

Assessing State Public Health Funding Using State Health Compare

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About State Health Compare

SHADAC's State Health Compare is a user-friendly online data tool for obtaining state-level estimates on a range of topics related to health and health care. Analysts and policymakers can use State Health Compare to view measures of insurance coverage, access, cost, utilization, and outcomes—as well as social and economic measures related to health, health behaviors, and health outcomes. State Health Compare allows users to compare these measures across states and look at trends over time through user-generated maps, bar charts, trend lines, and tables. Users can also explore these measures within states by characteristics (e.g., age, race/ethnicity, education level, etc.). Click here for the full list of data measures and sources available on State Health Compare.

INTRODUCTION

Public health activities in the United States are critical to disease prevention, health promotion, environmental health monitoring, and emergency preparedness. Despite this, activities have been persistently underfunded, according to a new analysis from Trust for America's Health (TFAH), which tracks and monitors public health funding across the country.¹

COVID-19 and State Public Health Funding

New TFAH data show that most states (43) and the District of Columbia maintained or increased public health funding levels in FY 2020 amid the COVID-19 public health emergency. However, seven states (Alabama, Arkansas, Hawaii, Iowa, Missouri, Pennsylvania, and Virginia) decreased their total public health funding during this time, and TFAH points out that increases due to state-supported COVID-19 response funding are unlikely to lead to sustained funding growth.¹

Public health activities are funded at both the federal and state levels, but most public health funding in the U.S. is provided by state governments from their own revenues (i.e., state-generated revenue from taxes, fees, third-party reimbursements, etc.). Efforts to monitor state public health funding play an important role in an environment of scarce public health resources. Information about state public health funding levels relative both to one another and to trends in state public health funding over time can be important data points for protecting public health funding during state budget discussions, where this funding is often at risk because it is generally discretionary. Additionally, data about state public health funding levels—taken together with other data such as the relative performance of each state on other public health indicators (e.g., disease prevalence) and the comparative reliance of each state on federal funding—indicate which states are best situated to absorb a potential decrease in federal support from agencies such as the Centers for Disease Control and Prevention (CDC). These data also indicate which states would be hit hardest by a potential federal funding decrease (in the absence of action to increase state-level funding) and how limited resources can be most effectively distributed among the states.

Measuring State Public Health Funding

This brief provides an overview of the most recent estimates for state public health funding, which come from FY 2020 data collected by TFAH. TFAH calculates state public health funding through analyses of state spending on public health for each budget cycle using publicly available budget documents through state government web sites. Depending on which information is available, TFAH uses executive budget documents listing actual expenditures, estimated expenditures, or final appropriates; appropriations bills enacted by the state's legislature; and documents from legislative analysis offices to calculate public health spending. TFAH defines "public health" broadly to include all health spending with the exception of Medicaid, CHIP, or comparable coverage programs for low-income residents. In most cases, all state funding—regardless of whether it is general revenue or other state funds (e.g., fee revenue)—is included in TFAH's calculations.

Other Public Health Funding Measures from TFAH

TFAH also tracks federal public health program funds from the CDC and the Health Resources and Services Administration (HRSA). These funds are generally disease/condition and/ or population-specific (e.g., Vaccines for Children), and TFAH gathers data about them from the CDC's Financial Management Office and HRSA's Health Resources and Services Administration Data Warehouse.

¹ McKillop, M., & Lieberman, D.A. (May 2021). "The Impact of Chronic Underfunding on America's Public Health System: Trends, Risks, and Recommendations, 2021." *Trust for America's Health Issue Report*. Available at <u>https://www.tfah.org/wp-content/uploads/2021/05/2021_PHFunding_Fnl.pdf</u>



SHADAC's <u>State Health Compare</u> web tool provides access to TFAH's estimates of state public health funding, which we standardize to the estimated population of each state to create per-capita estimates. State-specific data are available for 2005 to 2020² and can be downloaded or visualized using a map, rank bar chart, trend line, or table.

Wide State Variation in Per Capita Public Health Funding Persisted in 2020

As in 2019, there was a wide gap between state public health funding levels among states in 2020, with state-provided funding ranging from \$7 per capita in Missouri to \$365 per capita in the District of Columbia. While Missouri's spending held steady at \$7 per capita between 2019 and 2020, the District of Columbia increased its funding by \$2 per capita and stayed far ahead of the next-highest funding rate of \$215 per capita seen in Alaska. Kentucky held the median spot for 2020, spending \$36 per person on public health.

