

**Testimony**  
**Health Care Reform Review Committee**  
**Tuesday June 14, 2011**  
**North Dakota Department of Health**

Good morning, Chairman Keiser and members of the Health Care Reform Review Committee. My name is Arvy Smith, and I am the Deputy State Health Officer for the North Dakota Department of Health. I am here to provide testimony regarding health care reform's impact on the department.

The mission of the Department of Health is to protect and enhance the health and safety of all North Dakotans and the environment in which we live. We accomplish this mainly through prevention and regulation activities. The amount of *direct care* services we offer is limited to funding for preventive screenings (such as mammograms, pap smears, and colonoscopies), immunizations, and health services for children with special needs and conducting laboratory analysis. A large majority of the population served is uninsured or underinsured. If this population becomes insured through the Patient Protection and Affordable Care Act (PPACA) our focus will be more heavily on promotion, education and incentives in these areas. Just because a preventive screening or immunization is paid for does not always ensure that individuals are accessing the services. There may be other issues keeping them from accessing the service such as time away from work, travel costs and other inconveniences.

PPACA provides grant funding for prevention and other public health services. The 2011 Legislative Assembly removed three items from our biennial budget that were funded through PPACA: \$200,000 for public health infrastructure, \$182,100 for abstinence programs and \$1,413,012 for intensive home visiting for a total of \$1,795,112. All three of these programs were awarded five years of funding with no state match requirements.

The \$200,000 for public health infrastructure was specifically for performance improvement activities including strategic and business planning, quality improvement, and preparing for accreditation. The abstinence program funding of \$182,100 was to replace other federal funding for the long-standing abstinence program that was cut by the federal government. The majority of these funds would have been contracted to two local entities to promote decisions to abstain from sexual activity until marriage. Finally, the \$1,413,012 for intensive home visiting was to improve outcomes for high-risk families with young children. Funding would be only for evidence-based programs –

this means that the programs have been studied and proven to be effective. Evidence-based intensive home visiting programs have been proven to improve education outcomes and reduce child abuse and neglect by as high as 50%.

An indirect impact of PPACA on the department is the requirement of providers to have meaningful use of electronic health records in order to receive higher payments from Medicare and Medicaid. There are three systems indirectly affected by this requirement in the Department of Health. We have been working on the necessary adjustments to our systems to allow for meaningful use for several years.

The Department of Health is not aware of any impacts to us regarding how the health insurance exchange is developed so we do not have any comments on that at this time.

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