Budget Cuts Continue to Affect the Health of Americans

Update December 2012

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

Fifty agencies (46 states, 3 territories, and DC) have reported budget cuts since July 2008, based on the results of the ASTHO Budget Cuts Surveys (**figure 1**). The number of SHAs reporting budgets smaller than the previous fiscal year is also displayed in figure 1. With 20 SHAs reporting budget cuts between July 2011 and June 2012 and two SHAs reporting budget cuts for the first time this survey round, the graph demonstrates that budget cuts, while showing slight increases and decreases over time, are not showing any definitive signs of tapering off. Of those states reporting budget cuts in FY 2012, the amount cut ranged from 1% to 15%, with an average cut of approximately 4% 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 and June 30, 2012 and the percentage of SHAs experiencing reduced workforce capacity since July 2008.

Figure 2. Percentage of SHAs Experiencing Reduced Workforce Capacity and Programs, June 2012 and Cumulatively (since July 2008)

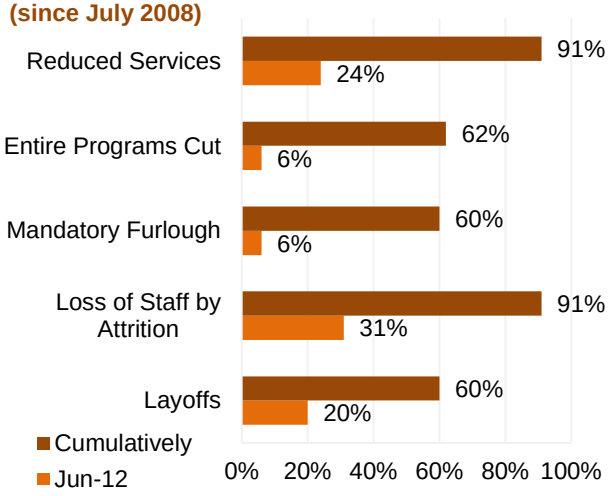
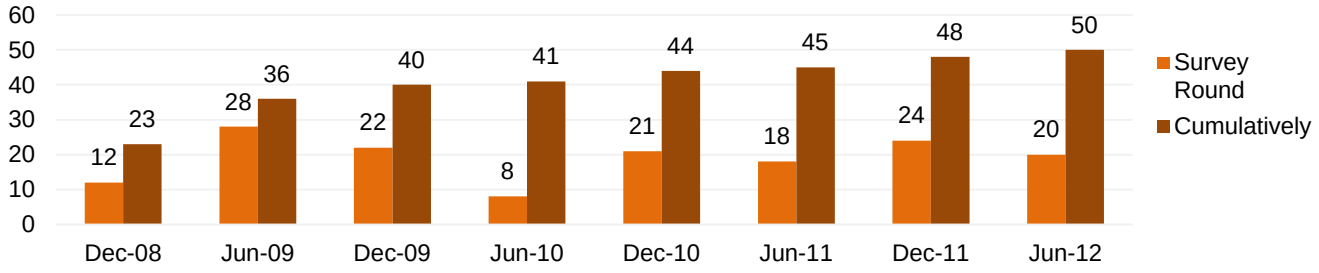


Figure 1. Number of SHAs Reporting Budget Cuts by Survey Round and Cumulatively



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PUBLIC HEALTH JOB CUTS

- **Approximately 9,800 state jobs have been lost in central, local and regional offices.**
  - **About 6,350 state employees in central offices lost their jobs.[1]**
  - **More than 3,450 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 cuts[2] reveals that *more than 46,000 state and local jobs have been lost since 2008. This represents nearly 21% 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.

More than a half (58%) of all health agencies imposed furloughs since FY10.

- Since FY10, state employees in central offices took over 276,000 furlough days, the equivalent loss of almost 1,200 full-time workers.
- Since FY10, state employees assigned to local/regional offices took nearly 5,300 furlough days, the equivalent of 23 full-time workers.

