

MINUTES
Budget Subcommittee
DAVIDSON COUNTY BOARD OF HEALTH

February 25, 2015
12:00 pm

BOARD MEMBERS PRESENT

Ms. Jana Andrews
Ms. Becky Daley
‘Dr. Michael Lanning
Commissioner Don Truell

STAFF PRESENT

Janie Ange
Darren Cecil
Mary Lou Collett
Monecia Thomas

VISITORS PRESENT

MINUTES

WELCOME

Monecia Thomas welcomed everyone to the meeting and thanked them for their time. The purpose of the meeting is for the Board of Health Budget Subcommittee to receive information about the health department budget. This meeting provides an opportunity for the Subcommittee to be aware of the details behind the 2015-2016 budget and to discuss the components.

The process for the approval of the budget includes a thorough review by this Board of Health Subcommittee, then review and approval by the entire Board of Health and then the budget is submitted to the County Commissioners for their review.

Overview of 2015-2016 Budget Proposal

Janie Ange provided an overview of the 2015-2016 Budget Proposal. She included the following items:

- The County has requested that the departmental budget include a 1/5 and 1/10 salary increase. Monecia explained how the 1/5 and 1/10 salary increase is determined. It was asked if this increase had been approved by the County Commissioners and Janie noted that although the increase has not been approved, all departments were asked to include this salary increase in the budget. Another question was asked about the amount of funds required to increase all county employee salaries. Ms. Thomas and Commissioner Truell estimated several hundreds of thousands of dollars for a 1.5% increase for all employees and over a million dollars for the 1/5 and 1/10 salary increase.
- Human Resources has suggested that for Health Insurance benefits, there should be a 5 – 5½ % increase included.
- The Mileage reimbursement increased from 56¢ to 57¢, so the amount of Travel expenses were increased.
- The Davidson County Community Health Assessment is due in March 2016. Typically, health departments complete an Assessment every 4 years. But, because of the partnerships with the local hospitals and their need to complete an Assessment every 3 years, the Health Department is now on a different cycle. Three years ago, we provided about \$12,000 for the Assessment and in-kind coverage in terms of staff time. This year, we have set aside about \$20,000

because we are not sure of the level of commitment from the 2 hospitals yet. The funds will be used to analyze primary and secondary data and prepare the final document.

- The Health Department no longer has a dental clinic and so all funding related to this program has been removed.
- The Northwest Community Care Network provides funding for various programs, including Primary Care Managers, Pregnancy (OBCM) and Care Coordination for Children (CC4C) Care Managers and the Health Check Coordinator. Ms. Thomas discussed the recent changes with the Primary Care Managers and the move towards the Care Managers/Nurses being employed by the Network, instead of the local health department. It was noted that the Network would have more control with the changes. During a conference call with the Executive Director of the Northwest Community Care Network, he noted that the Network would continue to cover the cost of the program as long as the current staff remained employed. A contract amendment has been prepared and signed indicating the continued support of the 2 remaining positions up to June 2015. It was mentioned in the conference call that the new agreement for 2015-2016 should be on its way soon.
- The WIC program has received information that the annual budget is being decreased by \$44,000 due to participation rates from last year during the time of the new electronic system implementation. Due to the decrease, a vacant Nutritionist position will not be filled.
- Healthy Mothers Healthy Babies funding was decreased by \$6,000. Typically, most of the funding is used for Family Planning and Prenatal Care services.
- A question was asked about funding for Davidson Medical Ministries. According to the agreement, when the Free Clinic transitioned to a Federally Qualified Health Center (FQHC), they would be provided with \$30,000 per year for 3 years. 2015-2016 will be the 3rd year for this funding.

Environmental Health Fees – Overview and Suggested Changes

Darren Cecil, Environmental Health Director, provided an overview and the suggested changes for the Environmental Health Budget.

