

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7462**

**BILL NUMBER:** HB 1010

**NOTE PREPARED:** Jan 14, 2021

**BILL AMENDED:**

**SUBJECT:** Health Officers and Local Health Departments.

**FIRST AUTHOR:** Rep. Lehman

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Jointly Employed Local Health Officers:* The bill establishes the Jointly Employed Local Health Officer Fund for the purpose of receiving, holding, and disbursing funds for grants-in-aid. It provides that the grants-in-aid apply only to county health departments and not to city health departments. It also provides that a jointly employed local health officer means a local health officer that is jointly employed by two or more counties.

The bill provides that the auditor of each county that jointly employs a local health officer that is also employed by one or more other county or counties shall annually certify that employment to the Indiana State Department of Health (ISDH). It provides that the ISDH shall distribute from the fund a grant-in-aid subsidy not to exceed \$60,000 per county by which the jointly employed local health officer is employed that is to be applied to the local health officer's annual salary. The bill provides that certain costs associated with the fund when two counties are acting jointly must be prorated based on the populations of the participating counties.

The bill provides that the ISDH shall distribute the grant-in-aid subsidies from the fund on a schedule determined by the ISDH.

*Health Officer Qualifications:* It sets requirements for the director of the division of public health for a health and hospital corporation and certain health officers.

*Local Board of Health:* It removes: (1) confirmation for certain local health department personnel; and (2) approval of duties; by the local board of health. It also specifies that a county executive or a city executive appoints a local health officer (current law states that the board of health appoints the local health officer).

*Local Health Officer Duties:* It specifies that the local health officer manages the local health department (current law provides that the board of health manages the local health department).

*Second Class Cities:* The bill prohibits the establishment of any new second class city departments of health.

*Recommendation:* The bill requires a multiple county board of health to submit recommendations for a local health officer to the county executives of each participating county and requires the county executives to appoint the local health officer.

**Effective Date:** June 30, 2021; July 1, 2021.

**Explanation of State Expenditures:** The bill establishes the Jointly Employed Local Health Officer Fund to be administered by the ISDH. The bill states that the fund is to be continuously appropriated from the state General fund to provide grants-in-aid for up to \$60,000 per county. The grants are to be used for a jointly employed local health officer's salary. The amount appropriated to the fund will depend on the number of counties that jointly employ a local health officer. Administration of the fund is expected to be within the resources of the ISDH. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

The bill potentially reduces the number of county health departments statewide by providing incentives for the county health departments to operate jointly. To the extent that ISDH would potentially have fewer local health officers to receive information from, train, and/or remove from office, this may reduce the workload of the ISDH. The workload is likely to be redistributed among the other functions of the ISDH rather than result in direct savings.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Summary* - A county legislative body will have minimally increased administrative workload and expenses to appoint and oversee a local health officer, including potential removal of a local health officer from office. The health officer will have the authority to appoint and direct the activities of local health department staff without approval of the local board of health. To the extent that county health departments operate jointly, there may be some additional administrative resources required to jointly appoint the local health officer and operate a joint board of health. [IC 16-20-3 provides the structure of a multiple county health department.]

Upon determination by the county fiscal body, a local board of health member's reimbursement may be reduced due to having more limited responsibilities or resulting from fewer members in jointly operated counties. Members are entitled to compensation as determined by the county fiscal body by which they are appointed.

*Health Officer Qualifications:* The qualifications for a health officer of a local health department or the public health division director of the Marion County Health and Hospital Corporation will now include education, certification, or experience in public health in addition to being a licensed physician. Some local areas may have a reduced number of candidates. However, jointly employing a health officer may mitigate the impact of the additional qualifications.

*Additional Information* - There are 94 local health departments in Indiana; 3 are city health departments, one is jointly operated between Fayette and Warren Counties, Jay County does not have a county health

department, and Carroll County does not currently have a health officer.

The county health departments operate under the combined authority of local boards of health and the ISDH. The ISDH delegates to the county health departments some of its statutory responsibilities and county health departments have additional responsibilities under state law. County health departments and city departments of health are agencies of local government administratively responsible to the county or city executive.

**Explanation of Local Revenues:** Each county that jointly employs a local health officer will receive up to \$60,000 from the fund to apply to the officer's salary.

**State Agencies Affected:** ISDH.

**Local Agencies Affected:** County executives, county fiscal bodies, local boards of health, local health officers, Marion County Health and Hospital Corporation.

**Information Sources:** <https://www.in.gov/isdh/24822.htm>, accessed on January 13, 2021.

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