Written Testimony of
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Subcommittee on Health

Making Health Care Work for America's Families: Protecting the Public Health

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Good morning. My name is Jeffrey Levi and I am the Executive Director of Trust for America's Health (TFAH), a nonpartisan, nonprofit organization dedicated to saving lives by protecting the health of every community and working to make disease prevention a national priority. I would like to thank the members of the Committee for the opportunity to testify on the role of prevention and public health as a component of the health reform debate.

This morning I would like to emphasize three major points:

1. The critical importance of public health programs, in particular population and community-based prevention, in improving the health of Americans and making a reformed health care system more effective.

2. The need to create a reliable, stable funding stream for public health programs and services as part of health reform. Otherwise, the potential benefits of public health to the health care system will be lost.

3. The need to build the evidence base for prevention programs and invest in public health systems and services research to improve the quality of public health that is delivered in the U.S.

Escalating Health Care Costs and Consequences

Health care in the U.S. has become an expensive burden on our economy. For over 30 years, health care costs have increased two percentage points faster than the rest of the Gross Domestic Product (GDP).[1] Businesses and families were struggling to cover health care costs before the recent economic crisis, and as we all know, times have gotten even harder when it comes to paying these bills. And, the Federal and state governments

are also struggling with how to cover the impact of rising costs on Medicare and Medicaid.

Clearly, the country is working hard to address the current broader financial problems we face. However, if we are going to get the economy back on the track for the long term, we also need to get health care costs under control. The country is searching for effective ways to restrain these staggering costs. Office of Management and Budget (OMB) Director Peter Orszag has stated that reducing the growth in health care to one percent higher than the rest of the GDP per year rather than the projected two percent is a realistic goal to help get costs under control. Disease prevention is a critical, but often neglected, strategy for meeting this goal.

High rates of chronic disease are among the biggest drivers of U.S. health care costs. What this means in real terms is that Americans are not as healthy as they could be or should be, and that is translating into huge growth in our health care costs. And our workforce is less productive than it could be or should be to compete with the rest of the world.

America's future economic well-being is inextricably tied to our health. The country will never be able to contain health care costs until we do a better job of preventing people from getting sick in the first place, and giving people the opportunity and support they need to be as healthy as they can be.

We spend more than any other country in the world on health care -- more than $6,000 per person per year.[2] But we have some of the worst health outcomes of industrialized countries -- and tens of millions of Americans suffer every day from preventable illnesses and chronic diseases like cancer, diabetes, and heart disease that rob them of health and quality of life.

More than half of all Americans live with one or more chronic disease, including heart disease, stroke, diabetes, and cancer.[3] Experts estimate that 75 percent of U.S. health care costs are attributable to chronic diseases. The U.S. Centers for Disease Control and Prevention (CDC) estimates that a large percentage of these diseases could be prevented through lifestyle and environmental changes -- such as improving nutrition and physical activity and preventing smoking.

Keeping people healthier is one of the most important, but often overlooked, ways to reduce health care costs. Health reform efforts often focus on health care coverage, which is clearly essential. But, coverage alone -- even affordable, quality coverage -- is not enough.

The Value of Public Health and Community Disease Prevention

That's where public health comes in. The nation's public health system is responsible for keeping Americans healthy and safe. Public health is devoted to preventing disease and injury. Public health officials help protect our food and water supplies, prevent infectious

disease outbreaks like pandemic flu or tuberculosis, respond to natural disasters and bioterrorism threats, and control chronic diseases like diabetes and cancer in communities.

There are proven community-based programs that promote healthy environments and behaviors, making it easier for people to make healthy choices. Shifting community norms about tobacco use through social marketing campaigns, changing the physical and social environment in which people live by making communities more walkable through better lighting and sidewalks, creating group walking or exercise programs to encourage physical activity, or improving access to healthy foods, are examples of community interventions that work to prevent or mitigate certain chronic diseases.

