

Pima County Health Department

FY1819 Budget Discussion

Mission

The mission of the Pima County Health Department is to facilitate access to care for all Pima County residents; promote a safe, healthy, and prepared Pima County; stimulate collaboration across Pima County on issues of community health, safety, and well-being; and grow and sustain a public health work force that is prepared and knowledgeable.

Purpose

The Pima County Health Department is dedicated to improving the health and wellness of Pima County residents through a combination of education, collaboration and provision of clinical care. The major programs and services provided by the Health Department include:

Clinical Services: Our clinics empower families by assisting with critical health issues and supporting financial independence. These include family planning services, sexually transmitted disease screening treatment and prevention, oral health programs for low-income children, childhood and adult immunizations, and breast and cervical cancer screening programs. Multiple outreach programs bring services to the places clients live, work, learn and recreate to maximize access to care and encourage positive outcomes.

Community Outreach Programs: Programs such as WIC (Women, Infants and Children) promote healthy diet and physical activity for vulnerable women and children while others focus on meeting the nutritional needs of seniors. Other programs support school health initiatives in activity and nutrition, outreach to high risk health populations, as well as programs that seek to limit public health risks before they arise in our community.

Consumer Health Assessment and Assurance: Enforcement of the food and pool code reduces the community's risk for food-borne and vector borne illnesses, resulting in benefits to the individual consumer and supporting a productive business sector. Epidemiologists monitor and track dangerous communicable diseases in the community to minimize adverse impacts.

Health Partnership Initiatives: The Health Department actively engages stakeholders throughout Pima County to assess the health and wellness needs of our community. These include developing priorities to support those needs, in collaboration with hospitals, and community health centers and a myriad of community based organizations. These efforts create support a community that is economically productive and attractive to employers.

Public Health Nurse Programs: Provides valuable in-home support and services to at risk pregnant and post-partum women and their children; technical assistance to child care centers supporting nutrition, physical activity, injury prevention and infection control; and health screening and educational services in non-traditional settings such as libraries, congregate meal-sites, and worksites. These programs provide services to clients that minimize disruption to the economic productivity of the participants.

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Budget Overview

The Pima County Health Department recommended expenditure budget for FY1819 is **\$15,036,042**. Personnel expenses based on 183 FTE account for 67% of the recommended budget. Pharmaceuticals account for 5%. Other notable expenses include ITD costs (8%), leases (5%), motor pool (2%) and Arizona records access charges (3%). No capital expenditures are budgeted.

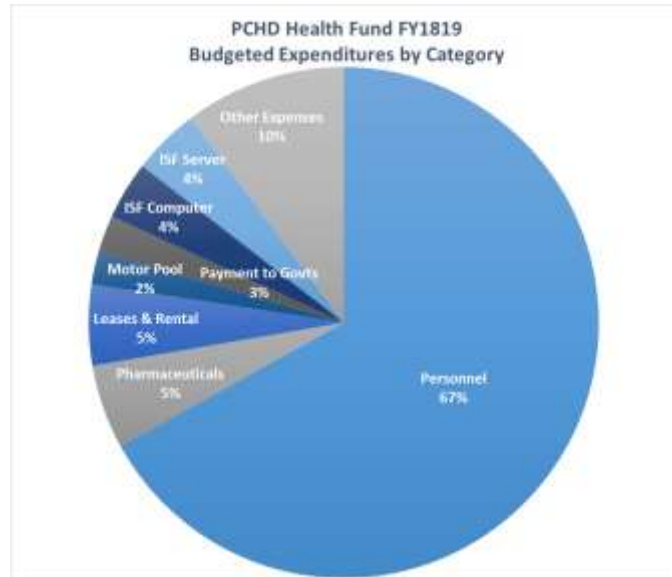


Figure 1

The Pima County Health Department revenue budget for FY1819 is **\$4,741,960**. This is comprised of \$2,758,735 in fees (including clinical services, vital records, and program fees) and \$1,983.225 in Licenses and Permits (including restaurant and food service facilities and commercially operated pools). This does not include grant revenue or transfers from the General Fund.

