



COUNTY ADMINISTRATOR
220 NORTH MAIN STREET, P.O. BOX 8645
ANN ARBOR, MICHIGAN 48107-8645
PHONE: (734) 222-6850
FAX: (734) 222-6715

TO: Rolland Sizemore, Jr
Chair, Ways & Means Committee

THROUGH: Verna J. McDaniel
County Administrator

FROM: Richard M. Fleece
Health Officer

DATE: September 5, 2012

SUBJECT: 2012/2013 Comprehensive Planning, Budgeting and Contracting (CPBC)
Agreement, 2012/13 Budget, Position Eliminations & Reclassifications

BOARD ACTION REQUESTED:

It is requested that the Board of Commissioners authorize the signature of the County Administrator on the 2012/2013 Comprehensive Planning, Budgeting and Contracting (CPBC) agreement, approve the 2012/2013 Public Health Budget, authorize the County Administrator to sign delegate contracts, approve service fees, and approve position eliminations / reclassifications.

BACKGROUND:

The 2012/2013 Public Health budget is submitted with uncertainty over final appropriations from the State of Michigan. Assumptions have been made in the preparation of this budget that may result in the need for future budget amendments as MDCH's budget is finalized.

Since 1987, the Michigan Department of Community Health (MDCH) has funded local public health programs through the Comprehensive Planning, Budgeting and Contracting (CPBC) agreement which include Essential Public Health Services (EPHS) funding for General Communicable Disease Control, Drinking Water Supply*, Hearing Screening, Immunizations, On-Site Sewage Treatment Management*, Sexually Transmitted Diseases, Vision Screening, and Food Service Sanitation. (*Services funded under a separate agreement with the Michigan Department of Environmental Quality but reimbursed through the CPBC.)

EPHS currently falls short of the 50/50 state cost sharing contained in the Michigan Public Health Code. Ongoing advocacy efforts by local health departments, through the Michigan Association for Local Public Health, to ensure that the state fully funds its share of EPHS and covers the additional core public health functions have been unsuccessful to date. The last increase in EPHS funding occurred in 1996. The current budget represents no change in EPHS revenues from last years' allocation.

Various other state and federal categorical grants are also allocated to local health departments by MDCH through the CPBC. These include AIDS/HIV Prevention, Children's Special Health Care Services (CSHCS), Emergency Preparedness Planning and Coordination, Immunizations, Sexually Transmitted Disease (STD), Local Tobacco Reduction Coalition, Tuberculosis Control (TB), Women Infants and Children (WIC), Building Healthy Communities, and other competitive grants that vary from year to year. One umbrella program is the Healthy Michigan Fund, this fund has also been subject to Executive Order cuts and funding for such programs as local Tobacco reduction efforts may be eliminated.

The State CPBC requires electronic submission of a signed agreement no later than September 27th, 2012. The board resolution authorizing this signed agreement also establishes the Public Health operating budget for the new fiscal year (October 1st through September 30th) and any related position modifications needed.

DISCUSSION:

Fiscal year 2012/2013 funding and program requirements specified in the annual CPBC Agreement have been incorporated into this proposed budget. The total net operating budget for Public Health will be \$11,067,329 for the period of October 1, 2012, through September 30, 2013.

This budget includes a general fund appropriation of \$3,553,575. This represents the minimum general fund appropriation necessary to continue to receive State funding and maintain the Medical Examiner Program and local emergency preparedness coordination.

To receive what has traditionally been called state cost sharing the department must meet maintenance of effort (MOE) level of funding. That funding level, established based on funding levels in 1992-93, is \$2,993,523 and is exclusive of any funds dedicated to the Medical Examiner Program or Emergency Preparedness Coordination. The County provides \$548,052 to the Medical Examiner Program and \$12,000 for Local Emergency Preparedness Coordination. Last year, for the first time, the department was assessed its true cost allocation amount \$1,518,935. That continues this year.

The budget also includes proposed fund balance use of \$154,706. It is imperative to note that last year at this time Public Health budgeted to use \$312,530 in fund balance. As the fiscal year is nearing its close we are projecting to use \$0 fund balance - this is due to significant retirements that were realized at the end of calendar year 2011 as well as additional grant opportunities that have been received throughout the fiscal year. We continue to monitor grants and federal funds that may be available to local health departments through the Affordable Care Act beginning 2014.

