MULTNOMAH COUNTY

FY 2021 Budget Work Session Follow Up

Health Department (HD)

Health Department – May 26, 2020 (Revised August 12, 2020)

Question 1

Commissioner Vega Pederson (District 3): Why didn't the budget for Financial and Business Management Division decline even though the division had a net loss of 5.95 FTE?

Response:

There were several different year over year puts and takes in this division: personnel costs in Financial and Business Management division declined by $452k in FY2021, as a result of personnel transferred to other divisions; contractual services increased in FY 2021, offsetting the reduction in personnel; an FTE was transferred from the Behavioral Health division to conduct data analysis and dashboarding for the Health Department as a whole. Additionally, the expansion of dental services will increase the number of dental visits, creating a corresponding increase in the transactional costs for practice management and electronic health record system. Those transactional charges are part of the division's budget. Finally, an error was found in the Contractual Services category, where additional indirect revenue was recorded as a balancing entry. This error has been corrected.

Question 2

Commissioner Jayapal (District 2): Please provide information on the following funding changes:

Response:

40059 – Corrections Health Mental Health Services – increase in funding and FTE

The Chair's Proposed Budget transfers two Mental Health Consultant FTE from DCJ to Corrections Health Mental Health Services. The total amount transferred was $270,768. This amount covers two behavioral health staff as well as training in Dialectical Behavior Treatment. This training will enhance the ability of Corrections Health to provide group therapy services.

The remaining increase in this program offer is the cost of living increase on personnel and materials and supplies.

40068 – Behavioral Health Quality Management – reduction in Other Funds and FTE

Year over year this program offer declined by 12.8 FTE and $2.9 million. This is a result of the transfer of managed care responsibilities from Multnomah County to CareOregon. The quality management and compliance activities that remain are those required to support our community mental health program and regulatory responsibilities as the local behavioral health authority.

40073 – Peer-run Supported Employment Center - $100,000 reduction in funding

The FY2020 budget included $100,000 in one-time-only funding for North Star a peer-run supported employment program.

40074 – Mental Health Residential Services - $4.5 million reduction in Other Funds

This change reflects a decision by the Oregon Health Authority to fund residential services directly, instead of passing these funds through the County. This change does not represent a loss of service capacity.

Health Department – May 29, 2020 (Revised August 12, 2020)

Question 1

Commissioner Meieran (District 1): Please provide information about the General Fund ($4+ million) used to support the Federally Qualified Health Center (FQHC). How does this compare with other FQHCs? Has the amount of General Fund support for Integrated Clinical Services (the division that contains the FQHC) increased or decreased over time?

Response:

The Federal Primary Care 330 grant requires local matching funds to support health care for the uninsured. Non-governmental FQHCs can solicit contributions and fundraise to meet this requirement, while public sector FQHC's generally cannot. County General Fund (CGF) meets the local match requirement for Multnomah County. In return for this CGF investment, the grant designates Multnomah County's community health center within ICS a FQHC, which among other benefits, allows us to receive an enhanced reimbursement for Medicaid patients, designed to cover the full cost of service.

The amount of on-going General Fund in Integrated Clinical Services has been consistent, around $4m for the last five years, down from $8 million in FY2012.

Question 2

Commissioners Meieran (District 1) and Jayapal (District 2): Please provide additional information about Sexual Orientation and Gender Identity (SOGI), including any reports generated by the program.

Response:

We implemented SOGI in 2017 as part of our equity work. The goal of SOGI is to help ensure that patients from our LGBTQI community receive culturally appropriate services that enable them to feel whole, visible, and unjudged. The project involved all of ICS. We implemented SOGI across Primary Care and Dental clinics and in Student Health centers. This implementation included a redesign of our demographic paperwork, an update of our medical records system, and improving workflows. To ensure this was not a tokenistic effort, we commissioned Bridge 13, a community education program that shares knowledge and skills to build LGBTQ equity, to train all ICS staff. We have a few reports capturing information about our performance. Reports include: UDS Reports that show patients by gender identity and sexual orientation, Reporting Primary Care: SOGI Entry: this is a quality assurance report that shows all patients who were checked in over a month's time, if their SOGI information was entered correctly and the staff that entered the information. Supervisors use this tool as a training tool for staff. ICS is looking at these reports to determine whether they are appropriate to share outside of the clinics. They may contain private medical information.

We now include SOGI as a part of provider onboarding, provide quarterly training sessions to all Health Dept. staff.

As part of our quality improvement process prior to COVID-19, in FY 2020 we began a review and revision of our SOGI work to include trans affirming care training at our Patient Access Center, reassessment of current forms, exploration of provider competency, and changes in how the Patient Access Center assist patients access to LBGTQI affirming care. This will continue when we return to normal operations.

