be in accordance with:

- Prevailing epidemiological evidence, variations in geographic and population needs, best practices, and evidence-based interventions related to the populations to be served
- State and federal law
- Federal funding requirements

Not every Texan has the same level of local public health protection. The presence, scope, and quality of public health services vary greatly among Texas counties and cities. Among the 254 counties in Texas, 56 operate under a local public health services contract with DSHS. Many other entities provide a small subset of environmental permitting and/or clinical services. DSHS public health regions (PHRs) provide local public health services to counties without a local public health entity. On a routine basis, PHRs support LHEs in the provision of services when the LHE does not have the resources available. PHRs also assist with the response to disease outbreaks and natural disasters.

State funding of local public health services is complex. LHEs may receive city, county, state, federal, or other sources of funding. Historically, LHE funding does

not always align with known public health risks, vulnerabilities, threats, and/or disease statistics.

Currently, the PHFPC is focusing on previous recommendations and the work being done to move the entire local public health and the statewide public health system forward. During 2023, the PHFPC continued efforts toward completing the current recommendations with a strong focus on transitioning from COVID 19-related activities, as well as enhancing interoperability of public health data and information systems. Previous recommendations discussed in this report include:

- 2019 recommendation topics
 - Roles of local and regional health departments
 - Data sharing
 - Infectious disease
 - Technology
- 2020 recommendation topics
 - Electronic lab reporting
- 2021 recommendation topics
 - Medicaid billing
 - Public health data and information systems
 - Public Health Provider-Charity Care Program (PHP-CCP)

Introduction

[HSC Section 117.103](#) requires the PHFPC to submit a report to the Governor, Lieutenant Governor, and the Speaker of the House of Representatives on the implementation of the Texas Health and Safety Code, Chapter 117.

The PHFPC opted to provide a status update on selected recommendations made previously. Ongoing discussions during fiscal year 2023 focused on:

- 2019 recommendation topics
 - Roles of local and regional health departments
 - Data sharing
 - Infectious disease
 - Technology
- 2020 recommendation topics
 - Electronic lab reporting
- 2021 recommendation topics
 - Medicaid billing
 - Public health data and information systems
 - PHP-CCP

The PHFPC's general duties are outlined in HSC [Section 117.101](#). The PHFPC shall:

- Define the core public health services an LHE should provide in a county or municipality
- Evaluate public health in this state and identify initiatives for areas that need improvement
- Identify all funding sources available for use by LHEs to perform core public health functions
- Establish public health policy priorities for this state
- At least annually, make formal recommendations to DSHS regarding:
 - The use and allocation of funds available exclusively to LHEs to perform core public health functions
 - Ways to improve the overall public health of citizens in this state
 - Methods for transitioning from a contractual relationship between DSHS and LHEs to a cooperative-agreement relationship between DSHS and LHEs
 - Methods for fostering a continuous collaborative relationship between DSHS and LHEs

The statute further specifies that recommendations must be in accordance with:

- Prevailing epidemiological evidence, variations in geographic and population needs, best practices, and evidence-based interventions related to the populations to be served
- State and federal law
- Federal funding requirements

Current Activities and Accomplishments

The PHFPC is currently working with DSHS on numerous activities. Data sharing and data system interoperability continue to be one of the committee's main concerns in improving the technological side of public health infrastructure.

The PHFPC continues to monitor activities associated with various grants such as the Public Health Work Force grant, the Public Health Infrastructure Grant, and the DSHS COVID-19 Health Disparities Grant. Continued updates on these efforts allow the committee to stay involved with the development and implementation of these grants and provide feedback.

Ongoing discussions and follow-up are held at the PHFPC meetings on Medicaid billing and the PHP-CCP. The PHFPC recognizes the importance of these topics, especially during this time of transition away from significant COVID-19 related funding.

The PHFPC facilitates discussion and provides input on COVID-19 vaccine administration and ongoing mpox response efforts. In fiscal year 2023, the PHFPC continued to respond to the COVID-19 pandemic. While at the same time transitioning back to their pre-COVID-19 activities, including Medicaid billing, public health data and information sharing, and the PHP-CCP.

The Health and Human Services Commission (HHSC) is proposing the expansion of the uncompensated care program for LHEs from dental care only to covering a wider array of public health services under the name of PHP-CCP. The PHP-CCP is designed to allow qualified providers to receive reimbursement for the cost of delivering healthcare services, including behavioral health services, vaccine services, and other preventative services when those costs are attributed to an uninsured patient and there is no expectation of reimbursement. The PHFPC received ongoing updates from HHSC on the program as a source for continued reimbursement for the uncompensated costs of delivering services to people outside of the Medicaid program.

The PHFPC continued to discuss data sharing and interoperability. Issues regarding deduplication and standardization have been improved and continue to be discussed. DSHS continues to prioritize an improved technology framework. New data sharing avenues such as the State Health Analytics and Reporting Platform (SHARP) were created to enable improved data analytics, data usage, and data

sharing. This platform allows LHEs direct access to data and the ability to visualize public health information for their jurisdiction and contiguous jurisdictions as well as the ability to see aggregate data for the entire state. The committee continues to monitor and request updates on these new initiatives to identify specific needs and to develop best practices.

Past Recommendations

The following details previous recommendations the status of which is ongoing.

Roles of Local and Regional Health Departments

- A. The PHFPC recommends that DSHS evaluate local and state roles in each region; promote independence and create surge capacity at DSHS PHR offices; and define DSHS PHR and LHD functions. To clearly define public health roles, the PHFPC recommends creating memorandums of understanding describing the DSHS PHR and local responsibilities in each jurisdiction, with or without funding attached.
- B. The PHFPC recommends that DSHS increase public health capacity at the public health region level in the areas of routine public health functions and the ability for surge capacity in the areas of epidemiologists, disease intervention specialists, nurses, and sanitarians.