Major funding changes reflected in this budget and the impact on the community is as follows:

- **Washtenaw Health Plan (WHP).**

The continuation of the WHP Personnel Lease Agreement is represented in the Public Health budget with personnel and operating expenses plus indirect costs of \$858,249 offset by equivalent revenue from WHP. In addition, General Fund appropriations to Public Health make up the largest portion (totaling over \$1.9 million) of the intergovernmental transfer to the state that leverages Medicaid matching dollars to support indigent care in the community.

- **Health Promotion/Disease Prevention.**

We have received competitive grants for some of our work in this area due to the innovative work being done by Public Health staff in the areas of health promotion. This core service area includes Health Education and receives no EPHS funding from the State. Exemplary practice by staff in evidence based health promotion has resulted in the continuation of federal grant funding through the MDCH for the Supplemental Nutrition Assistance Program Education (SNAP-Ed) grant whose focus is on chronic disease prevention using policy and environmental approaches. Additional MDCH funding in the area of capacity building to reduce health disparities, using local community assessment results and other data sources, is an important part of the coalition-building and programming work of this division.

Our competitive grants and local funding allow us to maintain a health promotion presence in local schools assisting them with their wellness policies, supporting Safe Routes to School efforts at the community level and working collaborative on Farm to School policies and programs. We support additional collaborative community projects for youth, seniors,

substance abuse, and suicide prevention with our expertise in health assessment, programming, evaluations and communications.

- **Additional Program Changes Anticipated for FY 2012/13.**

- Medical Examiner:

Of the \$3,553,575 General Fund contribution Public Health is requesting, \$548,052 is devoted to the Medical Examiner Program. This mandated service has undergone significant reorganization over the past few years and continues to look for ways to deliver greater services to a larger population.

Program enhancements in partnership with the University of Michigan Health System (UMHS) continue. All services have been centralized at UMHS and the program received national accreditation in 2011. The program has also been recognized by *Gift of Life Michigan* and *Michigan Eye Bank* for their practices in using the MDI Log, software that automatically files referrals after pathologists collect information about their cases.

- Public Health annually reviews their fees to determine if any adjustments are necessary in relation to the actual cost of the purchase of private vaccine (non-VFC) as well as assuring that our fees are comparable or lower than other local health departments.
- The Sexually Transmitted Disease (STD) / HIV Prevention program (Adult Clinic) has been met with significant decreases in State funding, decreased quantities of discounted medications and increased laboratory expenses. Effective April 1, 2012 a new fee schedule was approved by the Board of Commissioners. Under the guidelines of the new fee schedule a Federal sliding scale fee structure was approved. After implementation of the new fee structure it was identified that the majority of our clients were under the Federal poverty level and thus receiving services at no cost. Public Health cannot continue to provide services without an appropriate revenue stream to offset expenditures. We are requesting to modify the fee schedule to include a minimum fee of \$30. This fee is in alignment with what other agencies in Washtenaw County are charging for identical services.

IMPACT ON HUMAN RESOURCES:

Approval of this resolution will result in the creation of three (3) 1.0 FTE positions and one (1) .50 FTE position for a net increase of 3.50 FTEs. There will be a total of seven (7) 1.0 FTE reclassifications.

IMPACT ON BUDGET:

The Public Health budget for fiscal year 2012/13 beginning October 1, 2012, is \$11,067,329. This budget reflects the various factors discussed above, as well as rising labor costs and declining revenue from the State of Michigan for most programs.

Total expenditures and revenues in 2012/13 reflect a net increase of \$135,884 over the current budget for the 2011/12 fiscal year.

IMPACT ON INDIRECT COSTS:

The Cost Allocation Plan will remain at \$1,518,935 for the 2012/2013 fiscal year.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

This budget reflects an expected renewal of the interagency agreement between Washtenaw Community Health Organization and Public Health for the continuation of substance abuse services.

CONFORMITY TO COUNTY POLICIES:

This request is in conformance with County policies.

ATTACHMENTS/APPENDICES:

2012/2013 CPBC Contract Agreement

2013 Public Health Fee Schedule (Immunizations)

A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR'S SIGNATURE ON THE PUBLIC HEALTH DEPARTMENT COMPREHENSIVE PLANNING, BUDGETING AND CONTRACTING (CPBC) AGREEMENT FOR THE PERIOD OCTOBER 1, 2012 THROUGH SEPTEMBER 30, 2013; AUTHORIZING THE ELECTRONIC SUBMISSION BY THE COUNTY HEALTH OFFICER; APPROVING THE PUBLIC HEALTH DEPARTMENT'S 2012/2013 BUDGET; AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN DELEGATE CONTRACTS; APPROVING FEES; AND APPROVING POSITION RECLASSIFICATION.