Community prevention programs can also magnify the effectiveness of prevention efforts initiated in the clinical setting by supporting the ability of individuals to follow medical advice and make healthier lifestyle choices. For example, a doctor can encourage a person to be more physically active, including writing a prescription for that individual to get more exercise. However, unless the patient has access to a safe, nearby place to engage in physical activity, he or she will not be able to "fill" this prescription.

And, the good news is we know that investing in prevention, especially community-based programs, can have a big payoff. A study we at the Trust for America's Health issued last summer, entitled *Prevention for a Healthier America: Investments in Disease Prevention Yield Significant Savings, Stronger Communities,* found that for an investment of $10 per person per year in proven community-based programs to increase physical activity, improve nutrition, and prevent smoking and other tobacco use, the country could save more than $16 billion annually within five years.[4] This is a return of $5.60 for every $1 spent.

Out of the $16 billion in savings, Medicare could save more than $5 billion, Medicaid could save more than $1.9 billion, and private payers could save more than $9 billion.

These findings, which are based on a economic model developed by the Urban Institute and an extensive review of evidence-based studies by The New York Academy of Medicine, show that this investment could result in reducing rates of type 2 diabetes and high blood pressure by five percent within just one to two years, and rates of heart disease, stroke, and kidney disease by five percent within five years, and rates of some types of cancer, arthritis, and chronic obstructive pulmonary disease by 2.5 percent within 10 to 20 years.

There are a number of examples of evidence-based programs that work. *The Community Guide to Preventive Services,* published by the CDC, includes more than 200 interventions reviewed by the Task Force on Preventive Services. And numerous programs that the CDC supports with funds to state and local health departments are seeing strong results. For instance, Fulton County, Georgia officials implemented a campaign to promote cardiovascular disease education called REACH OUT, which has led to results within just two years. The percentage of adult participants who regularly

engage in moderate-to-vigorous physical activity increased from 25 percent to 29 percent. During this period, the percentage of adults who reported checking total blood cholesterol levels increased from 69 percent to 80 percent, and the percentage of adults who smoked decreased from 26 percent to 21 percent.[5]

In Broome County, New York, more than three of every five adults are either overweight or obese. Utilizing a CDC grant from the Steps to a Healthier US (now Healthier Communities) program to help rural families has, within one year, led to an increase in the percentage of people who walk for 30 minutes or more five days a week -- from 51 percent to 61 percent. The program also supported a consolidated bid for 15 school districts to purchase healthy foods at lower costs, which resulted in a 14 percent increase in fruit and vegetable consumption; and expanded a diabetes prevention program in conjunction with the local YMCA and Office of Aging, where participants in the program lost more than five pounds on average.[6]

Public Health Does Not Currently Have Sufficient or Steady Funding

The bad news is, right now, the public health system is structurally weak in nearly every area. A range of studies from leading authorities including the Institute of Medicine (IOM) and the Government Accountability Office (GAO) have found the public health system is chronically underfunded and in need of major modernization. The public health system is comprised of federal agencies, ranging from the CDC to nearly 3,000 state and local public health agencies to countless non-governmental organizations.

Federal, state, and local health departments do not have enough resources to adequately carry out core disease prevention functions. In collaboration with The New York Academy of Medicine, TFAH convened a panel of experts to analyze how much is currently spent on public health in the U.S. and how much more would be needed to support core public health services at a sufficient level. The panel's professional judgment was that there is currently a shortfall of $20 billion per year in spending on public health.[7] The analysis found that the country currently spends approximately $35 billion per year (based on a review of fiscal year (FY) 2005 spending at the federal, state, and local levels), but that an additional $20 billion would be needed to adequately support basic public health functions that are currently unmet in communities across the country.

The recent American Recovery and Reinvestment Act provided an historic investment for public health, including $650 million in funding for community-based prevention programs. This was an important start -- and important down payment -- toward reducing health care costs over the long term. Or, as President Obama said upon signing the law, these are necessary investments in "wellness initiatives that will keep millions of Americans from setting foot in the doctor's office in the first place."

