HEALTH FUND MEETING

SEPTEMBER 26, 2019

Kara Odom Walker, MD, MPH, MSHS
Cabinet Secretary
Department of Health and Social Services
AGENDA

- Welcome and Introductions
- Approval of Minutes
  - October 28, 2018 Meeting
- Litigation Update
- Budget Update
- Overview of Delaware Health Trends
- Innovation Fund Update
- Process for Developing FY 21 Recommendations
- Public Comment
- Adjournment
LITIGATION UPDATE

THOMAS BROWN, DEPUTY ATTORNEY GENERAL
State of Delaware
Financial Overview

Health Fund Advisory Committee
September 26, 2019
Agenda

• FY 2020 Budget Package Overview
• DEFAC Revenue Forecast
• Cost Drivers
• Spending Limitations
• FY 2021 and What’s Next
Fiscal Year 2020 Financial Package

- **General Fund Operating Budget**……..$4,451.9 M
  - GF Operating Budget Growth 4.24% ($181.1 M)

- **Bond and Capital Improvements Act**……..$862.9 M
  - State Capital Projects . . . . . . . . $437.6 M
    - G.O. Bonds . . . . . . $230.5 M
    - Cash . . . . . . . . . . . . $184.3 M
    - Other . . . . . . . . . . . . $22.8 M
  - Transportation Authorizations . . . $425.3 M

- **Grants-In-Aid**……………………..$55.1 M

- **One-Time Supplemental**……………………$62.0 M

- **Budget Stabilization Fund**…………..$126.3 M
DEFAC: Five Year Revenue Forecast

![Revenue Forecast Chart]

- FY 2019: $4,591.9 (4.5%)
- FY 2020: $4,618.8 (0.6%)
- FY 2021: $4,735.7 (2.5%)
- FY 2022: $4,857.8 (2.6%)
- FY 2023: $4,981.0 (2.5%)
- FY 2024: $5,137.3 (3.1%)

June 2019 DEFAC | Sept 2019 DEFAC
Cost Drivers: Avg. Enrollment for Medicaid

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Enrollees</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011</td>
<td>193,633</td>
</tr>
<tr>
<td>FY 2012</td>
<td>207,067</td>
</tr>
<tr>
<td>FY 2013</td>
<td>212,693</td>
</tr>
<tr>
<td>FY 2014</td>
<td>217,658</td>
</tr>
<tr>
<td>FY 2015</td>
<td>224,198</td>
</tr>
<tr>
<td>FY 2016</td>
<td>228,045</td>
</tr>
<tr>
<td>FY 2017</td>
<td>227,209</td>
</tr>
<tr>
<td>FY 2018</td>
<td>234,936</td>
</tr>
<tr>
<td>FY 2019</td>
<td>236,113</td>
</tr>
</tbody>
</table>
Cost Drivers: Student Units

Source: September 30th Student Enrollment and Unit Allotment Reports. Figures do not include units earned by Dover Air Force Base.
Spending Limitations

- 98% Appropriation Limit
- 2% Set-Aside
- 5% Rainy Day Fund
- Executive Order 21
  - EO is Non-binding to the General Assembly
- Debt Issuance

29 Del. Code §7422: https://delcode.delaware.gov/
EO 21: https://governor.delaware.gov/executive-orders/eo21/
What does this mean for FY 2021?

- Continue to budget for a “sustainable” future
  - $37.6 M of the $47.4 M DEFAC FY 2021 revenue increase is related to Abandoned Property and Lottery
  - DEFAC five year revenue growth trend is approx. 2.3% annually…
  - One Time investments vs building the base

- Watchful eye on an economic downturn
  - DEFAC’s concern over the Yield Curve inverting
  - Recovery has lasted 10 years…how much longer?
What’s Next?

- October – review of agency budget request submission
- October/November – OMB Public Hearings – Operating and Capital Budget Requests
- December 18, 2019 – DEFAC Meeting
- January 2020 – Governor’s Recommended Budgets
- February – JFC Public Hearings – Operating Budget
- February – Bond Bill Public Hearings – Capital Budget
- March – DEFAC
- April – DEFAC
- May – DEFAC
- May – JFC Markup – Operating Budget
- June – DEFAC
- June – Bond Bill Markup – Capital Budget
OVERVIEW OF DELAWARE HEALTH TRENDS
Life Expectancy vs. Health Expenditure
(adjusted for inflation and PPP-adjusted for price differences between countries)
Delaware’s Overall Health