Data Sharing

- A. The PHFPC recommends that DSHS continue to work with the external data sharing workgroup to determine how LHDs can obtain public health data maintained by DSHS. Look at options to 1) evaluate the possibility of governmental transfer of information; 2) identify the statutes creating barriers and review the language; and 3) review and identify legislative barriers and define the interdependent relationship between LHDs and DSHS removing barriers to data sharing.

Infectious Disease

- A. The PHFPC recommends that DSHS develop and implement a plan to enhance communication and operational processes to ensure the fidelity and efficiency of the Local Health Authority's role in responding to disease outbreaks.

- B. The PHFPC recommends that DSHS invest in developing and maintaining a robust, multidisciplinary approach, such as One Health¹, to infectious disease prevention and response.

Technology

- A. The PHFPC recommends that DSHS create one centralized disease reporting system for the state, and upgrade DSHS technology to HL7 format² so LHDs can electronically send reports to the DSHS database.
- B. The PHFPC recommends that DSHS create a workgroup to evaluate efficiencies and identify areas where technology solutions can improve the public health system.

Electronic Laboratory Reporting

- A. The PHFPC recommends that DSHS should ensure electronic lab reporting from laboratories and hospital systems feed directly to LHDs, PHRs, and the DSHS Central Office for all reportable conditions.
- B. The PHFPC recommends that DSHS ensure complete data sets by implementing a data quality-checking tool.
- C. The PHFPC recommends that DSHS develop and implement a standardized data format for laboratories reporting line lists³.
- D. The PHFPC recommends that DSHS implement regular compliance reports related to mandated reporting requirements for laboratories and hospital systems. The report should include, at a minimum, the quantity of electronic lab results, the frequency of incomplete data fields, compliance with a standardized data format of line lists, and the average turnaround time from the date of specimen collection to the date results received by DSHS.

¹ Centers For Disease Control and Prevention. (2023, October 10) One Health. <https://www.cdc.gov/onehealth/index.html>

² HL7 defines the structure and content of messages that are exchanged between systems or applications

³ A line list is a table that contains information about persons who may be associated with a disease or condition.

- E. The PHFPC recommends that DSHS should augment electronic lab reporting for reportable conditions to offer interoperability and compatibility between LHDs and DSHS.
- F. The PHFPC recommends that DSHS should assist LHDs with resources to develop and enhance electronic lab reporting infrastructure, where needed.
- G. The PHFPC recommends that DSHS should ensure required annual training on mandatory reporting requirements for all laboratories prior to certification to provide laboratory services in Texas.

Medicaid Billing

- A. The PHFPC recommends that DSHS become the leading agency in the implementation of S.B. 73⁴ to ensure that LHEs can expand their participation in Texas Medicaid and continue forward momentum regarding LHE managed care organization contract execution. As the lead agency, DSHS will obtain monthly updates from HHSC, coordinate with a member of HHSC executive leadership to participate in regular implementation planning, request a timeline of implementation, and ensure technical assistance for LHE provider type enrollment.

Public Health Data and Information Systems

- A. The PHFPC recommends that DSHS lead a collaborative effort, including but not limited to, the potential representation of LHEs, hospital groups, and the healthcare provider community, to establish a collective vision that includes a modern and efficient public health data and information system. This includes developing a plan, strategies, and timeline to accomplish goals.

Public Health Provider-Charity Care Program

- A. The PHFPC recommends that DSHS become a leading agency in the 1115 Waiver transition⁵ and advocate for the PHP-CCP. This should include the provision of assistance with the allocation of a proportionate share of the

⁴ Senate Bill 73, 87th Texas Legislature, Regular Session, 2021

⁵ The Transition Plan must describe how the state will further develop its delivery system reform efforts without Delivery System Reform Incentive Payment (DSRIP) funding after DY10, which ends on September 30, 2021. The Transition Plan will include milestones for HHSC for DY9-10 as the state prepares for DSRIP to end.

funds available for LHEs and mental health programs, advocacy for a comprehensive inclusion of core public health services within the PHP-CCP, and provision of technical assistance regarding cost reporting and charity care policy development.

Future Considerations

The PHFPC continues to engage in meaningful discussions regarding public health data and information systems. The pursuit of collaborative effort towards standardization continues to be at the forefront of this topic. New data systems such as SHARP have been presented to the committee and the future of how these systems will play their role will continue to be considered. The committee has requested more frequent updates regarding ImmTrac2⁶ to better identify future needs due to the expiration of the COVID-19 public health emergency.

The PHFPC continues to express its desire for stronger language and a streamlined process in the contracts between managed care organizations and LHEs. This will help LHEs with credentialing. The PHFPC will work with DSHS and HHSC to follow up on all updates associated with the recommendations made for this topic.

The PHFPC also continues to engage in discussions involving the extension of the PHP-CCP. LHEs are working closely with HHSC and providing meaningful input to this new extension program. The PHFPC continues to pursue previously proposed recommendations to enable LHEs to maintain the infrastructure created because of the 1115 Waiver.

⁶ ImmTrac2 is a no-cost service that consolidates and stores vaccine records from a variety of vaccine providers.

List of Acronyms

Acronym	Full Name
DSHS	Department of State Health Services
HHSC	Health and Human Services Commission
HSC	Texas Health and Safety Code
LHD	Local Health Department
LHE	Local Health Entity
PHFPC	Public Health Funding and Policy Committee
PHP-CCP	Public Health Provider-Charity Care Program
PHR	Public Health Region
SHARP	State Health Analytics & Reporting Platform