But it was only one time funding. To realize the full potential return on the investment in keeping Americans healthy, public health needs to be funded at an adequate level year in and year out to have a significant and long-term impact. This means we need to create a

sustained and dedicated funding stream for public health. Without this, the promise of prevention could be lost. And we all end up paying the price, both with worse health and higher costs, particularly as Americans enter Medicare less healthy than they could have been or should have been.

The past five years have seen a dramatic downturn in funding for CDC chronic disease discretionary programs, which are key to preventing heart disease, stroke, diabetes, cancer and obesity. They have suffered a 12 percent cut in real dollars since FY 2005. Moreover, given that public health is a shared responsibility between the federal government and states and localities, the current economic crisis has taken a significant toll on the capacity of states to maintain their investments in public health. We have already seen cuts of over 10,000 public health positions across the country, with at least that many more expected over the next year. Only the federal government has the capacity to assure an increased and stable investment in the very programs that will ensure a healthier America -- and ultimately lower health care costs and a more competitive workforce.

We are hopeful that health reform will result in coverage for all Americans. But many of the gains that are achieved through increased coverage are put at risk if we do not have a strong public health system to help prevent disease and keep Americans health. Federal, state, local, and community public health and prevention programs need to have reliable resources to support a reformed health care system. TFAH believes that ***a reformed health care financing system must include stable and dedicated funding for core public health functions and community-based prevention.***

Therefore, we recommend the establishment of a **Public Health and Wellness Trust Fund** ("Trust Fund") through a mandatory appropriation or set-aside of a portion of new revenues generated through the financing of health reform. Resources from the Trust Fund would be allocated to specific public health programs or activities as directed by the relevant appropriations committees. Funding provided from the Trust Fund would augment, not supplant, current annual baseline funding for Function 550 public health programs.

Specifically, the Trust Fund would support expansion of public health functions and services that surround, support, and strengthen the health care delivery system. The Trust Fund would finance:

- The core governmental public health functions of assessment, assurance, and policy development at the federal, state, and local levels.
- Population-level non-clinical prevention and wellness programs, which can be delivered through governmental agencies and non-governmental agencies.
- Clinical preventive services (such as screenings and immunizations) that are not covered by third party payers and delivered in community settings or by health departments.
- Workforce training and development as well as public health research.

The Trust Fund could make up for the country's current $20 billion annual shortfall in public health spending. Based on the current distribution of responsibility among the federal, state, and local governments, $10-12 billion of that amount should be a federal responsibility. It is assumed that the increase would be phased in to allow sufficient time for the system to absorb such an increase.

Quality Assurance for Evidence-Based Prevention

We know that not all prevention programs lead to cost savings. Some prevention efforts may have health benefits, without financial benefits. The health benefits alone are often reason enough to invest in prevention, to spare people from needless pain and suffering. In a reformed health care system, we recognize that there is a need to focus on investing in treatments that are cost-effective, but the rationale for financing those treatments is not contingent on their ability to save money. We need a similar standard for prevention. We should invest in prevention activities that are determined to be cost-effective for improving health, and should not necessarily be held to "savings-only" standard.

TFAH believes that investments in prevention should support evidence-based programs, and that it is essential to insure that accountability goes along with funding. Americans deserve to see evidence that their tax dollars are being put to effective use and directly helping to improve the health of our communities.

We were extremely pleased to see the provision in the stimulus bill requiring community prevention programs receiving funding to be "evidence based" and to "deliver specific, measurable health outcomes." Every effort should be made to ensure that the government is investing in the most effective programs possible. For clinical services, the U.S. Preventive Services Task Force (USPSTF) exists as an important tool for analyzing the evidence and evaluating the effectiveness and recommendations for preventive services, like immunizations, cancer screenings, diabetes screenings, and obesity counseling, which we can receive inside the doctor's office. As Congress considers comprehensive health reform, TFAH urges you to mandate coverage for *all* preventive services recommended by the USPSTF in public and private plans. We recognize that different sources for an evidence base may be needed to ensure children and adolescents are receiving the preventive services that the medical community recommends for their age groups.