Question 3

Commissioner Jayapal (District 2): Please provide information about the North Portland dental expansion, including: how it has been funded, how much revenue it will generate from dental services, and any estimates regarding the additional benefit yielded from new dental patients subsequently enrolling in primary care.

Response:

HRSA contributed funds for the buildout of the dental clinic at the North Portland Health Clinic (NPHC), including four operatories and dental equipment. The remaining expenses were covered through the HRSA grant and fee revenue. In order to meet the capacity and demand in the area, we requested County General Fund to cover the cost of two additional operatories. Funding for these additional chairs and the associated equipment is now being incorporated into the Southeast Health Center repair project budget because dental teams from Southeast will be temporarily relocated to North Portland during construction. When fully operational, the dental clinic is expected to treat over 2,500 unique patients, with approximately 7,000 annual visits. Revenue will be approximately $2m per year for two additional chairs. It is difficult to

approximate the number of new dental services patients that that will co-enroll in Primary Care services. Patients are more likely to be co-engaged (patients being treated by multiple disciplines) when dental, PC, and Pharmacy are co-located, as will now be the case at NPHC.

Question 4

Commissioner Vega Pederson (District 3): How/to which clients do you provide mail order pharmacy service? What are the limitations on provision of such service? Is there an opportunity to expand provision of that service?

Response:

Historically we have provided mail order service only at our Westside Pharmacy location because the HIV Health Service Center (HHSC), which is located at our west side location provides services beyond the metro area and throughout the state. This is done with the consent of our largest payor. As pharmaceutical regulations change we will continue to evaluate the efficacy, efficiency and client demand for mail order services. Currently, our pharmacy benefit manager (PBM) contracts specifically prohibit us from mailing prescriptions to patients. Some believe they do this to maximize use of their own mail order pharmacies. Legislation passed in 2019 should remove that restriction in 2021, and we plan to revisit client demand and our capacity to expand this offering. It is important to note that mail order services significantly increase labor costs per prescription.

Question 5

Commissioner Vega Pederson (District 3): How much has our revenue been impacted by COVID-19? Do additional grant funds make up for the lost revenue?

Response:

COVID-19 impacted revenue in several ways. Beginning in mid-March 2020 ICS began to scale back operations in order to maximize patient and staff safety, PPE availability, and staffing. One dental clinic, one student health center, and four of eight primary care clinics remained open. Visit volume dropped by 30-50% since this time, and approximately 70-75% of visits are now virtual. The clinics remain temporarily closed through June 30, 2020. At this point, based on the financial information at the end of March 2020, the Health Department is projecting up to a $16 million shortfall at the end of the fiscal year. Update as of August 2020: the financial forecast improved considerably, with the increase in telehealth services. As a result the revenue generated by clinical services improved in May and June.

The Health Department has received nearly $10m in CARES Act funding, supplemental HRSA payments, and emergency funding from our CCO partners. We were notified this week that Provider Relief funds that we expected would close most of the remainder of our funding gap are not currently available because funding from HRSA has run out, and remaining funds are currently prioritized for hospitals. However, we were also encouraged to resubmit the application with the hope that funds would be available in the future. We continue to work closely with the Budget Office and the County CFO to explore other options for closing this gap, including additional CARES Act provider relief funding, FEMA reimbursement, and other strategies.

Question 6

Commissioner Vega Pederson (District 3): What are the consequences of shifting General Fund to Beginning Working Capital? Please address the impact for the current fiscal year, as well as the potential impact in future fiscal years.

Response:

The shift of General Fund expenses to Beginning Working Capital (BWC) will bring the total amount of BWC budgeted in FY2021 to $1.9m. This is consistent with the average amount of BWC budgeted each year to support clinical operations. However, by the end of FY2021, the BWC remaining to support the clinics will be nearly depleted. Integrated Clinical Services is working with the State to revise their reimbursement rate for services. This should alleviate the need for BWC to balance future budgets.

Question 7

Commissioner Stegmann (District 4): What kind of impact will telemedicine have on County services and revenue going forward?

Response:

In response to the COVID-19 crisis, Medicaid and Medicare began reimbursing for audio/video services at the same rate as in-person clinic visits. In addition, OHP, CareOregon and Medicare now allow telephone visits under certain circumstances. Telemedicine allows for greater access and flexibility for patients. These changes have enabled us to continue operations, while minimizing the spread of COVID-19.

We understand that telehealth services have their limits, either because some services cannot be offered via telephone or some patients prefer an in-office visit. For primary care, total office and telemed visits for April 2020 totaled 11,245. This is comparable to the total office and telemed visits average over the previous 9 months (11,188).

At this time, it is not certain whether our payors will continue reimbursing for these visits. We will continue to track developments.