The following items were distributed:

- *Environmental Health Fee Review Policy – Draft*
- *2015 Estimated Costs for Services*
- *Davidson County Fee Type – including Material Costs, Current Fee and Recommended Fee*
- *Environmental Health Fee Review Powerpoint*

Mr. Cecil is confident in the process used to determine the proposed fee changes. He noted that overhead is not calculated as a part of the formula.

According to the Environmental Health Fee Review Policy:

Environmental Health Fees will be studied biannually using the following methods:

1. *Assessing the actual cost related to performing the work for the requested service*

2. *A comparison of Environmental Health fees with the fees of a minimum of 10 counties that are demographically comparable.*
3. *A comparison of Environmental Health fees with the fees of all surrounding counties.*

He highlighted the following within the policy:

- Page 2 (4.2 F) - wording changed to be more specific
- Page 3 (4.3 D) – ‘and’ changed to ‘and/or’ to include the Central Permitting process
- Page 3 (4.5) – new effective date included
- Fee changes on page 4 and 5 were noted

Questions were asked regarding the following:

- How is Central Permitting progressing? Mr. Cecil noted that 90% of the Environmental Health clients still come to the Health Department office, instead of Central Permitting. He also noted that a high percentage of the completed paperwork from Central Permitting requires additional attention from the Environmental Health staff. It was noted that improvements are being made. For example, there is more communication between the two offices now and there is a move to create better coordinated training for the 3 technicians that are very new to this process for Environmental Health. The Central Permitting Supervisor recently resigned and a meeting has been held to discuss what type of skills and abilities are needed in a new hire. The current staff at Central Permitting includes 3 technicians, 1 receptionist and the supervisor. Mr. Cecil explained that the concept of Central Permitting is better for the clients and the office requires there to be more communication within typically siloed departments. But, he also noted that the process requires more work because of the errors that were made in Central Permitting and that staff have to be there for one hour each day (away from their desk and their own work).

Mr. Cecil reviewed the powerpoint, which included:

- The Demographics (Population and Median Annual Income) of the Counties used for comparisons and the mean, median and mode for fees.
- The On-Site Wastewater fees for Davidson County and the Peer Counties - He noted that for the <600 gpd IP Application Fee, Davidson County was a little lower. But, due to the state of the economy, it may not be best to increase this fee. This is also true for the ATC (Authorization to Construct). For the 601-1500 and >1500 gpd IP systems, Davidson County typically only has a few per year. A question was asked about a Repair Permit. Mr. Cecil explained that when a septic system is failing, a permit must be paid for and provided so the installer can repair it.
- The Application Fee for a Return Visit to a Site “not ready” for evaluation and the Return Visit to a Public Pool that is “not ready” increased from \$50 to \$60. This is basically a deterrent to encourage clients to have everything ready and prepared.
- The Application Fee for a New Private Water Supply Well increased from \$240 to \$260.
- The fee for Public Swimming Pools is comparable to the other counties.

- The Application for the Annual Permit for a Wading Pool, Spa, Public Swimming Pool increased from \$125 to \$150. A question was asked about the number of Public Pools in Davidson County. Mr. Cecil responded with about 85.
- The Application Fee for the Annual Permit of a Tattoo Artist remained the same and it is recommended that a Fee for a Temporary Permit for a Tattoo Artist be added for \$100.00. This permit would accommodate those that come to Davidson County on a temporary basis to provide tattoos. This addition may increase compliance for temporary artists who would have been asked to pay the \$250 fee.
- The Application Fee for a Plan Review of a Restaurant, Meat Market, Food Stand is \$250. This is the maximum allowed for plan review in the state statute. The Application Fee for Plan Review of a Mobile Food Unit was added at \$90. There was some discussion about the current legislation regarding Food Stands. Right now, the only difference between a Food Stand and a Restaurant are available seats. If the legislation changes, the Food Stands can have seating. Mobile units are typically served from a trailer of some type. A Mobile Food Unit is not the same as a Food Push Cart.

