



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 5/14/2019

To: Board of Supervisors of Sonoma County
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Barbie Robinson, 565-7876
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

Health Services Fees

Recommended Actions:

Adopt a resolution establishing new and amended fees to recover the reasonable cost of providing services including fees associated with Environmental Health and Safety, Public Health Laboratory, and Sonoma County Animal Services for the Department of Health Services effective July 1, 2019.

Executive Summary:

The Department of Health Services is proposing new and amended fees effective July 1, 2019 for services associated with Environmental Health and Safety, Public Health Laboratory, and Sonoma County Animal Services. 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 impacted by a proposed fee increase.

Discussion:

Environmental Health and Safety Fees

Environmental Health and Safety programs, as mandated through Health and Safety Code, promote health and quality of life by preventing or controlling those diseases that result from interactions between people and the places they live, work, and play. Environmental Health and Safety programs employ several strategies to prevent health hazards including education, trend surveillance and analysis, routine inspections, response to citizen tips, sampling and posting, and enforcement where necessary. Environmental Health and Safety charges fees to recover its costs to provide these services to members of the public who receive permits and benefit from Environmental Health and Safety's services.

The hourly rate is the primary factor used in computing the costs of providing Environmental Health and Safety services to the members of the public who receive these services. Annually, Environmental Health and Safety conducts an hourly rate cost analysis in order to determine full cost recovery necessary to fund the delivery of services for all programs. In fiscal year 2019-2020, the full cost recovery hourly rate is \$208. Realizing that a ten percent (10.0%) increase in the hourly rate may burden facility operators, Environmental Health and Safety is proposing to increase the hourly rate by 4.8 percent from \$188 to \$197 and utilize fee

stabilization funds to make up the funding gap. For fiscal year 2019-2020, the effect of the hourly rate change is an increase in revenue of \$335,568 (4.8%) over fiscal year 2018-2019 revenue.

The total cost of fee based programs is covered entirely by fees. Detailed Environmental Health and Safety services fee information is provided in Attachment 2.

Public Health Laboratory Services Fees

The Public Health Laboratory provides clinical, environmental, and rabies testing services as mandated by Health and Safety Code 101150. 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. The Laboratory also serves a regional role, providing the same services to Mendocino County through a flat-fee contract that is adjusted annually to recover the cost to provide this service.

Public Health Laboratory fees are set at below full-cost recovery amounts and are subsidized with Realignment funding. 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.

The Department is proposing 4.5 percent increases to all Public Health Laboratory fees to recover increased labor costs. The overall increase in revenue for fiscal year 2019-2020 Public Health Laboratory services is estimated at \$64,060. Detailed Public Health Laboratory services fees information is provided in Attachment 3.

Sonoma County Animal Services Fees

Sonoma County Animal Services (Animal Services) provides sheltering and field services to areas within their jurisdiction, including unincorporated areas of the County, the City of Santa Rosa, and the town of Windsor. Animal Services is also responsible for rabies control for the entire County. The Animal Services' service area is comprised of approximately 1,575 square miles with nearly 500,000 residents and includes an animal shelter that serves nearly 3,300 animals annually.

The Department is requesting fiscal year 2019-2020 fee adjustments of 3.7 to 5.0 percent for some services provided by Animal Services to recover increased costs to deliver the 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. The net increase in fee revenue for fiscal year 2019-2020 services is estimated at \$39,592. Detailed Animal Services fees information is provided in Attachment 4.

Prior Board Actions:

On June 5, 2018 the Board adopted a resolution establishing new and amended fees to recover the reasonable cost of providing services including fees associated with Environmental Health and Safety, Public Health Laboratory, and Animal Services for the Department of Health Services effective July 1, 2018.

FISCAL SUMMARY

Expenditures	FY 18-19 Adopted	FY 19-20 Projected	FY 20-21 Projected
Budgeted Expenses		439,220	
Additional Appropriation Requested			
Total Expenditures		439,220	
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other		439,220	
Use of Fund Balance			
Contingencies			
Total Sources		439,220	

Narrative Explanation of Fiscal Impacts:

Revenue increase estimates for fiscal year 2018-2019 are as follows: Environmental Health and Safety - \$335,568; Public Health Laboratory - \$64,060; and Sonoma County Animal Services - \$39,592. The Department -wide revenue increase estimate is \$439,220.

Staffing Impacts:			
Position Title (Payroll)	Monthly Salary Range (A - I Step)	Additions (number)	Deletions (number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1) Resolution; 2) Environmental Health and Safety Fees Narrative; 2b) Environmental Health and Safety Fee Chart; 3) Public Health Laboratory Fees Narrative; 3b) Public Health Laboratory Fee Chart; 4) Sonoma County Animal Services Fees Narrative; 4b) Sonoma County Animal Services Fee Chart

Related Items "On File" with the Clerk of the Board:

None