



DHHS Relationship with Local Health Departments

STATE OF UTAH

Executive Director's Office

June 13, 2022

To: Health and Human Services Interim Committee

From: Tracy Gruber, Executive Director, Department of Human Services
Nate Checketts, Executive Director, Department of Health
Heather Borski, Deputy Director, Department of Health

Subject: Availability, adequacy, and use of revenue options for local health departments

Department Response to Applicable LHD-related Questions

- **Which is most beneficial to the Local Health Department – local, state, or federal funding? Why?**

All three of these funding sources are important and beneficial.

- Local funding allows the most flexibility to local communities to invest in local priorities.
 - Similarly, state funding allows the state and local health departments to address state and local priorities. The recent increase in state funding to support the LHD minimum performance standards should decrease reliance on local and federal funds for this purpose, and allow local and federal funds to go further for other needs. State funds also allow for better alignment with state (Executive and Legislative) priorities.
 - In the current environment, federal funding is the most prevalent, next to local funding, and supports critical public health infrastructure at the state and local level. However, federal funds are the most restrictive in how funds may be used.
- **Does the Governance Committee ([26-1-4](#)) effectively weigh the priorities of Local Health Departments and the Department of Health?**

Both Local Health Departments and the Department of Health are highly committed to the Governance Committee. Governance serves to effectively improve how the priorities of Local Health Departments and the Department of Health are weighed.

The ability to balance priorities can be somewhat constrained by federal grant requirements. As identified in the 2021 “Culture and Grant Management Audit”, Local Health Departments and the Department of Health have been working together to improve the processes and functioning of the Governance Committee even further by instituting procedures to collaborate together on the development of grant applications earlier in the process.

Additionally, the Governance Committee also considers policy in addition to funding. Historically, funding has dominated the focus of Governance. However, in the fall of 2021, the Governance Committee made a concerted effort to add review of relevant Rules and similar policies in their work. We’ve begun and continue to refine procedures to facilitate these reviews.

- **How do sources of funding (local, state, federal) manifest in the priorities of the Local Health Department? Does the current formula for allocation of state funds to Local Health Departments incentivize – or disincentive – counties to levy taxes to fund the Local Health Department? If so, how?**

The UDOH defers to the Local Health Departments in commenting on local priorities; however, we offer the following context regarding matching funds and funding formula:

Utah Code [26A-1-115\(6\)](#) provides an opportunity to require a percentage of local funds to match state dollars. Currently, LHD's/counties are already contributing at a fully matching rate. As a result, there has not been a need to implement this requirement. It has been determined that the requirement will need to be implemented if any county reduces its contribution and no longer matches dollar-for-dollar with the state funds. This equal match occurred when state funds were at \$2.1 M and at this point indications are that this will continue to hold true with the \$6.1 M set to begin in FY23. The Governance Committee could consider recommending a Rule to require a minimum level of match for local jurisdictions to pay.

The process for the current funding formula for how state and federal funds are distributed to counties is established in Rule 380-50-3. The formula establishes a base minimum share for each local health department, a proportion divided by population size, and a proportion divided by a multi-county factor that includes the number of counties in a jurisdiction, and population in each multi-county jurisdiction.