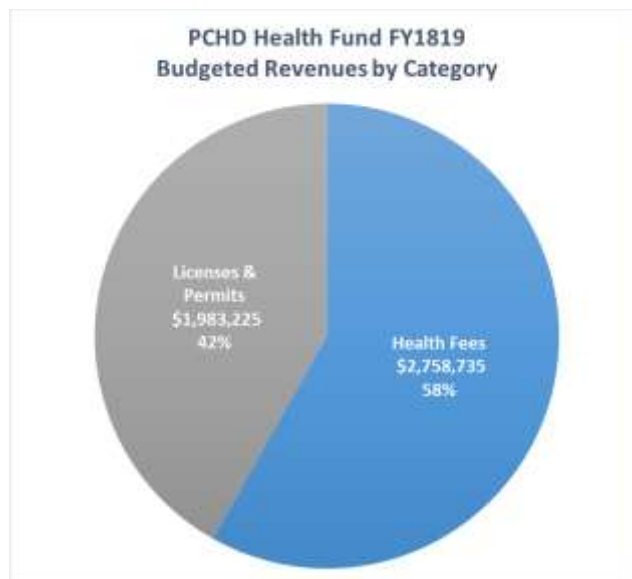


Figure 2

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Grants

The Pima County Health Department budget is supplemented by external grant resources that work hand in hand with the county-funded programs to provide Pima County residents with the best possible array of public health services. The Health Grants expenditure budget for FY1819 is **\$10,925,051**. The Personnel budget is based on 101 FTE and comprises 68% of the operating budget. Operating supplies (2%), non-medical professional services (4%), department overhead (4%) and payments to sub-recipients (7%) are other notable budgeted expenses. There are no capital expenditures expected from the grants budget.

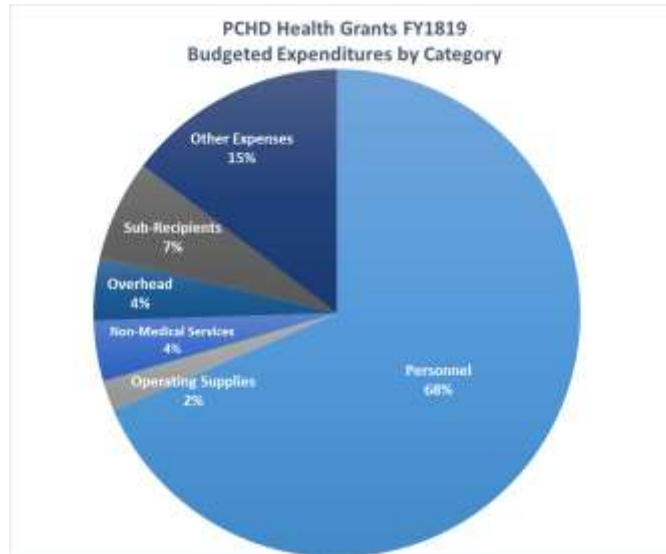


Figure 3

Projected grant revenue is **\$8,594,196**. This includes \$5,970,337 from federal sources, \$2,533,020 from state sources and \$90,839 from other sources. Grant expenditure and revenue projections have decreased from last year due to changes in several grant programs, but Health Department staff remain dedicated to identifying appropriate funding sources for programs that will benefit the community.

Variance

The recommended Health Department county budget for FY19 is **\$808,184** less than the approved budget for FY18. Personnel expenditures are increasing by \$101,460 (1%), Supplies and Services are decreasing by \$734,644 (-13%) and Capital Expenditures are decreasing by \$175,000 (-100%).

Category	Change	%
Personnel	\$101,460	1.2%
Supplies and Services	(\$734,644)	12.9%
Capital	(\$175,000)	100%
Total	(\$808,184)	5%

Personnel expenditures are increasing due to the recommended pay increase and concomitant benefit increase, partially offset by the transition of the Assistant and Deputy County Administrator expenses

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transferring out of the Health Department. Additionally, projected transfers of salary and benefits from Health to other funds are significantly lower than FY18.

Supplies and Services expenditures decrease is driven by reductions in expected software purchases and support (\$185,000), drugs and pharmaceutical purchases (\$135,000), lab and x-ray services (\$130,000) and decreased repair and maintenance expectations (\$225,000). Projected noteworthy increases include ITD server and port charge expenses, partially offset by reductions in hardware expenses.

