



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 3/21/2023

To: County of Sonoma Board of Supervisors
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Tina Rivera, 707-565-4774
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

Consolidated Fee Hearing - FY 23-24 Fees for the Department Health Services

Recommended Action:

Adopt a resolution reading the title and waiving further reading of a proposed ordinance titled "An Ordinance of the Board of Supervisors of the County of Sonoma, State of California, Adopting New Fees and Adjusting Fees Effective July 1, 2023 for the Sonoma County Department of Health Services Public Health Laboratory."

Executive Summary:

The Department of Health Services (hereinafter, "DHS" or "the Department") is proposing new and amended fees effective July 1, 2023 for services associated with the Public Health Laboratory. The Board of Supervisors is authorized to establish fees to recover the reasonable cost of providing certain services. Fees are imposed for a specific benefit conferred or service provided directly to the payor that is not provided to those not charged, and which do not exceed the reasonable costs to provide the benefit or service. Fees are also imposed for reasonable regulatory costs including enforcement inspections, investigations, and audits. It is the Department's practice to conduct outreach and communicate with those affected by a proposed fee increase.

Discussion:

The Public Health Laboratory provides clinical, environmental, and rabies testing. These fee-based testing services aid doctors, hospitals, acute care facilities, environmental health agencies, and Sonoma County Animal Services in diagnosing and performing enforcement duties.

Revised fees are requested to recover increased labor costs that have increased 5.0 percent. The Department is proposing an approximate 5.0 percent increase to most Public Health Laboratory fees, rounded up to the nearest dollar.

Public Health Laboratory fees are set at below full-cost recovery amounts and are subsidized with Realignment funding. The subsidy is not based on a per fee rate but the overall Public Health Laboratory cost. In Fiscal Year 2022-23 Realignment funding subsidized a budgeted amount of \$1.5 million. Providing market-rate, subsidized services to the public and non-government organizations allows the Department to recover a portion of the cost of operating the laboratory by performing tests that meet a public benefit or would otherwise be taken to private labs.

Public Health Laboratory Fee Schedule Format Change:

The new Public Health Lab fee schedule will include Current Procedural Terminology (CPT) codes for clinical

tests. This information is utilized by our submitters for insurance billing purposes and is currently only available on the laboratory website. The change will make this critical information easily accessible. In addition, the fee schedule sections have been revised, and the Orchard Software Laboratory Information Management System (LIMS) has necessitated numerous changes at the order choice (test name) level. The new system is structured differently than the previous system, allowing work that was previously recorded on paper to be recorded in Orchard necessitating more specific and dedicated order choices.

Proposed Additions to the Public Health Laboratory fee schedule:

Proposed additions to the Public Health Laboratory fee schedule this year:

- New fees: all COVID-19 tests listed in this narrative.
- New fee: Enteric Culture.
- New fee: Separate charge for VDRL (syphilis) titer.
- General RT-PCR assay, for PCR tests added in between fee schedule cycle or due to emergent/EUA situations. (Fee currently exists, but this has not been listed in the public fee schedule).
- Non-Diagnostic General Health Assessment (NGHA) Program (Fees currently exist but have not been listed in the public fee schedule).
- Salmonella clearance, Shigella clearance, STEC clearance cultures: Historically, these three lab tests have been designated as "Clearance Culture" on the public fee schedule. For transparency, the specific tests have been listed as their own line item with a fee.
- Shipping & Handling fee amended to automatically add the fee to each non-Title 17 send-out test.
- Reference Lab Send-outs: The fee varies based on the reference lab utilized and the tests requested. Actual cost passed on to submitter.

Changes to Existing Public Health Laboratory Fees:**Microbial Disease Laboratory**

All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$2,113 additional revenue.

- New fee: Enteric Culture
- Salmonella clearance, Shigella clearance, STEC clearance cultures: Historically, these three lab tests have not been on the public fee schedule. They have been designated as "Clearance Culture" in the old laboratory LIMS. For transparency, the specific tests have been listed as their own line item with a fee.
- Remove: Mycobacterial Nucleic Acid Probe Identification (vendor discontinued)
- Name change & split: Influenza (includes A-B 7 all sub-typing) to
 - Influenza A/B, RT-PCR
 - Influenza A subtyping
 - Influenza B lineage typing

Serology Laboratory

All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$478 additional revenue.

- New fee: Separate charge for VDRL (syphilis) titer

Clinical Molecular Laboratory

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All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$47,967 additional revenue.

- New fee: Add combined Gonorrhea/Chlamydia (GC/CT) fee item, previously only orderable separately.
- New fee: Add General RT-PCR assay, for PCR tests added in between fee schedule cycle or emergent/EUA situations
- Remove: Mycobacterial RT-PCR, non-sputum (vendor discontinued)

COVID-19 Testing

The Sonoma County Public Health Lab has utilized various methods and platforms for COVID-19 testing throughout the pandemic for no charge. Fiscal year 2023-2024 is the first-year lab will charge for COVID-19 testing as pandemic grant funding is ending.

Implementation of test fees may result in an estimated \$131,300 additional revenue, assuming submitters continue to test with the Public Health Laboratory.

