

**STIMULUS FUNDING FOR PUBLIC HEALTH AND PREVENTION WILL  
CREATE JOBS IN THE SHORT RUN AND REDUCE HEALTH CARE  
SPENDING IN THE LONG RUN**

The American Recovery and Reinvestment Act proposes funding for a number of public health and disease prevention programs that will create new jobs, help retain existing jobs, and help contain the nation’s skyrocketing health care costs.

The U.S. House of Representatives stimulus bill contains funding for disease prevention and wellness; health information technology; and pandemic flu and public health emergency preparedness. The final U.S. Senate version of the bill removed all funding for these programs.

|  | <b>House Version of the American Recovery and Reinvestment Act</b>                      |
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| <b>Prevention and Wellness</b>                               | More than \$3 billion   |
| <b>Pandemic Flu and Public Health Emergency Preparedness</b> | \$900 million for biomedical research and development, pandemic flu, and cyber security |
| <b>Health Information Technology (HIT)</b>                   | \$20 billion  |

- **More Than 20,000 Public Health Jobs Hang in the Balance; More than 11,000 Workers Have Already Been Laid Off.** The proposed stimulus money is needed to restore jobs, limit layoffs, and create new jobs. The funding proposed in the House bill could directly save or create more than 20,000 public health positions. As states, local governments, and communities are hit with economic hard times, they have already laid off more than 11,000 public health workers and left over 10,000 jobs vacant, and at least as many layoffs are expected in the coming year. In addition, by funding the expansion of targeted, effective community-based disease prevention programs, additional new jobs will be created directly in the communities they are serving.
  - **Growth Industry Jobs:** The types of jobs the public health funding would support are in one of the nation’s only growth industries -- the health sector.
  - **Jobs for Women:** The funding for public health would help support the female labor forces, since 75 percent of the public health workforce is women. A large portion of the other stimulus funding supports construction and male-dominated industries.
  
- **Funding Would Have Immediate Payoff in Jobs and Bolstering the Public Health Supporting Infrastructure in Communities.** The funding would support existing programs, where mechanisms are in place to get the money out

quickly so it can have an immediate impact on the economy. Some of these programs include the Prevention Block Grants, Maternal and Child Health Block Grants, and Healthy Communities Grants, where money goes to state and local health departments and community health organizations.

- **Support for the Health Safety Net for the Unemployed, Uninsured, and Underinsured.** During the economic down term, support for public health is needed to provide a safety net for the uninsured and underinsured, whose numbers are growing as unemployment rates rise. Public health agencies help fill in the gaps for care for basic health services as well as programs aimed at reducing rates of diabetes, heart disease, and other major diseases in communities. The House version of the stimulus contains \$3 billion for preventive services, which would help maintain the health of families and communities hard hit during the recession.
- **Funding is Also a Down Payment on Controlling Health Care Costs in the Long Term.** The public health stimulus funding is also a down payment toward reducing health care costs over the long term. The stimulus investment in public health will also have wide and far reaching impact, by helping improve the productivity of the U.S. workforce and contain the skyrocketing costs of health care. Containing health care costs is one of the most important factors for improving the U.S. economy. According to the Center on Budget and Policy Priorities, rising health care costs are the single largest cause of rapidly rising federal expenditures.

Keeping people healthier is one of the most important ways to lower health care costs. How healthy Americans are is inextricably tied to the nation's economy. Fundamental health care reform, particularly reform that focused on ways to keep Americans healthier, is essential to solving the America's current financial crisis.

Many prevention programs have been shown to help reduce disease rates while reducing health care costs.

- **ROI for Prevention:** In 2008, Trust for America's Health (TFAH) released a report *Prevention for a Healthier America: Investments in Disease Prevention Yield Significant Savings, Stronger Communities*, using an economic model developed by researchers at the Urban Institute which found that for every \$1 spend on proven community-based disease prevention programs, the country could save \$5.60 in health care costs within five years.
- **Health Care Savings and Economic Vitality:** The January 2009 "Maximizing the Stimulus Effect of Prevention Activities" analysis by the Urban Institute experts concluded community-based disease prevention programs by definition do not increase health care costs and have been shown to reduce health spending within short time periods. Community-based prevention programs can also have "spillover effects on the quality

of life and economic vitality” in communities. The researchers also conclude that investments in community-based disease prevention programs help reduce rates of disease as well as health care costs “upstream,” helping people avoid developing diseases in the first place and preventing individuals with early cases of diabetes and hypertension from developing more serious and costly complications, and that these programs not only generate short- and long-term health care savings, “but also increased productivity at school and work as the result of reduced disease.”