With the proposed fee changes, there may be an additional \$6700-\$6900 in revenue. Mr. Cecil estimates that there may be 10 Mobile Food Stand applications and 5 temporary tattoo artists in a year. The biggest increase in revenue will be seen with the changes in the public pools' fees.

Clinic Fees – Overview and Suggested Changes

Mary Lou Collett, Nursing Director, provided an overview and the suggested changes for the Personal Health Budget.

Ms. Collett mentioned that most fees are typically set by other policies. For example, the 340B program is a federal government program that requires drug manufacturers to provide drugs to eligible health care organizations at reduced prices. The intent of the program is to allow agencies to lower medication costs for patients. According to the Fee Policy 800.2 "*Fee for services will be established or increased based on Medicaid reimbursement rates or private lab rates at the time of rate change*".

The following items were distributed:

- *Personal Health Fee Recommendations*
- *Description, CPT Code, Current Fee, Medicaid Reimbursement Rates, Comparable Clinics' Fees and Proposed Rates for 2015-2016*

Ms. Collett reviewed several fees and the proposed fee changes.

She noted that the Pregnancy Test current fee is \$17.00. Based on the actual cost, estimated nurse cost, lab cost and office support cost, the total equals \$20.19. For this reason, Ms. Collett is proposing a total of \$20 for the fee. It was noted that following a pregnancy test, counseling and prenatal vitamins are provided.

For the Tuberculosis Skin Test (Mantoux), the current fee is \$12. Based on the actual cost, estimated nurse cost, and office support cost, the total equals \$15.53. For this reason, Ms. Collett is proposing a total of \$20 for the fee.

In addition it was noted that there were several CPT coded visits in which the Davidson County Health Department was not charging at least the Medicaid rate.

So, based on the Medicaid Reimbursement Rate, the following are proposed rate increases:

Office Visit Brief Sick (CPT 99201) increased from \$60 to \$63 (Medicaid Reimbursement Rate=\$62.10)

Office Visit Problem Focused (99202) increased from \$90 to \$95 (Medicaid Reimbursement Rate=\$93.15)

Office Visit Expanded (99203) increased from \$128 to \$135 (Medicaid Reimbursement Rate=\$132.48)

Ms. Collett reviewed the spreadsheet with the CPT Codes and the Fees from comparable clinics. The individual names of the clinics were not revealed. This spreadsheet provided an opportunity to compare the Davidson County Health Department fees to other offices and the Medicaid Reimbursement Rate.

A question was asked about the CPT Codes and the differences between a 99211, 99212 and a 99213. Ms. Collett explained that these are different levels of services and she provided clinical examples. At the Health Department, most of the visits tend to be coded as 99211 because they are problem-focused and considered brief office visits. Because the health department does not offer primary care, some codes are infrequently used.

Ms. Collett mentioned that historically, the health department rates have been affordable and comparable to other county health departments. She reminded the Board of Health members that the health department does very few pediatric appointments due to an agreement with the local practices.

A question was asked about the health department's services and clients being male or female. Ms. Collett provided the following information:

- Adult Health: Males and Females
- Sexually Transmitted Diseases: Males and Females
- Family Planning: Females only
- Child Health: Males and Females (<5 per month)

Health Budget – Review of Revenue

Janie Ange then provided a Review of the Revenues (State funds, Fees, Grants, and Medicaid). In Environmental Health, there is a small increase from last fiscal year (\$109,300 to \$115,532). The same can be said for Personal Health (.

Ms. Ange explained the current status for School Nurses. The State Nurse Funding Initiative (SNFI) provides 8 nurses for the 3 school systems. Using a designated formula, the state determines how many School Nurses each system receives.