- Progress made, but we rank 31st in America’s Health Rankings
- Sicker than average state
- Older and aging faster than other states
<table>
<thead>
<tr>
<th>Measure</th>
<th>2018 Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drug Deaths</td>
<td>24.0 (deaths/100,000 pop)</td>
<td>42</td>
</tr>
<tr>
<td>Cancer Deaths</td>
<td>200.8 (deaths/100,000 pop)</td>
<td>36</td>
</tr>
<tr>
<td>Infant Mortality</td>
<td>8.4 (deaths/1,000 live births)</td>
<td>48</td>
</tr>
<tr>
<td>Diabetes</td>
<td>11.3% (% of adults)</td>
<td>36</td>
</tr>
<tr>
<td>High Blood Pressure</td>
<td>34.9% (% of adults)</td>
<td>40</td>
</tr>
<tr>
<td>High Cholesterol</td>
<td>34.6% (% of adults)</td>
<td>35</td>
</tr>
<tr>
<td>Health Status</td>
<td>47.8% (% of adults report high health status)</td>
<td>38</td>
</tr>
</tbody>
</table>
Cancer Incidence by Race, Delaware, 2001-2005 to 2011-2015

Source: Cancer Incidence and Mortality in Delaware, 2011-2015
Cancer Mortality by Race, Delaware, 2001-2005 to 2011-2015

Source: Cancer Incidence and Mortality in Delaware, 2011-2015
CARDIOVASCULAR DISEASE

Five-Year Age-Adjusted Mortality Rates for Cerebrovascular Diseases, by Race-Sex, 2001-2017

- Non-Hispanic Caucasian Male
- Non-Hispanic Caucasian Female
- Non-Hispanic African American Male
- Non-Hispanic African American Female

*Rates per 100,000, adjusted to U.S. 2000 population.
(Source: Delaware Department of Health and Social Services, Division of Public Health, Delaware Health Statistics Center)
Prevalence of Delaware Adults Diagnosed with Hypertension, 2001-2017

Source: Delaware Health & Social Services, Division of Public Health, Behavioral Risk Factor Survey (BRFS), 2001-2017
Five-Year Age-Adjusted Mortality Rate for Essential Hypertension and Hypertensive Renal Disease, Race-Sex, 2001-2017

*Rates per 100,000, adjusted to U.S. 2000 population.
Source: Delaware Department of Health and Social Services, Division of Public Health, Delaware Health Statistics Center
### AMERICA’S HEALTH RANKINGS: NOTABLE RISK FACTORS

<table>
<thead>
<tr>
<th>Measure</th>
<th>2018 Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Inactivity</td>
<td>31.0% (% of adults)</td>
<td>41</td>
</tr>
<tr>
<td>Physical Inactivity Among Women</td>
<td>29.5% (% of women aged 18-44)</td>
<td>50</td>
</tr>
<tr>
<td>Frequent Mental Distress</td>
<td>13.7% of adults (increase of 23%)</td>
<td>35</td>
</tr>
<tr>
<td>Insufficient Sleep</td>
<td>36.8% (% of adults)</td>
<td>39</td>
</tr>
<tr>
<td>Missed School Days</td>
<td>4.4 (% aged 6-17)</td>
<td>38</td>
</tr>
</tbody>
</table>
Prevalence of Delaware Adults Diagnosed with Diabetes, 1995-2018

Source: Delaware Health & Social Services, Division of Public Health, Behavioral Risk Factor Surveillance System (BRFSS), 1995-2018
Obesity Doubled Among Delaware Adults Between 1992 and 2007

Source: Delaware Health & Social Services, Division of Public Health, Behavioral Risk Factor Survey (BRFS), 1992-2011.
Obesity Among Delaware Adults: 2011 - 2018 Trend

Source: Delaware Health & Social Services, Division of Public Health, Behavioral Risk Factor Survey (BRFS), 2011-2018.
Prevalence\(^{\dagger}\) of Self-Reported Obesity Among U.S. Adults by State and Territory, BRFSS, 2018

\(^{\dagger}\) Prevalence estimates reflect BRFSS methodological changes started in 2011. These estimates should not be compared to prevalence estimates before 2011.

