



SENATE BILL 563
Local Health Departments – Funding
TESTIMONY BEFORE THE SENATE BUDGET & TAXATION COMMITTEE
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For the Maryland Association of County Health Officers (MACHO)
Position: Support – February 17, 2021

The Maryland Association of County Health Officers (MACHO) supports SB 563. MACHO is the professional association of the chief executives of the state's 24 local public health departments (LHDs).

In the 1995 legislative session, MACHO worked with legislators and state leadership to establish *Core Public Health Services Funding*. This included setting the minimal funding levels and established the formula for growth based on the Consumer Price Index (CPI) increase and population growth. The amount of general funds was set at \$41 million.

Things took a turn in FY09 when Core Funding was cut by almost \$12 million. Fourteen years of inflationary adjustments were wiped out one stroke. In FY10 the Board of Public Works further reduced funding to \$37.3 million and the General Assembly froze the base funding at that level for FY10 and FY11 and did not provide the inflationary increase, though all other entities returned to pre-cut levels in FY13. During that time, interpretation of the inflationary adjustments changed from being compounded annually, as it had been calculated since the inception of the Core Funding formula, to arbitrary annual adjustments.

Although in recent years there have been some additions to Core Funding, the dollar amounts have never compensated for the drastic cuts a decade ago. As a result, LHDs were forced to cut vital staffing, including nurses who monitor and respond to infectious diseases, emergency preparedness personnel, environmental health specialists, and epidemiologists. These cuts have directly impacted the ability of LHDs to optimally respond to the myriad of demands brought on by COVID.

In addition, technology changes unanticipated in 1995 have increased operating costs beyond annual inflationary pressures. Core Funding has never been adjusted to account for hardware and software expenses or the IT personnel to manage multiple data systems. SB 563, for the first time, acknowledges data management costs for LHDs. In addition, the required evaluation of technology, communications and information services used by, provided to or shared or coordinated through local health departments, would provide invaluable information to illustrate current capacity of LHDs to fulfill their delegated, mandated and funded activities with existing IT-related infrastructure.

COVID has demonstrated the value LHDs provide to the residents and businesses of every jurisdiction. SB 563 takes an important step toward appropriate funding for these vital services. For these reasons MACHO strongly encourages support for this critical public health legislation. For more information, please contact Ruth Maiorana, Executive Director, MACHO, at rmaiora1@jhu.edu or 410-614-6891.