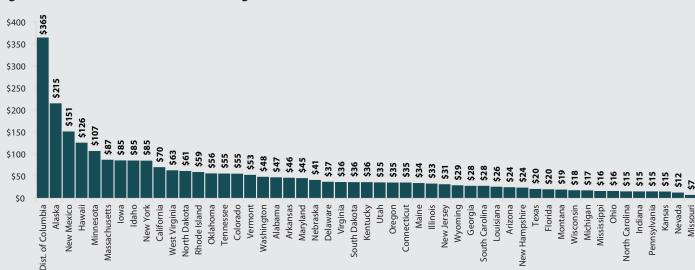


Figure 1. Per Person Public Health Funding, 2020

Handful of States Consistently Near the Top for Public Health Spending

Five states and the District of Columbia were consistently among the top 10 for public health funding over the course of the last 10 years (2011 through 2020): Alaska, Hawaii, Idaho, New York, and California. Alaska, the District of Columbia, and Hawaii were among the top five for public health spending during each of the last ten years as well, with Alaska and Hawaii each having been the top spending state four times.

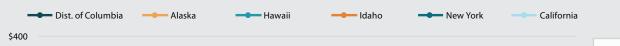
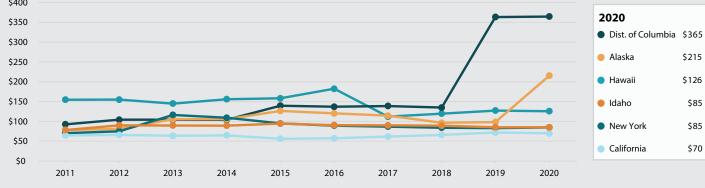


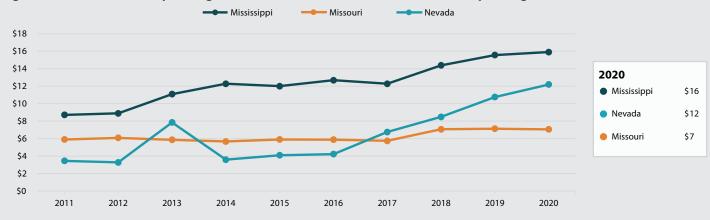
Figure 2. States Consistently among the Top 10 for Per Person Public Health Spending, 2011-2020

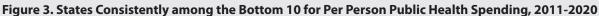


² With the exception of data year 2006, for which no estimates are available.

A Few States Consistently among Lowest-Ranked for Public Health Spending

There was more movement among the ranks of the states with the lowest public health spending than among the highest-ranking states from 2011 to 2020. Just three states were consistently among the bottom 10 for public health spending during this time: Missouri, Nevada, and Mississippi. Missouri and Nevada were among the bottom five for public health spending during each of the last ten years as well, and each of the two states was the lowest spending state overall five times.





The Challenge of Comparing Public Health Funding across States

According to TFAH, comparisons of public health funding levels across states are difficult because every state allocates and reports its budget in different ways and states vary widely in the budget details they provide. For example, some states don't differentiate between state and federal public health funding in their totals, and others include public health dollars within health care spending totals; in both cases, it is difficult to determine state public health funding as a separate budget item. Some of the variation we see is likely due to this type of variation in budget allocation, reporting, and details.³ Non-methodological sources of interstate variation in state public health funding may also include the relative performance of individual state economies (since state public health funding is often cut during economic downturns) as well as the relative tax bases of individual states along with state population counts. For example, the District of Columbia, which had the highest FY 2020 per capita state public health funding, collected roughly \$11,817 per person (\$8.42 billion total).⁴ Missouri, on the other hand, reported the lowest per capita state public health funding in FY 2020, and the state collected significantly less tax revenue per capita in FY 2020 than the District of Columbia, at \$2,017 per person (\$12.4 billion total).⁵

Variation in State Budgeting Procedures

The ways that states produce their budgets vary due to structural differences across states: the nature of a state requirement to balance the budget, an annual or biennial budget cycle, the governor's authority to revise the enacted budget, and whether earmarked or federal funds are subject to the appropriations process. States also use different types of budgets, including line item, program-based, performance-based, and modified zero-based (i.e., with every budget item needing approval each year). Additionally, state fiscal years vary; most end on June 30th, but four states follow a different schedule.

Explore Additional Public Health Data at State Health Compare

Visit State Health Compare to explore national and state-level estimates for the following public health indicators:

- Weight Assessment in Schools
- School Nutrition Standards Stronger than USDA
- Smoke Free Campuses
- <u>School Required to Provide Physical Activity</u>
- Cigarette Tax Rates
- Public Health Funding

State Health Compare also features a number of other indicator categories, including: health insurance coverage, cost of care, access to and utilization of care, care guality, health behaviors, health outcomes, and social determinants of health.

³ Levi, J., Segal, L.M., St. Laurent, R., & Lang, A. (2013). Investing in America's Health: A State-by-State Look at Public Health Funding and Key Health Facts [PDF file]. Retrieved from https://www.tfah.org/report-details/investing-in-americas-health-a-state-by-state-look-at-public-health-funding-and-key-health-facts/ ⁴ Federation of Tax Administrators. 2020 State Tax Revenue. Retrieved from https://www.taxadmin.org/2020-state-tax-revenue

⁵ Ibid.

