

# Funding for Public Health

## *One Hand Giveth While the Other Taketh Away*

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*Bernard J. Turnock, MD, MPH*

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A little money devoted to public health has always gone a long way, reaping huge benefits in terms of improved health status and quality of life. Yet, despite the accomplishments and benefits achieved over the past century, less than one percent of all health spending supports population-based public health activities. Advocates have long argued that public health activities generated by the state and local governmental agencies comprising the public health infrastructure are woefully underfunded.

In recent years, however, two developments provided an unprecedented opportunity to increase support for the public health infrastructure. Beginning in 2002, more than \$1 billion annually has been channeled to state and local public health agencies for bioterrorism preparedness, and it is likely that several more years of support can be anticipated. This represents about a 20 percent increase in federal support for population-based public health services and comes on the heels of the arrival of even more massive funding available for health purposes through the 1998 settlement with the major tobacco companies.

Illinois, including Chicago, now receives more than \$250 million annually in tobacco settlement funds and another \$50 million each year for bioterrorism and emergency preparedness and response. The \$300 million total is about three times the amount of state general revenue funding appropriated to the state health agency in Illinois and twenty times the amount of state support for the public health infrastructure.

Despite these developments, concerns regarding an inadequately funded public health infrastructure persist. How can this occur amidst the two largest public health funding opportunities of this century or the last? Several economic and political forces appear to be at play, resulting in tobacco settlement funding being diverted to many non-health related purposes and federal bioterrorism funds supplanting state and local support for public health activities.

Critical in Illinois and many other states are state budgets in heavy deficit mode, threatening significant reductions in state general revenue funding for the state health agency and local public health departments now and in future years. The budget crisis in Illinois, for example, prompted the enactment of early retirement programs that resulted in the displacement of many middle- and senior-level staff within the state health agency. The net effect is an environment conducive to supplanting state and local resources with tobacco settlement and federal bioterrorism preparedness funds. Although federal guidance specifically prohibits supplanting state and local resources, supplanting has become an issue in nearly all states and large cities.

For tobacco settlement funds, supplanting takes a somewhat different form. In Illinois, only a small portion is directed toward tobacco-related health problems. Most is used to plug gaps in other parts of the state budget or even to provide politically popular rebates to taxpayers. Tobacco settlement funds are viewed as a fiscal and political windfall rather than repayment to the state for past and future damages caused by tobacco use. This windfall plugs holes in public budgets and subtly encourages state and local governments to reduce investments in the public health infrastructure using state and local funds.

While federal bioterrorism preparedness funding has begun to enhance the public health infrastructure, the experience in Illinois and other states demonstrates that systems take time and need sustained support. Even with several years of early work to develop the health alert network and upgrade disease surveillance systems, it will be several more years until these systems are completed, fully functional, and integrated into a national network. The development of a comprehensive public health workforce preparedness system will also take several years, as will true multi-state planning. It is unrealistic to believe that these systems can be up and running after only a year or two of funding.

The influx of tobacco settlement and federal bioterrorism funds represents an incredible opportunity for improving the public health system. Unfortunately, much of that opportunity has already been lost and what remains will face serious challenges in the days that lie ahead.

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*Bernard J. Turnock, MD, MPH, clinical professor, Community Health Sciences Division, and director, Center for Public Health Practice*

