

Agenda Report

TO: CITY COUNCIL
THROUGH: FINANCE COMMITTEE

DATE: NOVEMBER 6, 2006

FROM: CITY MANAGER

SUBJECT: APPROVAL OF FISCAL YEAR 2007 AMENDMENTS TO GENERAL FEE SCHEDULE FOR PUBLIC HEALTH DEPARTMENT MARKET-COMPETITIVE SERVICES

RECOMMENDATION

It is recommended that the City Council approve amendments to the General Fee Schedule for Public Health Department market-competitive services by adding seven new fees (Rabies Vaccine, Japanese Encephalitis Vaccine, Gardasil (HPV) Vaccine, Zostavax Vaccine, Twinrix Vaccine, Flu – Purchased Vaccine for Insured, International Certificate for Vaccines) and increasing two existing fees (Prenatal Care Initial Exam and Prenatal Care Revisit).

BACKGROUND

Approximately 20 percent of the Public Health Department's revenues are generated by fees paid directly by individual customers or through Medi-Cal and Medi-Care fee-for-service reimbursement programs. The Travel and Adult Immunization Clinic and the Prenatal Clinic offer services that the general public can access and obtain from other providers in the community. The fees charged by these clinics are therefore set to be market-competitive, with the goal of attracting a volume of customers that will generate a profit which can then be utilized for the Pasadena Healthcare Link Program. Staff recommends the following fees be implemented to recover costs and increase the profits in the Travel and Adult Vaccine Clinic and the Prenatal Clinic.

Description	Proposed Fee	Explanation
Rabies Vaccine	\$200 New	New vaccine for rabies
Japanese Encephalitis Vaccine	\$435 New	New vaccine for Japanese Encephalitis – series of 3 shots
Gardasil Vaccine	\$150 New	New vaccine for human papilloma virus
Zostavax Vaccine	\$185 New	New vaccine for shingles
Twinrix Vaccine	\$95 New	New vaccine for Hepatitis A and B
Flu – Purchased Vaccine for Insured	\$55 New	New fee for Individuals who have insurance
International Certificate	\$5 New	New fee for creating certificate of vaccines required for travel
Prenatal Care Initial Exam	\$400 Increase	Increase fee to cash-paying clients from \$310 to \$400
Prenatal Care Revisit	\$140 Increase	Increase fee to cash-paying clients form \$105 to \$140

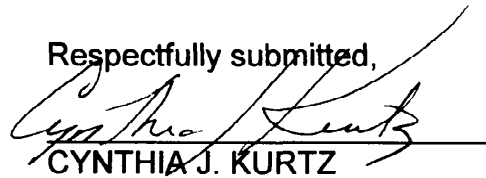
With the exception of the Flu vaccine, the vaccines are either new products or products for which the Public Health Department has only recently secured preferred pricing which will allow the Clinic to make the vaccines available at competitive prices. The Travel and Adult Immunization Clinic has received requests for all of the vaccines enumerated above, and has lost customers as a result of not being able to provide these vaccines. The fee for purchased Flu vaccine that will be provided to individuals with insurance is comparable to the reimbursement rate from Medi-Care. The International Certificate attests to administration of vaccine to a client and is required by some foreign countries for entry. The fees proposed for the Travel and Adult Immunization Clinic vaccines are set at levels that are market competitive, based upon a survey of providers in the area.

Staff recommends a 30% increase to the Prenatal Clinic fees to allow greater cost recovery of services provided to clients who are not receiving Medi-Cal. This fee increase is comparable to the reimbursement rate from Medi-Cal. In addition, it is the lowest available fee in Pasadena for those people who don't qualify for Medi-Cal. Historically, the Prenatal Clinic has fewer than five cash paying clients per year. The majority of the Prenatal Clinic clients qualify for Medi-Cal and do not pay out of pocket. The Public Health Department also retains a sliding fee scale to ensure that no-one is denied service.

FISCAL IMPACT

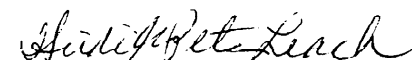
The net impact projected by implementing these fee amendments is \$6,500 for the Travel and Adult Immunization Clinic and \$3,800 for the Prenatal Clinic. These revenues will be allocated to the Pasadena Healthcare Link project.

Respectfully submitted,




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