*Sample size < 50 or the relative standard error (dividing the standard error by the prevalence) \(\geq 30\%\).*
Percentage of High School Youth Who Are Obese*, 2017

Source: Centers for Disease Control and Prevention (CDC), Youth Risk Behavior Survey (YRBS), 2017

*≥ 95th percentile for body mass index, based on sex- and age-specific reference data from the 2000 CDC growth charts
Percentage of High School Youth Who Are Obese*, 1999 -2017

Source: Centers for Disease Control and Prevention (CDC), Youth Risk Behavior Survey (YRBS), 2017

*≥ 95th percentile for body mass index, based on sex- and age-specific reference data from the 2000 CDC growth charts
Percentage of High School Youth Who Are Obese*, 1999 - 2017

Source: Centers for Disease Control and Prevention (CDC), Youth Risk Behavior Survey (YRBS), 2017

*≥ 95th percentile for body mass index, based on sex- and age-specific reference data from the 2000 CDC growth charts
PHYSICAL ACTIVITY

Delaware Adults Who Did Not Meet CDC Guidelines for Physical Activity, 2011-2017

Percent of Adult Delawareans
Delaware Adults Who Did Not Meet CDC Guidelines for Physical Activity, 2011-2017

- 40.7% in 2011
- 39.6% in 2013
- 41.7% in 2015
- 43.8% in 2017
Percentage of High School Youth Who Were Not Physically Active*, 2017

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Delaware</th>
<th>U.S. Overall</th>
<th>Delaware Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>11</td>
<td>13.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Females</td>
<td>19.5</td>
<td>20.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blacks</td>
<td>19.8</td>
<td>23.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanics</td>
<td>16.1</td>
<td>23.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whites</td>
<td>13.6</td>
<td>11.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Centers for Disease Control and Prevention (CDC), Youth Risk Behavior Survey (YRBS), 2017

*Not physically active at least 60 minutes per day on all 7 days (doing any kind of physical activity that increased their heart rate and made them...
Percentage of Adolescents, Ages 6 through 17, Who Are Physically Active* at Least 60 Minutes Per Day Everyday, 2016-2017

Source: National Survey of Children’s Health (NSCH). Delaware sample size for stratification are small for race and ethnicity and estimates are unreliable.

*Parent’s report of child’s physical activity. During the past week, on how many days did this child exercise, play a sport, or participate in physical activity for at least 60 minutes (0 days; 1-3 days; 4-6 days; Everyday)
Prevalence of Selected Lifestyle Factors, Delaware Middle School Girls

1. Did Not Play on a Sports Team in Previous 12 Months*
2. Not Physically Active at Least 1 Day in 7 Days before Survey*
3. Watched TV 3+ Hours/Day on Typical School Day*
4. Described Self as Overweight/Obese

*Comparative data for White and Black females in Middle School 2017.
Prevalence of Selected Lifestyle Factors, Delaware High School Girls

- Did Not Play on a Sports Team in Previous 12 Months
- Not Physically Active at Least 1 Day in 7 Days before Survey*
- Watched TV 3+ Hours/Day on Typical School Day*
- Described Self as Overweight/Obese

*Difference is statistically significant
Source: Youth Risk Behavior Survey, Delaware public schools, 2017
TOBACCO USE

Percent of Delaware Adults Reporting Any Tobacco Use, 2010-2017

CIGARETTE SMOKING IS NO LONGER THE BEST INDICATOR

- Cigarettes: 6.2%
- Little Cigars, Cigarillos, Cigars: 7.3%
- e-Cigarettes: 13.6%

38% of high school students reported trying e-cigarettes in 2017

Source: Delaware Health & Social Services, Division of Public Health, Youth Risk Behavior Survey (YRBS), 1999-2017
Percentage of Delaware High School Students Currently Using Electronic Vapor Products,* 2017

*Including e-cigarettes, e-cigars, e-pipes, vape pipes, vaping pens, e-hookahs, and hookah pens [such as blu, NJOY, Vuse, MarkTen, Logic, Vapin Plus, eGo, and Halo], on at least 1 day during the 30 days before the survey

Source: Delaware Health & Social Services, Division of Public Health, Youth Risk Behavior Survey (YRBS), 1999-2017
Percentage of Delaware High School Students Who Currently Use *Any* Tobacco Products,* 2017

By Sex,† Grade,† and Race/Ethnicity

*On at least 1 day during the 30 days before the survey, includes cigarettes, cigars, little cigars, smokeless tobacco, and electronic devices or e-cigarettes.