Department Restructuring

The Pima County Health Department elected to initiate a formal restructuring, properly aligning all programs in similar lines of service, consolidating managerial reporting structures and fine-tuning AMS financial data structures. In addition to improving service delivery, this restructuring will take advantage of reporting capabilities in AMS and Performance Budgeting that consolidate transaction data by unit and division, allowing rapid and accurate reporting of expense and revenue data by division.

Public Health 3.0, a nationally supported model for building healthier communities across America, informed this restructuring. This model promotes cultivating strong leadership and building a health workforce, creating a collaborative infrastructure, and partnering with agencies across sectors of government as well as the private sector. Innovation in service delivery is also a key component in this model, and the Pima County Health Department is pleased to be moving in this direction to create a healthy Pima County.

The restructured divisions will be active starting July 1, 2018 and are as follows:

Consumer Health Assurance and Assessment Division (61 FTE + 9 FTE Grant): This division focuses on assuring public health through inspection, licensure, investigation and preparedness. Programs include food safety, epidemiology surveillance and vital records.

Clinical Services Division (77 FTE + 15 FTE Grant): This division provides clinical health services to individuals including oral health, family planning, immunizations and tuberculosis screening and treatment. Services are delivered at four permanent clinics and via mobile clinics at community locations.

Community Outreach, Prevention and Education Division (13 FTE + 73 FTE Grant): This division supports public health through outreach and education programs in the areas of maternal/child health, community health, nutrition, chronic disease prevention and smoke-free initiatives.

Foundational Services Division (32 FTE + 4 FTE Grant): This division manages administration, business operations, departmental support, performance improvement, communications and workforce development initiatives.

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Budgeted expenses by division are presented in figure 4 below, and are generally driven by FTE labor costs. Clinical services includes significant supply and services costs appropriate to that line of service. Foundational Services expenses include lease expenses and ITD expenses for the full department.

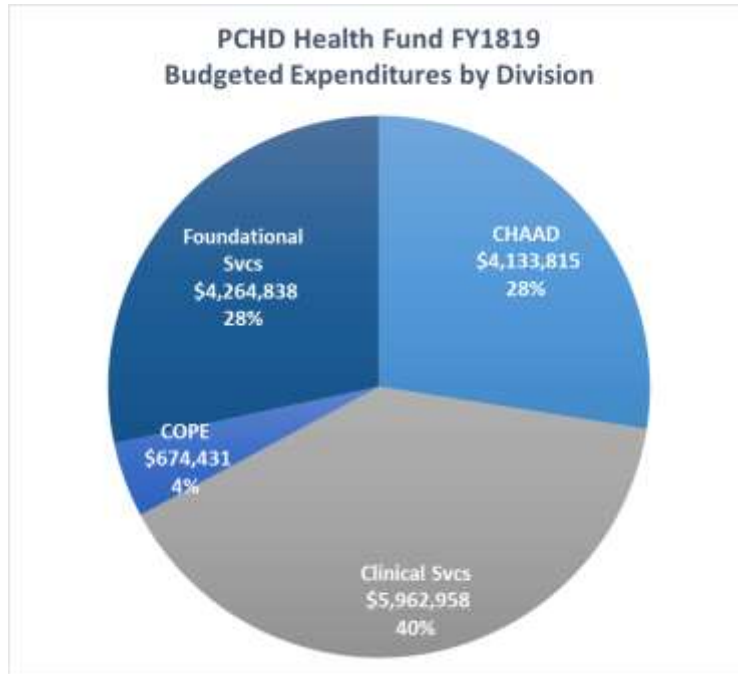


Figure 4

Only two divisions are projected to generate revenue, with CHAAD accounting for \$3,853,225 (81%) via licensure, inspections and vital records fees. Clinical Services is expected to contribute \$885,735 (19%) in health fees for direct clinical services. COPE initiatives are heavily supported by grants, and the grant revenue is managed outside the Health Department.

Significant Budget Issues Facing PCHD in FY1819

No significant issues are anticipated at this time.

Supplemental Funding

No supplemental funding is being requested at this time.