We also urge Congress to support community-based disease prevention programs, since so much of what impacts our health happens outside the doctor's office. As I mentioned earlier, *The Guide to Community Preventive Services* from the CDC reviews more than 200 community-based programs. This guide was designed to assess community programs in an equivalent way to how the USPSTF reviews clinical preventive services. However, it has been sorely underfunded and has not been given the resources needed to systematically evaluate programs. In developing our return on investment model, TFAH was struck by how little systematic evaluation occurs for community prevention programs compared to clinical programs. This does not mean that we do not know that

many community programs are effective. In fact, we know many of them are having a major impact, we just do not have enough evidence to always show it. What this means is we have not invested properly in how to study their outcomes in a systematic and appropriate way. To maximize the effectiveness of our national investment in community prevention, TFAH urges Congress to provide substantially increased federal funding to strengthen this guide, so we have an enhanced *Community Guide* to provide a systematic, ongoing review of the literature and make recommendations for community prevention programs.

To continue to build the evidence base for prevention and help develop the new field of public health systems and services research, TFAH recommends the creation of a Public Health Research Institute – which could be housed either within CDC or in conjunction with the Agency for Healthcare Research and Quality (AHRQ). This Institute would be invaluable for ensuring accountability by evaluating how well tax dollars are being used and building a strong evidence base and standards for public health practices that will help support public health services in every community in the country, from coast to coast.

This Public Health Research Institute should be charged with identifying and disseminating a set of "best practices" for public health. This should include developing accountability measures and providing information about the public health workforce, including career categories, skill sets, and workforce gaps. With this information, states and localities would be better informed to make decisions about policies and program implementation. The Institute should also address serious, complex and emerging public health issues, including social determinants of health and how to set standards and evaluate data on health outcomes.

Conclusion

In short, TFAH believes that prevention and public health must be at the center of any effort to reform our health system. Public health programs are a critical and under-funded component of the nation's health system. We encourage Congress to establish the Public Health and Wellness Trust Fund to make our country healthier, our health system more cost-effective, and our economy more competitive.

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[1] Center on Budget and Policy Priorities. "The Long-Term Fiscal Outlook is Bleak: Restoring Fiscal Sustainability Will Require Major Changes to Programs, Revenues, and the Nation's Health Care System." Center on Budget and Policy Priorities. December 16, 2008. http://www.cbpp.org/cms/index.cfm?fa=view&id=2215

[2] K. Davis, C. Schoen, S. C. Schoenbaum, M. M. Doty, A. L. Holmgren, J. L. Kriss, and K. K. Shea, Mirror, Mirror on the Wall: An International Update on the Comparative Performance of American Health Care, The Commonwealth Fund, May 2007.

[3] R. DeVol and A. Bedroussian, et al. *An Unhealthy America: The Economic Burden of Chronic Disease.* Santa Monica, CA: Milken Institute, October 2007. http://www.milkeninstitute.org/publications/publications.taf?function=detail&ID=38801020&cat=ResRep. (accessed October 10, 2007).

[4] Trust for America's Health. *Prevention for a Healthier America: Investments in Disease Prevention Yield Significant Savings, Stronger Communities.* July 2008. http://healthyamericans.org/reports/prevention08/.

[5] U.S. Centers for Disease Control and Prevention. *REACHing Across the Divide: Finding Solutions to Health Disparities.* Atlanta, GA: U.S. Department of Health and Human Services, Center for Disease Control and Prevention; 2007.

[6] U.S. Centers for Disease Control and Prevention. *The Steps Program in Action: Success Stories on Community Initiatives to Prevent Chronic Diseases.* Atlanta: U.S. Department of Health and Human Services; 2008.

[7] See *Blueprint for a Healthier America: Modernizing the Federal Public Health System to Focus on Prevention and Preparedness* (October 2008) for information on the expert panel and additional funding details; available at http://healthyamericans.org/report/55/blueprint-for-healthier-america.