

Budget Cuts Continue to Affect the Health of Americans

Update September 2014

BACKGROUND

Federal, state, and local government budget cuts are jeopardizing a decade of significant gains made by state and territorial health agencies (SHAs). Critical SHA programs and services have been cut or reduced, staff positions have been eliminated and many staff have been laid off or furloughed.

The Association of State and Territorial Health Officials (ASTHO) has been following this trend since 2008, when it initiated a longitudinal study to investigate the impact of budget cuts on SHAs and the people they serve.

BUDGET CUTS

Figure 1, below, shows that fifty-two agencies (48 states, three territories, and the District of Columbia) have reported budget cuts since July 2008, and displays the number of SHAs reporting budgets smaller than the previous fiscal year. With nine SHAs reporting cuts between Jan. 1, 2013 and June 30, 2013, the graph demonstrates that while the number of states reporting budget cuts appears to be decreasing over time, the cumulative number of budget cuts has leveled off due to a ceiling effect. Of those states reporting budget cuts in the second half of fiscal year 2013, the amount cut ranged from less than 1 percent to 15 percent, with an average cut of approximately 4 percent of their current budget.

REDUCED WORKFORCE CAPACITY AND PROGRAMS

SHAs continue to experience budget cuts and job losses, resulting in the reduction or elimination of critical public health programs and services. **Figure 2** displays the percentage of SHAs experiencing reduced workforce capacity between January 1, 2013 and June 30, 2013 and the percentage of SHAs experiencing reduced workforce capacity since July 2008.

Figure 2. Percentage of SHAs Experiencing Reduced Workforce Capacity and Programs, June 2013 and Cumulatively (since July 2008)

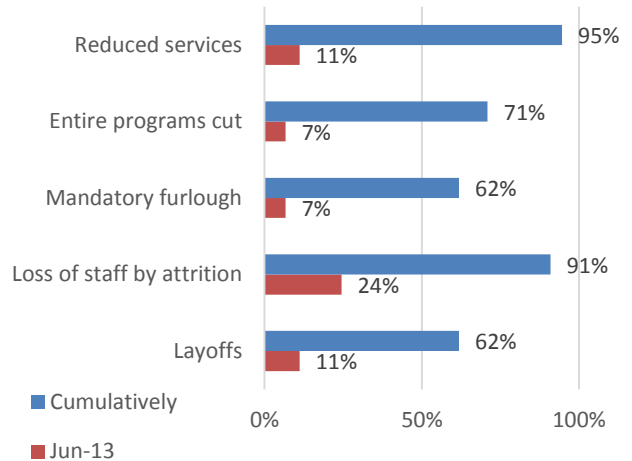
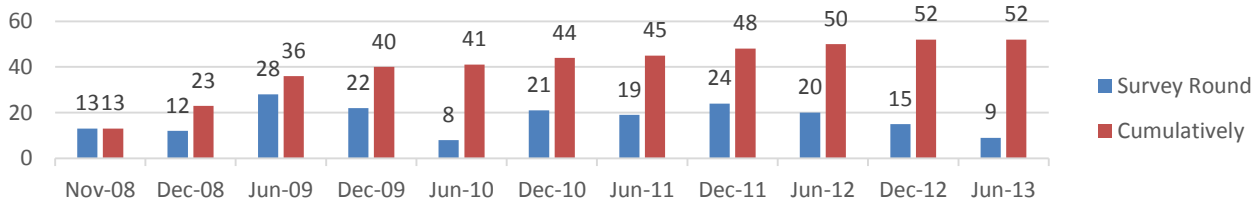


Figure 1. Number of SHAs Reporting Budget Cuts by Survey Round and Cumulatively



Continued on reverse

PUBLIC HEALTH JOB CUTS

- Approximately 11,000 state jobs have been lost in central, local and regional offices.
- Approximately 7,150 state employees in central offices lost their jobs.¹
- Approximately 4,400 state employees assigned to local/regional offices lost jobs.
- Combining these data with the latest numbers from NACCHO's survey of local health department job losses and program cuts² reveals that *more than 51,000 state and local jobs have been lost since 2008. This represents more than 19 percent of the total state and local health department workforce.*³

JOB LOSS

Since July 2008, 91 percent of all SHAs have experienced job losses through a combination of layoffs and attrition.

Table 1 breaks down the number of jobs lost since 2008 in central and local/regional offices by fiscal year.

Nearly two-thirds (62 percent) of all health agencies imposed furloughs since FY10.

- Since FY10, state employees in **central offices took over 282,200 furlough days**, the equivalent loss of 1,226 full-time workers.
- Since FY10, state employees assigned to **local/regional offices took nearly 5,500 furlough days**, the equivalent of 24 full-time workers.

