

# A Close Call for Public Health?

## The Impact of Federal Funding in Colorado

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*The 18-day debate in Congress about replacing the Affordable Care Act (ACA) focused on big-ticket programs such as Medicaid and insurance tax credits. It also shined a light on lesser-known ACA funding that helps to support Colorado's public health efforts.*

The law's Prevention and Public Health Fund – which was on the chopping block in Congress – has provided \$57 million<sup>1</sup> to Colorado since it began in 2011 and \$9 million last year alone.

Still, even though the ACA appears safe for now with the failure of the proposed American Health Care Act to reach a vote, that doesn't mean public health programs are out of the woods.

More than half of Colorado's funding for public health activities – \$294 million of the state's \$532 million budget last year – came from the federal government. This funding stream appears vulnerable as Congress considers budget recommendations from the Trump Administration that contain deep cuts to public health and environmental protection services.

Obamacare's close call also may have been a close call for public health. Alternatively, it may have been a sign of things to come. In either case, state and local policymakers may be faced with public health funding gaps and tough choices going forward.

### Impact of the ACA's Prevention and Public Health Fund in Colorado

Last year, the Colorado Department of Public Health and Environment (CDPHE) received about \$8 million, or 89 percent of the state's \$9 million in funding. Two other programs, the Stapleton Foundation for Sustainable Urban Communities and the Colorado Black Health Collaborative, received about \$900,000 between them to work on reducing racial and ethnic health disparities.

CDPHE is using the funds to support two areas: chronic disease prevention and health promotion, and epidemiology and infectious diseases.

This analysis looks at the \$9 million in fund money for federal fiscal year (FY) 2016. Some of the funding in these two areas is also granted to local public health agencies across the state.

#### What is the Prevention and Public Health Fund?

The ACA created the fund to support public health programs, with the goal of helping to contain the growth in public and private health care costs.<sup>2</sup> The law called for up to \$2 billion in annual funding, but it has been subject to cuts since it was established in 2010.<sup>3</sup> In federal FY 2016, funding was at \$932 million. That money went to the Administration for Community Living, the Centers for Disease Control and Prevention (CDC) and the Substance Abuse and Mental Health Services Administration.<sup>4</sup> The fund makes up approximately 12 percent of the CDC's total budget.



## Prevention and Public Health Fund in Colorado: 2016

Category	Amount	Examples of Activities
<b>Chronic Disease Prevention and Health Promotion</b>	<b>\$4.75 million</b>	<ul style="list-style-type: none"> <li>• Diabetes Prevention Program</li> <li>• Stroke prevention</li> <li>• Lead poisoning prevention</li> <li>• Tobacco cessation</li> <li>• Reducing racial health disparities</li> </ul>
<b>Epidemiology and Infectious Diseases</b>	<b>\$4.18 million</b>	<ul style="list-style-type: none"> <li>• Vaccines for Children Program</li> <li>• Emerging infectious disease detection</li> <li>• Laboratory capacity</li> </ul>

### • Chronic Disease Prevention and Health Promotion

Seven of 10 deaths in Colorado are attributed to chronic disease.<sup>5</sup> About 60 percent of the fund's dollars, or \$4.75 million, went for chronic, non-communicable disease prevention and health promotion.

For example, the funds have supported Colorado's Diabetes Prevention Program (DPP), an evidence-based program that works to prevent Type 2 diabetes among at-risk adults. CDPHE's efforts have led to more than one million Coloradans with DPP as a covered benefit through their insurance. Additionally, 70,000 Coloradans with diabetes are using evidence-based self-management techniques to minimize complications that can lead to hospitalizations.<sup>6</sup>

The Preventive Health and Health Services block grant – whose only source of money is the fund – supports both CDPHE and local public health agencies. Approximately half of these funds go to local agencies to support public health assessment, planning and health improvement activities. CDPHE uses the other money for such efforts as oral health promotion, suicide prevention, sexual violence prevention and motor vehicle safety.