- New fee: Xpert Xpress SARS-CoV-2
- New fee: Xpert Xpress SARS-CoV-2/Flu/RSV
- New fee: PerkinElmer SARS-CoV-2, RT-PCR
- New fee: CDC Influenza/SARS-CoV-2 Multiplex PCR
- New fee: QIAstat-Dx 20 Pathogen Respiratory Panel (includes SARS-CoV-2)
- New fee: Whole Genome Sequencing (SARS-CoV-2)
- Remove: FluA/FluB/RSV/COVID19 (PerkinElmer)

Environmental Laboratory

The existing Lyme organism in Ticks test fee is increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$2,400 additional revenue.

Virus Laboratory

The existing Rabies Examination test fee is increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$884 additional revenue.

Water & Shellfish Laboratory

All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$8,456 additional revenue.

- Name change: Oyster Meat plus V. parahaemolyticus & toxins to Vibrio parahaemolyticus MTF/PCR
- Name change & split: Shellfish, Oyster Meat (coliforms) to 2 new order choices:
Shellfish Meat Fecal Coliforms Multiple Tube Fermentation - 15 Tube
Shellfish Meat Total Coliform Multiple Tube Fermentation - 15 Tube
- Name change & split: Colilert Quantitray to 2 new order choices:
Colilert Quantitray, undiluted (E. coli MPN by Quantitray)
Colilert Quantitray, diluted 1:10
- Name change & split: Enterolert Quantitray to 2 new order choices:
Enterolert Quantitray, undiluted
Enterolert Quantitray, diluted 1:10

- Name change & split into two new order choices: Total Coliform Multiple Tube Fermentation (MTF) to Multiple Tube Fermentation- 15 Tube (Total Coliform)
Multiple Tube Fermentation- 10 Tube (Total Coliform)
- Name change: Fecal Coliform Multiple Tube Fermentation (MTF) to Multiple Tube Fermentation- 15 Tube (Fecal Coliform)
- Name change: Shellfish Water Multiple Tube Fermentation (MTF) to Shellfish Growing Water Multiple Tube Fermentation - 15 Tube (Fecal Coliform)

Dairy Laboratory

All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$5,413 additional revenue.

Historically, all tests available in the Dairy Lab have been designated as “General Dairy Testing” on the public fee schedule. For transparency, the specific tests have been listed as their own line item with a fee.

Miscellaneous Lab Fees

All existing test fees are increased by approximately 5.0% due to increased labor costs, resulting in an estimated \$151 additional revenue.

Non-Diagnostic General Health Assessment (NGHA) Program (Fees currently exist, but they have not been listed in the public fee schedule). There are three items contained in the NGHA Program, which were not tracked separately but all part of “NGHA certs” in the Quickbooks POS.

NGHA (Non-Diagnostic Health Assessment) Program fees:
• Registration fee (includes one location/one analyte for one year)
• Each additional analyte
• Each additional location

Shipping and Handling amended to automatically add the fee to each send-out test.

Reference Lab Send-outs: The fee varies based on the reference lab utilized and the tests requested. Actual cost passed on to submitter.

Miscellaneous Fee: Amount varies based on custom lab service requested; already exists in the Quickbooks POS but has not been listed on the public lab fee schedule.

The overall increase in revenue for fiscal year 2023-2024 Public Health Laboratory services is estimated at \$67,864 not including COVID 19 testing as this had not been charged in prior years. The Department will monitor COVID 19 testing any revenues received will offset use of 1991 Health Realignment funding that will be budgeted for the Lab.

Productivity, Efficiency and Customer Service Improvement Plan for Public Health Laboratory

- Streamline and standardize internal procedures and workflows to improve efficiency and quality of customer service.
- Align new Orchard Software Order Choices (lab test names) with billing/Quickbooks POS system for improved transparency and clarity in lab billing.

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- Streamline and update lab test information on Public Health Laboratory website
- Build and implement electronic interface between Orchard Software and all other local public health labs' LIMS (funded by CDPH)

Summary of Expected Results

- Improved communications, efficiency, and improved level of customer service.
- Improved capacity to scale up for surge testing events (such as MPX virus outbreak)

Summary of Results of Prior Year Plan

- Implemented new Orchard Software lab computer system March 1, 2022. Completion of the new laboratory information management system (LIMS) has resulted in improved efficiency, quality of customer service, and scalability for future pandemics.
- Sacramento Valley HIE electronic reporting was implemented April 1, 2022. The Public Health Laboratory is now linked electronically to hospital partners to provide health test information in a timely and reliable manner.

Strategic Plan:

N/A

Prior Board Actions:

On April 19, 2022 the Board adopted an ordinance titled "An Ordinance of the Board of Supervisors of the County of Sonoma, State of California, Adopting New Fees and Adjusting Fees Effective July 1, 2022 for the Sonoma County Department of Health Services Public Health Laboratory and Animal Services."

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY 23-24 Projected	FY 24-25 Projected
Budgeted Expenses	\$2,140,388		
Additional Appropriation Requested			
Total Expenditures	\$2,140,388		
Funding Sources			
General Fund/WA GF			
State/Federal	\$1,803,595		
Fees/Other	\$336,793		
Use of Fund Balance			
Contingencies			
Total Sources	\$2,140,388		

Narrative Explanation of Fiscal Impacts:

Fee increases of \$67,864 noted above will be included in the FY 2023-2024 budget process.

Staffing Impacts:

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Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1 - Resolution

Attachment 2 - Ordinance

Attachment 3 - Public Health Laboratory Fee Chart

Related Items “On File” with the Clerk of the Board:

None