COST-SAVING STRATEGIES

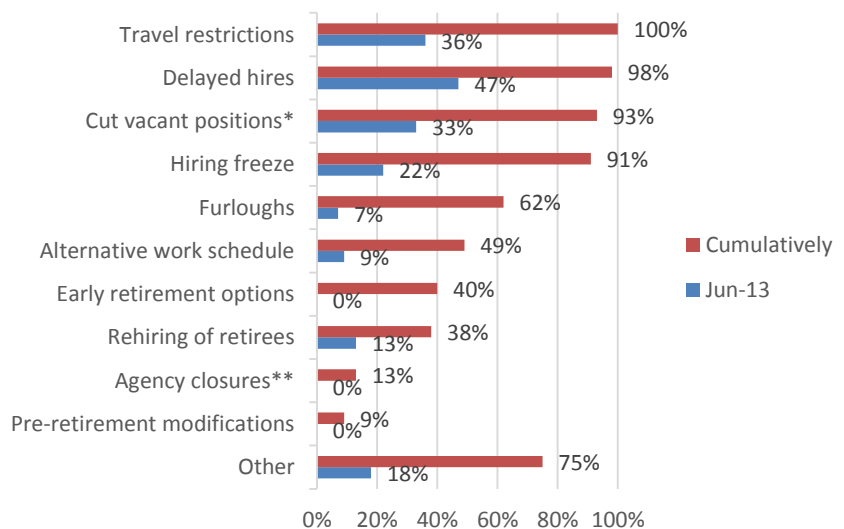
Since July 2008, SHAs have implemented a variety of cost-saving strategies to cut expenses and reduce layoffs, including travel restrictions, delayed hiring, cutting vacant positions, and hiring freezes (**Figure 3**). Other cost-saving strategies include alternative work schedules, early retirement options, rehiring of retirees, agency closures, and pre-retirement modifications.

Table 1. Number of Job Losses in Central and Local/Regional Offices by Fiscal Year

	Central	Local/Regional	Total
FY09	1,920	800	2,700
FY10	1,730	905	2,650
FY11	1,705	975	2,700
FY12	1,015	750	1,750
FY13	755	950	1,700
Total	7,150	4,400	11,550

Note: Individual estimates are rounded to the nearest five jobs; fiscal year totals are rounded to the nearest 50 jobs.

Figure 3. Percentage of SHAs Implementing Cost-saving Strategies June 2013 and since July 2008



*Data were only collected since FY10. **Data were only collected since FY11.

Table 2. Number and Percentage of SHAs with Program Cuts Since July 2008 by Program Area (N=55)

	Number with Program Cuts	As % of the Whole
Public health hospitals and clinics	26	47%
HIV, AIDS, and STDs	25	45%
Disease-specific programs (ALS, Alzheimer's, Arthritis, Asthma, Cystic Fibrosis, Epilepsy, Genetic Disorders, Hepatitis C, Infectious Diseases, Osteoporosis, Parkinson's, PKU, Renal Diseases, Sickle Cell, Tuberculosis, Valley Fever)	24	44%
Family health and nutrition (including WIC)	23	42%
Maternal and child health programs	20	36%
Prevention programs	19	35%
Tobacco prevention and control	18	33%
Immunization	18	33%
Family planning services	18	33%
Children with special healthcare needs	17	31%

PROGRAM CUTS

Continuous budget cuts are forcing SHAs to eliminate or drastically reduce programs and services aimed at protecting the public's health. **Table 2** lists the programs most frequently cut, as reported since July 2008. Eleven percent of state health agencies reduced services in the first half of fiscal year 2014.

STATE EXAMPLES OF PROGRAM CUTS

- Alabama has limited the scope and reduced the frequency of onsite inspections for engineered systems and has reduced restaurant inspections.
- Georgia has limited the scope of services provided for genetic testing, diagnosis, counseling, and management for children, along with care coordination and other needed medical and health services for children and youth with chronic conditions.

METHODS

ASTHO surveyed 59 SHAs via a Web-based survey that was fielded in November 2008, January 2009, and approximately every six months since then for a total of eleven survey rounds. Since 2008, the survey has generated a total of 55 respondents (50 states, four territories and the District of Columbia). In December 2013, 44 states and one territory responded to the survey. Slight changes to the survey instrument were made at various time points. Data analysis was conducted using SPSS statistical software.

ACKNOWLEDGMENTS

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REFERENCES

¹ To accurately represent the jobs lost in all state health agencies, this number accounts for states that did not respond to individual rounds of the Budget Cuts Survey by using state population data to estimate jobs lost when a state did not respond.

²<http://www.naccho.org/topics/infrastructure/lhdbudget/upload/Survey-Findings-Brief-8-13-13-3.pdf>

³ Data for total state and local health department workforce was calculated using the results of the ASTHO and NACCHO 2012-2013 Profile Surveys.