Davidson County Schools = 2
Lexington City Schools = 3
Thomasville City Schools = 3

The State provides \$50,000 per School Nurse for a total of \$400,000. Each School System provides additional funding to cover the salary/fringe and training, etc. In addition, Davidson County Schools provides funding for 2 School Nurses for a total of 4. Davidson County Community College provides coverage for a nurse who is on-site for several hours each month. It was noted that Davidson County has the worst School Nurse to Student ratio in the state. The recommended state ratio is 1:750.

General Budget

The General Budget includes the majority of employees.

Travel was increased.

Professional Services (include a Nurse Practitioner and the Breast and Cervical Cancer Control Program (BCCCP). BCCCP's revenues were increased based on information from the state.

Telephone costs and Printing amounts were decreased.

\$20,000 was included for the development of a Community Health Assessment.

There was some discussion about salary increases.

Board members noted that the Budget sheets include Mileage and Travel as two line items. One line item refers to the use of the 2 Health Department vans that were purchased years ago for staff to use for workshops and training. There are also 5 cars in the Environmental Health budget. The other line item (Vehicle Mileage) refers to mileage reimbursement for the use of personal vehicles.

Environmental Health

In the Environmental Health budget, supplies increased to cover the costs of the kits from the state. Travel and Vehicle Mileage was increased.

Child Health

The Child Health Budget includes 2 Immunization Outreach staff and some travel for School Nurses.

Pregnancy Care Management

The Pregnancy Care Management (OBCM) program includes a small amount of State funding.

Prenatal

The Prenatal Budget includes sonograms and physicals for prenatal patients. The funds for Professional Services was decreased.

WIC Peer Counselor

The WIC Peer Counselor Budget includes salary and fringe only.

Davidson County Schools

The Davidson County Schools budget provides funding for 2 School Nurses. Please note that Lexington City Schools and Thomasville City Schools provides additional funding for the SNFI Nurses.

Care Managers

Ms. Thomas provided information about the staff under the Northwest Community Care agreement.

Home Health Interest

For the Home Health Interest, a question was asked as to how much interest remains. Ms. Ange responded that there is very little interest remaining. There was some discussion about the past plans for a new Health Department in Thomasville. The discussion mentioned that when the Varner Building was sold, there were plans to look at other buildings for the Health Department. It is possible that funds were put aside for this purpose. Ms. Collett mentioned that years ago she was a nurse at the office in Thomasville and frequently, the clients would continue to come to the Lexington office. The Thomasville office only offered specific appointments on specific days. Ms. Thomas mentioned all of the great work that Ms. Collett has done to get Open Access appointments and to offer all services each day. If this were duplicated in Thomasville, many additional staff would be needed. Ms. Collett asked if another location for a Health Department was truly needed. She mentioned all of the ‘downtime’ that staff had when they were located in Thomasville.

The discussion included that Davidson County now has Transportation services across the County and possibly clients are able to get to the location better. It was noted that other County departments had left their Thomasville location as well: Probation, Courts, etc.

Overall, the increase in the proposed budget from last year to this year is \$95,710. Of this amount, about \$89,950 is due to the proposed salary increase of 1/5 or 1/10.

Ms. Ange responded to a question about state funds that have been lost – Dental, Northwest Community Care Network and WIC.

The final discussion focused on the salary of County Employees. At the County Commissioners Budget Retreat meeting, there was lots of discussion about increases and inequities in salaries and the amount of County funding needed to increase salaries.

Ms. Andrews recommended that the Board of Health Budget Subcommittee submit the proposed FY 2015-2016 Health Department budget to the full Board of Health. Dr. Lanning seconded. The Subcommittee approved. The next step is to present this to the full Board of Health in March 2015.

The process for the approval of the budget includes a thorough review by this Board of Health Budget Subcommittee, then review and approval by the entire Board of Health and then the budget is submitted to the County Commissioners for their review.

MEETING ADJOURNED

Respectfully submitted,

Monecia R. Thomas, MHA
Secretary to the Board

This is a true and accurate copy of the February 25, 2015, Board of Health Budget Subcommittee Minutes.

Ms. Becky Daley, Chair