



Maryland
Hospital Association

March 16, 2021

To: The Honorable Maggie McIntosh, Chair, House Appropriations Committee

Re: Letter of Support- House Bill 1043 - Local Health Services - Funding and Infrastructure

Dear Chair McIntosh:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment on House Bill 1043. The COVID-19 pandemic highlighted the need for the nation to rethink investments in our public health infrastructure, which is chronically underfunded. Public health spending nationwide fell as proportion of total health spending since approximately 2000 and in inflation-adjusted terms since the Great Recession.¹

Maryland is not unique in its budget gamble, which included cutting the core funding formula for local health departments during the tough economic times of the early 2000s. This funding never rebounded, and the consequences are coming to fruition at perhaps the worst possible time—a once-in-century pandemic. Hospitals and health systems increasingly partner with local health departments to support chronic disease management and populational health improvement, but the function of a local health department goes well beyond these endeavors.

HB 1043 begins a conversation about the current funding formulas. The current funding formulas, which were developed in the 1990s, do not account for the changing role of technology in public health, the growing threat of environmental disasters that affect Marylanders' health, and the potential rise of new viruses and other pathogens, like COVID-19. The core capabilities of a robust public health system are vital to respond to public health emergencies—including COVID-19, substance use disorder, and systemic racism and health equity. Local health departments cannot take on the challenges of tomorrow with the funding levels of the past.

For these reasons, we urge a *favorable report* on HB 1043.

For more information, please contact:

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¹ National Center for Health Statistics. National Health Care Spending In 2016. 2017; cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-andReports/NationalHealthExpendData/Downloads/NHE-Presentation-Slides.pdf