Source: Delaware Health & Social Services, Division of Public Health, Youth Risk Behavior Survey (YRBS), 1999-2017
# National Vaping Trends Among Youth

## Table 1. Prevalence of Nicotine Vaping among Adolescents, 2017–2019.*

<table>
<thead>
<tr>
<th>Reporting Interval and Grade in School</th>
<th>Prevalence in 2017 (95% CI)</th>
<th>Prevalence in 2018 (95% CI)</th>
<th>Prevalence in 2019 (95% CI)</th>
<th>Change, 2018 to 2019 (95% CI)†</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past 30 days</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12th grade</td>
<td>11.0 (9.2–13.0)</td>
<td>20.9 (17.7–24.5)</td>
<td>25.4 (22.6–28.4)</td>
<td>4.5 (0.9–8.1)</td>
</tr>
<tr>
<td>10th grade</td>
<td>8.2 (6.6–10.2)</td>
<td>16.1 (14.0–18.6)</td>
<td>20.2 (17.8–22.8)</td>
<td>4.1 (0.9–7.2)</td>
</tr>
<tr>
<td>8th grade</td>
<td>3.5 (2.9–4.2)</td>
<td>6.1 (5.1–7.4)</td>
<td>9.0 (7.6–10.5)</td>
<td>2.8 (1.2–4.4)</td>
</tr>
<tr>
<td>Past 12 months</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12th grade</td>
<td>18.8 (16.5–21.4)</td>
<td>29.7 (26.1–33.6)</td>
<td>35.1 (31.8–38.6)</td>
<td>5.4 (1.1–9.6)</td>
</tr>
<tr>
<td>10th grade</td>
<td>15.8 (13.6–18.3)</td>
<td>24.7 (21.9–27.7)</td>
<td>31.1 (28.3–34.0)</td>
<td>6.4 (2.7–10.1)</td>
</tr>
<tr>
<td>8th grade</td>
<td>7.5 (6.6–8.5)</td>
<td>10.9 (9.4–12.6)</td>
<td>16.1 (14.1–18.2)</td>
<td>5.2 (2.8–7.6)</td>
</tr>
<tr>
<td>Ever</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12th grade</td>
<td>25.0 (22.4–27.7)</td>
<td>34.0 (30.3–38.0)</td>
<td>40.5 (37.3–43.8)</td>
<td>6.5 (2.3–10.7)</td>
</tr>
<tr>
<td>10th grade</td>
<td>21.4 (19.2–23.9)</td>
<td>28.6 (25.8–31.6)</td>
<td>36.4 (33.5–39.4)</td>
<td>7.7 (4.0–11.5)</td>
</tr>
<tr>
<td>8th grade</td>
<td>10.6 (9.5–11.8)</td>
<td>13.5 (11.8–15.3)</td>
<td>20.7 (18.5–23.1)</td>
<td>7.2 (4.6–9.9)</td>
</tr>
<tr>
<td>Daily‡</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12th grade</td>
<td>—</td>
<td>—</td>
<td>11.7 (9.8–14.0)</td>
<td>—</td>
</tr>
<tr>
<td>10th grade</td>
<td>—</td>
<td>—</td>
<td>6.9 (5.7–8.0)</td>
<td>—</td>
</tr>
<tr>
<td>8th grade</td>
<td>—</td>
<td>—</td>
<td>1.9 (1.4–2.5)</td>
<td>—</td>
</tr>
</tbody>
</table>

* In all years, increases in prevalence are significant at P<0.05. The 95% confidence intervals (CI) have not been adjusted for multiple comparisons. Unweighted sample sizes vary slightly by outcome. In 12th grade, the range is from 4077 to 4310; in 10th grade, from 4420 to 4721; and in 8th grade, from 4382 to 4909. (For trends in cigarette smoking during the previous 30 days in 2018–2019, see the Supplementary Appendix.)

† Values may differ slightly from the difference between the 2019 and 2018 estimates because of rounding.

‡ Daily nicotine vaping was defined as vaping nicotine on 20 or more of the previous 30 days and was first assessed in 2019.
INFANT MORTALITY

Five-Year Infant Mortality Rates, 2001-2015

Source: Delaware Health and Social Services, Division of Public Health, Vital Statistics Data, 2001-2015 (See INFANT4 vital statistics)
Infant Mortality Rates (IMR) in Delaware by Census Tracts, 2010-2017

Source: Delaware Health Statistics Center, 2010-2017
Notes: 2010 Census Tracts. Infant deaths based on 2010-2017 linked birth and death files. There were 671 total infants deaths during 2010-2017 of which 658 (96.0%) were matched. IMR is defined as infant deaths per 1,000 live births. Births <30 and deaths <10 are suppressed.
AMERICA’S HEALTH RANKINGS: SOCIAL DETERMINANTS OF HEALTH (SDOH)

