



Program #40034B - FQHC - Contingency and Reserves FY 2025 Department Requested

Department: Health Department **Program Contact:** Jeff Perry
Program Offer Type: Administration **Program Offer Stage:** Department Requested
Related Programs:
Program Characteristics: One-Time-Only Request, In Target

Executive Summary

The Integrated Clinical Services (ICS) Division of the Health Department has negotiated new Federally Qualified Health Center (FQHC) and Alternative Payment Methodology (APM) rates with the State of Oregon for healthcare services reimbursement. The State established the new rates retroactively and reimbursed ICS for the difference. The newly established ICS (FQHC) enterprise fund is required to establish reserve and contingency funds to provide fiscal stability and compliance with HRSA requirements to ensure continuity of services.

Program Description

ISSUE: The ICS revenue will fluctuate from year to year.

PROGRAM GOAL: Reserve and contingency funds will help to provide ongoing fiscal stability and compliance.

PROGRAM ACTIVITY: ICS, the Federally Qualified Health Center, is majority funded by visit revenue from State and Federal sources. Both Federal and State revenue sources may fluctuate from year to year. During FY 2022 the State approved and implemented new reimbursement rates and made retroactive payments. These funds are required to be utilized for the continuation and of mandated healthcare services for the most vulnerable people of Multnomah County.

Reserve and contingency funds will create ongoing stability for ICS and protect the program from unexpected revenue declines from economic fluctuations and unexpected costs. These fiscal stability approaches are informed by government accounting best practices, Health Resource and Services Administration (HRSA) guidelines, and by Multnomah County's Financial and Budget Policies.

The reserve and contingency funds was established in FY 2023. Each year, funding will be added to the reserve. The reserve fund will ensure the long-term financial stability of the program. The contingency fund will allow ICS to address unforeseen future expenses.

Performance Measures

Measure Type	Performance Measure	FY23 Actual	FY24 Budgeted	FY24 Estimate	FY25 Target
Output	Percent of reserve goal met	100%	100%	100%	100%
Outcome	Compliance with all HRSA 330 Grant financial requirements	100%	100%	100%	100%

Performance Measures Descriptions

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Department Requested General Fund	Department Requested Other Funds
Program Expenses	2024	2024	2025	2025
Unappropriated & Contingency	\$0	\$50,000,000	\$0	\$64,057,128
Total GF/non-GF	\$0	\$50,000,000	\$0	\$64,057,128
Program Total:	\$50,000,000		\$64,057,128	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Beginning Working Capital	\$0	\$50,000,000	\$0	\$64,057,128
Total Revenue	\$0	\$50,000,000	\$0	\$64,057,128

Explanation of Revenues

\$64,057,128 of Beginning Working Capital

Significant Program Changes

Last Year this program was: FY 2024: 40034B FQHC - Contingency and Reserves