WASHTENAW COUNTY BOARD OF COMMISSIONERS

September 19, 2012

WHEREAS, since 1987 Michigan Department of Community Health (MDCH) has funded local public health programs including Environmental Health through a Comprehensive Planning, Budgeting and Contracting (CPBC) Agreement which includes Local Public Health Operations funds for General Communicable Disease Control; Hearing Screening; Immunizations; Sexually Transmitted Diseases; and Vision Screening; Food Service Sanitation, and various other categorical funds allocated to local health departments; and

WHEREAS, the State requires the local health department to have an electronically signed CPBC agreement for the 2012/2013 fiscal year by September 28th, 2012; and

WHEREAS, annual changes in funding and program requirements at the state level and for local activities requires that a budget be approved prior to the start of the new fiscal year; and

WHEREAS, subsequent changes of state allocations, program requirements and final local budgets may result in adjustments to this proposed plan and budget for the delivery of local public health services; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the signature of the Administrator on the Comprehensive Planning, Budgeting and Contracting Agreement with the Michigan Department of Community Health for the period October 1, 2012 through September 30, 2013 as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the fee schedule for Public Health effective January 1, 2013.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners takes the following actions contingent upon receipt of funding in conformity with the CPBC agreement:

1. Authorizing the budget, as attached hereto and made a part hereof
2. Authorizing the Administrator to sign delegate contracts upon review by Corporation Counsel, to be filed with the County Clerk

BE IT FURTHER RESOLVED that the Board of Commissioners authorizes the elimination and reclassification of positions as follows:

Creations:

Effective October 1, 2012

<u>POSITION #</u>	<u>POSITION TITLE</u>	<u>Group</u>	<u>Grade</u>	<u>Create</u>
2136-0005	Social Worker - Health	11	21	1.0
2325-0039	Public Health Nurse I/II	18	23/24	.50
2325-0040	Public Health Nurse I/II	18	23/24	1.0
2766-0001	Quality Assurance/Billing Analyst	32	27	1.0

Reclassifications:

Effective October 1, 2012

<u>POSITION #</u>	<u>POSITION TITLE</u>	<u>Group</u>	<u>Grade</u>	<u>Eliminate</u>	<u>Create</u>
1858-0005*	Senior Fiscal Assistant	12	18	1.0	
1975-0001	Senior Fiscal Assistant–PH	12	19		1.0
1858-0006*	Senior Fiscal Assistant	12	18	1.0	
1975-0002	Senior Fiscal Assistant–PH	12	19		1.0
2063-0004*	Health Educator I/II	11	22	1.0	
2527-0040	Service Coordinator	11	25		1.0
8008-0001*	WIC/MIHP Supervisor	10	80	1.0	
7923-0001	WIC Supervisor	10	79		1.0
2528-0001*	MIHP Service Coordinator	11	25	1.0	
7924-0001	MIHP Supervisor	10	79		1.0
7913-0001*	OW&S-Environ Health Supervisor	10	79	1.0	
3290-0001	E H Program Administrator	32	32		1.0
7914-0001*	Urban-Environ Health Supervisor	10	79	1.0	
3290-0002	E H Program Administrator	32	32		1.0

*** Reclassification of Current Occupant**

Public Health
2960

	2010/11 Actuals	2011/12 Projected	2012/13 Budget
Revenues:			
45000 Licenses & Permits	-	1,543,555	1,464,592
50000 Federal Revenue	-	-	43,000
54000 State Revenue	2,873,625	3,201,990	3,155,920
58000 Local Revenue	2,274,163	3,444,839	2,912,817
60000 Fees & Services	1,231,453	1,098,347	1,390,874
65000 Fines & Forfeitures		7,588	
67000 Other Revenue & Reimburseme	381,463	34,691	213,517
69000 In Kind	-	235,497	233,763
69500 Transfer In	1,354,294	1,074,545	1,652,846
Total Revenue and Other Sources	8,114,998	10,641,052	11,067,329
Expenditure:			
70050 Personal Services	5,354,915	7,515,633	8,154,883
72600 Supplies	165,398	185,379	172,146
80000 Other Services & Charges	1,488,814	1,106,316	959,920
93500 In-Kind Charges	-	235,497	233,763
94000 Internal Service Charges	819,099	1,537,548	1,539,117
95000 Capital Outlay	14,435	47,500	7,500
Total Expenditures and Other Uses	7,842,661	10,627,873	11,067,329
Net Revenues (Expenditures)	272,337	13,179	-
Beginning Fund Balance	912,883	1,185,220	1,198,399
Ending Fund Balance	1,185,220	1,198,399	1,198,399