<table>
<thead>
<tr>
<th>Measure</th>
<th>2018 Value</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Violent Crime</td>
<td>45.3 offenses/100,000 pop</td>
<td>38</td>
</tr>
<tr>
<td>Disconnected Youth</td>
<td>14.3% of youth ages 16-24</td>
<td>41</td>
</tr>
<tr>
<td>Income inequality</td>
<td>0.481 (Gini Ratio)</td>
<td>41</td>
</tr>
<tr>
<td>Neighborhood Amenities</td>
<td>28.8% (% of children aged 0-17)</td>
<td>38</td>
</tr>
<tr>
<td>Supportive Neighborhoods</td>
<td>52.5% (% of children aged 0-17)</td>
<td>39</td>
</tr>
<tr>
<td>Underemployment Rate</td>
<td>9.7% (% of civilian workforce)</td>
<td>43</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>4.8% (% of civilian workforce)</td>
<td>38</td>
</tr>
</tbody>
</table>
Life Expectancy at Birth by Census Tracts, Delaware

Notes:
The life expectancy at birth were estimated using 2010-2015 death data. Unshaded census tracts do not have complete age-specific mortality information and acceptable mortality schedules.

Sources:
- US Census Bureau
Racial wealth divide in Wilmington

High School Degree or Higher

- 81.2% Black
- 85.9% Asian
- 64.4% Latino
- 92.7% White

Over 35% of Latinos do not have at least a high school degree

Median Household Income

- $30,034 Black
- $32,976 Latino
- $60,772 White
- $70,461 Asian
Source: Dahlgren and Whitehead, 1991
Health Factors and Outcomes in Top and Bottom Performing Counties for Severe Housing Cost Burden

Severe Housing Cost Burden
- Top Performing (10%) Counties
- Bottom Performing (10%) Counties

- Food Insecurity
  - % of population
  - Top: 11%
  - Bottom: 15%

- Children in Poverty
  - % of those <18
  - Top: 15%
  - Bottom: 22%

- Self-Rated Poor Health
  - % of adult population
  - Top: 13%
  - Bottom: 19%

countyhealthrankings.org
Shortage of Affordable Rental Homes in Delaware

**Key Facts**

- **27,522 OR 27%**
  Renter households that are extremely low income

- **$24,600**
  Maximum income for 4-person extremely low income household (state level)

- **$45,439**
  Annual household income needed to afford a two-bedroom rental home at HUD’s Fair Market Rent.

- **-17,114**
  Shortage of rental homes affordable and available for extremely low income renters

- **70%**
  Percent of extremely low income renter households with severe cost burden
Across counties, every 10% increase in the share of households severely cost burdened is linked to...

29,000 more children in poverty
86,000 more people who are food insecure
84,000 more people in fair or poor health

countyhealthrankings.org
Adapted by the author from Gibson et al. 2011, Sandel et al. 2018, Maqbool et al. 2015, and Braveman et al. 2011.
INNOVATION FUND
The FY 20 budget included the $1 million for the Innovation Fund proposed by HFAC.

- Division of Public Health Block Grant review committee will solicit and review applications for projects that fit categories proposed by HFAC.
  - DPH will report back to HFAC annually on funded projects.
- Applications will be requested starting in January and will be evaluated and funded on a rolling basis.
PROPOSED PRIORITIES

- Vaping Prevention
- Social Determinants of Health
  - Focus on housing access
- School Health
  - Physical Activity
  - Asthma
  - Vision
  - Mental Health
- Increasing Dental Access
- Reducing obesity and increasing physical activity throughout the lifespan
PROCESS FOR DEVELOPING FY 21 RECOMMENDATIONS
FY 21 TIMELINE

- September
  - 9/26- Meeting #1
    - Overview of settlement and budget
    - Review of applications and recommendation scenarios
- October
  - 10/16- Meeting #2
    - TBD
  - 10/30- Meeting #3
    - TBD
    - Vote on final recommendations
- November
  - 11/15- Recommendations due to Governor Carney and the General Assembly
- Questions?
PUBLIC COMMENT
NEXT PUBLIC MEETINGS:

- **Wednesday, October 16, 2019**
  - 2:00 pm – 4:00 pm
  - Chapel, DHSS Campus, 1901 N. DuPont Highway

- **Wednesday, October 30, 2019**
  - 2:00 pm – 4:00 pm
  - Chapel, DHSS Campus, 1901 N. DuPont Highway
THANK YOU