

Agenda Report

March 24, 2014

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Public Health Department

SUBJECT: RECOGNIZE AND APPROPRIATE FUNDS IN THE AMOUNT OF \$41,040 TO THE PUBLIC HEALTH DEPARTMENT'S FISCAL YEAR 2014 OPERATING BUDGET AND AMENDMENTS TO THE GENERAL FEE SCHEDULE

RECOMMENDATION:

It is recommended that the City Council:

1. Recognize and appropriate \$41,040 from the California Wellness Foundation to the Public Health Department's Fiscal Year 2014 Operating Budget for the provision of dental services to uninsured seniors; and,
2. Amend the General Fee Schedule to include new fees related to the Michael D. Antonovich Dental Clinic and sliding fee scale as well as fee changes to support the Environmental Health Division.

BACKGROUND:

Dental Clinic

Since 1991, the City of Pasadena Public Health Department (PPHD) has been providing HIV/AIDS medical outpatient services to HIV-infected individuals through the Andrew Escajeda Comprehensive Care Services (AECCS) Clinic, so named in honor of a former City of Pasadena employee dedicated to the HIV/AIDS cause. AECCS has expanded its services to create a medical home model to address the complex needs of clients and families affected by the HIV/AIDS epidemic. Most recently, PPHD has constructed a dental clinic in order to provide oral health care to HIV/AIDS clients and other underinsured or uninsured populations. April 24, 2013 marked the grand opening of the Michael D. Antonovich Dental Clinic which was named in honor of Los Angeles County Supervisor Michael D. Antonovich who provided \$365,000 as a one-time source

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of funding. Currently, the dental clinic is also receiving over \$300,000 per year for three years, to serve Ryan White clients who are living with HIV/AIDS.

In addition, the dental clinic recently received a grant in the amount of \$120,000 for operating funds from the California Wellness Foundation to provide dental services to uninsured seniors who are 55 years of age or older. Of this amount \$41,040 will be used during FY 2014 and the remaining funds will be reflected in the FY 2015 Budget. The operating funds received by the California Wellness Foundation will cover the cost of a part-time General Dentist and a part-time Registered Dental Assistant. These funds will also cover basic services such as examinations, general cleanings, deep cleanings, and white and silver fillings to the City's uninsured senior population. The funds from the California Wellness Foundation will not cover specialty services such as root canals, crowns, bridges, partial dentures or complete dentures. Staff is recommending the Council recognize and appropriate \$41,040 for FY 2014. The remaining \$78,960 will be reflected in the FY 2015 Budget.

While the basic covered services will relieve a great financial burden from seniors, it is anticipated that more than half of them will be in need of specialty services that are not covered by the California Wellness Foundation funds. To better serve the oral health needs of the senior population, the dental clinic has proposed using a sliding fee scale (Attachment B) to assist this population in paying for these specialty services. The dental clinic would like to establish a "Usual, customary, and reasonable fee" (abbreviated in Attachment A as UCR fee). The dental clinic would provide specialty services and would charge senior patients a percentage of that UCR fee based on their income. For example, the UCR fee for a single crown would be \$891 and if the patient's income is at or below 100% of the Federal Poverty Level (FPL), according to the proposed sliding fee scale they would be expected to pay 20% of the UCR fee for their single crown. Charging the patient in this scenario would fall short of covering the full cost of this service. A portion of the funds from the California Wellness Foundation would cover the difference in costs to senior patients for a period of 12 months. During this time, PPHD will work with senior patients to educate about and enroll into Adult Denti-Cal, which is slated to be restored in May 2014. Since PPHD plans to become a Denti-Cal provider, the patients will be able to continue their care with the dental clinic even after the initial 12 month period funded by the California Wellness Foundation.

These UCR fees were derived from:

1. A Public Health Institution dental fee schedule that was acquired through their website.
2. The fee schedule of a nearby California Dental School that serves underserved and uninsured populations.
3. Delta Dental reimbursement rates for zip code 91103.

It is generally difficult to obtain fees from neighboring dental clinics/offices because the practice of sharing fees is discouraged. Fees should be based on the actual cost for materials, laboratory costs, and the provider's time and skill level.

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Environmental Health

The Environmental Health Division has completed a thorough review of all services provided through the Division and as a result is recommending the additions, deletions and changes to the General Fee Schedule as outlined in Attachment C.

Appropriate indirect costs and updated staffing allocations were included to accurately capture all allowable costs. In addition, staff conducted a comparative analysis of fees between Pasadena Health Department (PPHD), County of Los Angeles, and the City of Long Beach (Attachment D).

New fee codes were established to permit and inspect Cottage Food Operations, School Cafeterias, Licensed Health Care Facilities, Body Art Facilities as required by the California Health and Safety Code. In addition, new fees are proposed to address services provided for noncompliant operators and for complaint investigations.

Mobile food facility fee codes were amended to reflect the type of mobile food facility operations based on risk. Special Event and Retail Food Processing fees were reduced to reflect true cost of service and new fee codes were established to address permitting of Certified Farmer's Markets, community event organizers and temporary food facilities.

In completing the review, it was determined that the current fees imposed for hotels/motels and public pools were inadequate to cover the cost to complete annual inspections of the hotels/motels and biannual inspections of pools. In addition, the majority of the hotels/motels offer food for guests and require an inspection of the food preparation and serving area, as well, to ensure compliance with the California Health and Safety Code.

The proposed fees would cover the cost of Environmental Health Division inspections so that the Department can continue to protect the public's health and safety.

COUNCIL POLICY CONSIDERATION:

This action by City Council aligns with the City's Strategic Plan Three-Year Goal to support and promote the quality of life and local economy by providing quality dental care to seniors and ensuring the public's health through compliance to the California Health and Safety Code.

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FISCAL IMPACT:

Dental Clinic Fees

The proposed action would increase FY2014 appropriations by \$41,040 in the dental clinic. In addition the dental clinic anticipates an increase in the user fees in the amount of \$57,500 to be received during the current fiscal year in account 7054-203-563271. Indirect and support costs such as maintenance and IT support have previously been accounted for in the FY 2014 adopted budget.

Environmental Health Fees

The net annual impact projected by implementing the fee amendments for the Environmental Health Division is an increase of approximately \$23,119 due to the changes in permitting for hotels and motels and private schools.

Respectfully submitted,



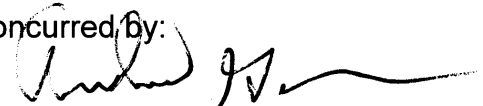
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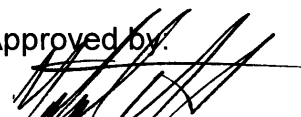
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Concurred by:



ANDREW GREEN
Director of Finance
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Approved by:



MICHAEL J. BECK
City Manager

Attachment: (4)

- Attachment A: Dental Clinic UCR Fee Schedule
- Attachment B: Dental Clinic Sliding Fee Scale
- Attachment C: Environmental Health Fee Schedule
- Attachment D: Environmental Health Fee Comparisons