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

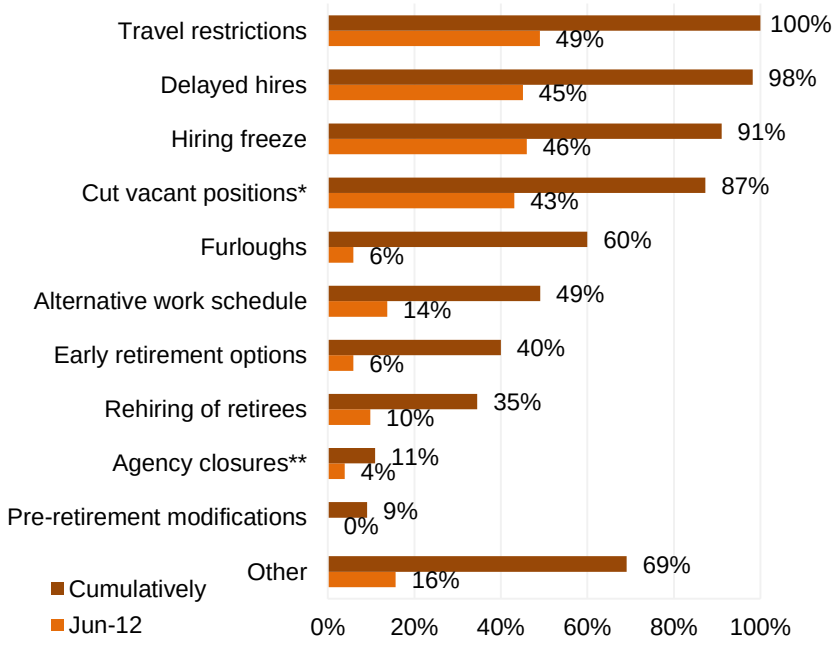
	Central	Local/Regional	Total
FY09	1,920	800	2,700
FY10	1,730	905	2,650
FY11	1,705	975	2,700
FY12	1,015	750	1,750
Total	**6,350**	**3,450**	**9,800**

Note: Individual estimates are rounded to the nearest 5 jobs; fiscal year totals are rounded to the nearest 50 jobs.

COST-SAVING STRATEGIES

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

Figure 3. Percentage of SHAs Implementing Cost-saving Strategies June 2012 and since July 2008



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

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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)	22	40%
Family health and nutrition (including WIC)	22	40%
Maternal and child health programs	20	36%
Prevention programs	18	33%
Tobacco prevention and control	17	31%
Immunization	17	31%
Children with special healthcare needs	17	31%
Family planning services	16	27%

STATE EXAMPLES OF PROGRAM CUTS

- **Alabama** has experienced a reduction in funding for immunizations.
- **Iowa** has limited eligibility, reduced frequency of services, and reduced the number of people served for almost all programs.
- **Maryland** has closed a care facility for persons with intellectual disabilities.
- **Ohio** has reduced grants to service provicers in the areas of immunization, Chidren and Family Health Services, and early intervention. Ohio has also reduced operations for its epidemiology program, necessitating a reduction in the time an epidemiologist can spend studying birth defects..
- **Washington** has reduced services in its drinking water and environmental water quality program, as well as family planning and tobacco cessation.

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. Nearly one-quarter (24%) of SHAs reduced services in the first six months of 2012.

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 nine survey rounds. Since 2008, the survey has generated a total of 55 respondents (50 states, four territories and the District of Columbia). In August 2012, 47 states, three territories, and the District of Columbia responded to the survey. Slight changes to the survey instrument were made at various time points. Data analysis was conducted using SPSS statistical software.

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/Research-Brief-Final.pdf

[3] Data for total state and local health department workforce calculated using results of the ASTHO and NACCHO 2010 Profile Surveys.

ACKNOWLEDGMENTS

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