### • Epidemiology and Infectious Diseases

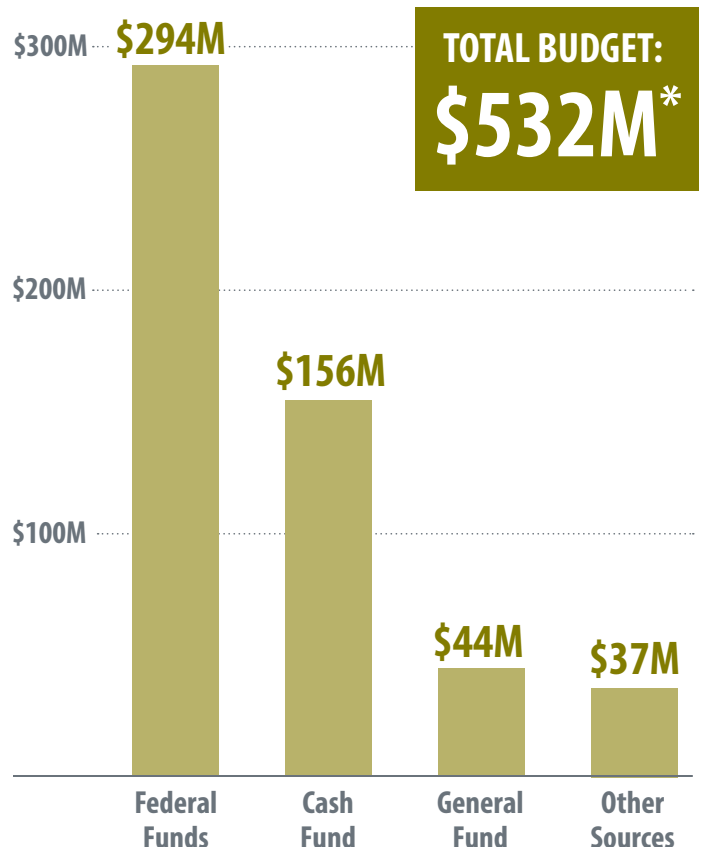
This category accounted for \$4.18 million, with more than half – \$2.7 million – used to support the Vaccines for Children Program. That program provides low- or no-cost vaccines to children who are unvaccinated because their family can't afford the cost.

Additional funding helped laboratories identify and combat emerging infectious diseases and prevent health care-associated infections. Laboratories at CDPHE do everything from monitor water and food safety to test for the Zika virus.

## What's Next for Public Health Funding in Colorado?

The federal government is the largest funder of public health activities in Colorado. Fifty-five percent of CDPHE's funding in state fiscal year 2015-16 came from federal funds. Just eight percent, or about \$44 million, of CDPHE's \$532 million budget came from the General Fund.

Figure 1. CDPHE 2015-16 Budget by Funding Source



\* Due to rounding, funding categories do not sum exactly to total

President Trump's budget for FY 2018 proposes decreasing funding for the U.S. Department of Health and Human Services (HHS) by \$15.1 billion, or nearly 18 percent from a year earlier.<sup>7</sup> Details are scarce, but CDC, an HHS agency, would likely shoulder some of those cuts.

These budget reductions could have significant consequences. Last year, CDC provided more than \$66 million to Colorado in the form of grants related to prescription drug overdose prevention, HIV/AIDS prevention and public health emergency preparedness, among many others.

Concern extends beyond just the ACA and CDC funding.

- The budget proposes a 31 percent cut in the Environmental Protection Agency (EPA), about \$5.7 billion.<sup>8</sup> Dr. Larry Wolk, CDPHE's executive director and chief medical officer, said he is concerned about how that could impact Colorado, pointing to the Superfund cleanup of polluted sites in Pueblo and near Silverton.<sup>9</sup>
- CDPHE received nearly \$119 million<sup>10</sup> from the U.S. Department of Agriculture (USDA) for nutrition services for women, infants, older adults and people with disabilities. The budget proposes a 21 percent decrease to USDA.<sup>11</sup>

## Conclusion

Cutting public health funding at the federal level would have a direct impact on budgets and programming for state and local public health agencies in Colorado. Legislators could decide to back-fill those funds with other state revenue sources, but that could mean taking funding from other areas.

Decreased funding for chronic disease prevention activities might lead to fewer people receiving tobacco cessation services, slowing decades of progress. Rolling

back laboratory testing capacity might mean that Colorado is slower to respond to an outbreak of an infectious disease or a food-borne illness.

It is easy to overlook public health amid the health reform debate, but proposed cuts, if enacted, would leave Colorado struggling to fund vital public health programs.

## Endnotes

- <sup>1</sup> ["The Prevention and Public Health Fund at Work in Colorado."](#) Trust for America's Health, February 2017.
- <sup>2</sup> ["Prevention and Public Health Fund."](#) Centers for Disease Control and Prevention, January 2017.
- <sup>3</sup> ["Prevention and Public Health Fund: Dedicated to improving our nation's public health."](#) American Public Health Association.
- <sup>4</sup> ["Prevention and Public Health Fund."](#) US Department of Health and Human Services, December 2016.
- <sup>5</sup> ["Chronic Disease Prevention."](#) Colorado Department of Public Health and Environment.
- <sup>6</sup> Communication from the Colorado Department of Public Health and Environment Cardiovascular Disease program, March 2017.
- <sup>7</sup> Office of Management and Budget. ["America First: A Budget Blueprint to Make America Great Again."](#) Executive Office of the President, March 2017. Page 21.
- <sup>8</sup> [Ibid.](#) Page 41.
- <sup>9</sup> Wolk, Larry. [Statement regarding President Donald Trump's proposed EPA budget cuts](#), March 16, 2017.
- <sup>10</sup> [Senate Bill 15-234.](#) Page 202.
- <sup>11</sup> Office of Management and Budget. ["America First: A Budget Blueprint to Make America Great Again."](#) Executive Office of the President, March 2017. Page 11.

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