

Testimony
Health and Human Services Committee
Thursday October 7, 2010
North Dakota Department of Health

Good morning, Chairman Weisz and members of the Health and Human Services Committee. My name is Kelly Nagel, and I am the public health liaison for the North Dakota Department of Health. I am here to provide testimony on behalf of the state health officer regarding the development of the regional public health network pursuant to Senate Bill 2333.

Senate Bill 2333 provides an appropriation of \$275,000 to the Department of Health to fund a regional public health network pilot project. Consistent with SB 2333 language, local public health units within their identified emergency preparedness and response region could voluntarily form a network and apply to participate in the pilot project.

Southeast Central (the Jamestown region) was selected as the pilot site. The health units participating in the network are Central Valley Health District, Jamestown; City-County Health District, Valley City; Lamoure County Public Health Department, Lamoure; and Wells County District Health Unit, Fessenden. The overall goals of the regional public health network pilot project are (1) to determine whether it is possible to create an effective joint powers agreement [JPA] within the network and (2) to determine whether a JPA has the potential to produce cost savings and more efficient and effective service delivery systems.

The pilot network was required to select and share at least three administrative functions and at least three public health services, as well as environmental health and emergency preparedness and response services. The pilot network established a JPA on July 21, 2010, in which the health units agreed to share family planning services, sexual assault response, and chronic disease management services. The shared administrative functions are billing and accounts receivable, policy standardization for public health services, and implementation of community health assessment data.

To date, project efforts have focused on the billing system, community assessment and environmental health tracking system.

- (1) The billing system has involved 932.5 project hours. The hardware has been installed, billing modules have been implemented, initial training has been provided and billing systems are being utilized by all local

public health units in the pilot network. Two advantages have been demonstrated at this point: (1) Central Valley's staff has the expertise to conduct training about the electronic billing system for staff in the other local public health units, and (2) the pilot network has saved a total of \$15,000 by purchasing additional software through Central Valley's existing agreement.

In addition, the LaMoure County Public Health Department has identified substantial individual benefits. Prior to the electronic billing system, Lamoure County Public Health Department was able to bill only for immunization services through the state immunization registry and PROtect ND Kids program. This year, with the billing system in place, the county health department will be able to bill Blue Cross Blue Shield, other private insurance, Medicaid and Medicare for all of the covered services it offers. This means at least \$6,000 in additional revenue from Medicare for flu shots alone will be generated, which is about 14 percent of the county's contribution to the health unit's annual budget. Other revenue gained by having the capability to bill for applicable services will be reported in the future.

- (2) The community assessment data collection has involved 33 hours of project time. This effort has involved compiling data and working with an intern who is developing a data indicator template that could be used by all local public health unit jurisdictions throughout the state.
- (3) The environmental health tracking system has involved 17 project hours. All local public health units in the network currently are using a web-based time information management system in which all environmental health activities provided in the region are reported. Activities had never been reported formally before. The data collected at this point has been useful in gaining support from the participating health unit's health boards, and the health units hope it will result in leveraging funding for services.

The total funds expended to date are \$52,180.80. It should also be noted that the electronic billing system and time information management system are sustainable and much more efficient for accounting and payroll purposes than the manual, paper-based logs and processes they replaced.

A baseline evaluation was conducted by the network's contracted consultant. Data was collected through interviews of key participants and "Borden and Perkin's Assessing Your Collaboration: A Self Evaluation Tool." This tool

identified the key factors that influence the functioning of collaboratives. The findings revealed that, in general, all participants are very supportive of this regional project. The overwhelming reasons reported for joining the collaboration were to recapture finances more easily and to automate records for ease of reporting. Consistency in resources and a hope to increase standards were other reasons listed. However, participants also reported fears of higher-level mandates that may result from this limited pilot project without adequate input from all participants.

The key participants were asked to rank the public health services as to which would have the greatest effect on improving the public's health in their area. It was clear that chronic disease management was thought to have the most impact, while family planning and immunizations tied for second. The program thought to have the least effect on improving the public's health was the sexual assault response team.

The initial results of this pilot project have been very encouraging. The network is required to submit a written report by January 31, 2011, describing the progress of their work plan, challenges and benefits of participating in a network, potential costs to sustain the network, and any laws that may need to be changed to continue a network. Therefore, there may be more thorough and valuable information to share during the upcoming legislative session, including the effectiveness of the joint powers agreement.

This concludes my prepared comments. I am happy to answer any questions you may have.