

CHAMPAIGN COUNTY BOARD OF HEALTH

Joint Study Session with the CUPHD Board Tuesday, July 28, 2009, 6:00 p.m.

Call to Order & Roll Call

The Champaign County Board of Health (BOH) and the Champaign-Urbana Public Health District Board (CUPHD) held a joint study session on July 28, 2009 in the Lyle Shields Meeting Room at the Brookens Administrative Center, 1776 East Washington, Urbana. The meeting was called to order at 6:06 p.m. by Carol Elliott and Julian Rappaport. County Board of Health members Mark Huls, Stan James, John Peterson, Cheryl Ramirez, Julian Rappaport, Bobbi Scholze, and Betty Segal were present at the time of roll call. Prashanth Gowda arrived after roll was called. The only absent BOH member was Brenda Anderson. The BOH staff present was Kat Bork (Board of Health Secretary). CUPHD Board members Pamela Borowski, Carol Elliott, and C. Pius Weibel were present at the time of roll call. No CUPHD Board members were absent. The CUPHD staff present were Candi Crause (Infectious Disease Prevention & Management Director), Deb Fruitt (Wellness & Health Promotion Director), Lori Holmes (Public Relations & Information Specialist), Julie Pryde (CUPHD Administrator), Jim Roberts (Environmental Health Director), Rachella Thompson (Communicable Disease Investigator), and Andrea Wallace (Finance Director). Also present was Deb Busey (County Administrator).

MOTION by Weibel to have a single person chair the meeting; seconded by James.

Elliott stated the meeting had a short agenda and she wanted the liberty to call on CUPHD staff to speak. She offered to chair the meeting and Rappaport had no objection. Rappaport withdrew as the dual chair. Weibel withdrew his motion.

Approval of Agenda/Addendum

MOTION by Weibel to approve the agenda; seconded by Borowski. **Motion carried with all ayes.**

MOTION by James to approve the agenda; seconded by Peterson. **Motion carried with all ayes.**

Public Participation

There was no public participation.

CUPHD Administration & Staff Response to the Proposed County Board of Health FY2010 Budget & Questions

Elliott noted there have been various meetings by both bodies discussing budgetary issues in addition to letters and emails explaining different scenarios and points of view. She wanted to turn the floor over to Pryde to allow her to respond to Rappaport's letter regarding the budget cuts. Elliott stated a letter dated June 24, 2009 was sent to her and CC'ed to CUPHD and Pryde

from Rappaport notifying them of the proposed budget cuts and requesting a joint meeting on July 14, 2009. Elliott responded in a letter dated June 29, 2009 to Rappaport and CC'ed to the BOH that she would prefer not to meet on July 14th because CUPHD staff would not be available. In a letter dated July 15, 2009 sent to Pryde and CC'ed to both boards, Rappaport asked for a response from CUPHD to the proposed budget cuts. Pryde responded in a letter dated July 22, 2009 to Rappaport and CC'ed to both boards.

Pryde sent her response indicating the amount proposed by BOH of \$605,405 for CUPHD services in FY2010 would pay for the core services if the amount was increased by \$1,162. This would not pay for the Vision Cooperation, well water testing services for private wells, Illinois Breast & Cervical Cancer services beyond what the grant covers, or any flu vaccinations clinics. It would cover all the core services. Pryde said there was an issue with the numbers given because it showed a 16.59% cut to grant services and she did not believe these could be cut. She asked Busey if this was correct. Busey stated the \$605,405 represented the total CUPHD FY2010 budget request. The BOH request was for Pryde to use her expertise as the Administrator to decide where to make cuts. Clearly, grant expenditures cannot be cut because these expenditures have matching revenue. The cuts were to be made to the non-grant core services. Pryde stated her response did not include any planning for flu clinics and she has been saying there has to be planning for flu. She thinks they will be expected to give at least two flu shots to each child in every county school who has a consent form. She anticipated this will amount to numerous children. Pryde was also concerned about giving flu shots at the 420 day care centers in the county. She was waiting on the actual numbers of schoolchildren. Pryde is trying to obtain the assistance of all the community's clinics and hospitals to perform the flu shots within a few days. CUPHD has 20 nurses, so the vaccinations will require a great deal of community assistance. Pryde did not know exactly what this effort would cost. Busey said the flu vaccinations had been part of the BOH discussion. The BOH was maintaining \$149,180 within its fund reserve in the FY2010 budget in order to address the H1N1 vaccinations because Pryde did not give them a proposed figure for this initiative.

Pryde asked how much of the \$605,405 amount was grant money. Busey said the grants were based on CUPHD's original FY2010 budget proposal. Pryde said the grant services amounted to \$97,199 and this revenue has to be used for specific grant purposes. Busey explained the BOH did not indicate exactly where the cuts should be made to the CUPHD budget proposal. The BOH has \$605,405 for the entire CUPHD contract budget. The grants cannot be cut without cutting their revenue, so the cuts need to come from other areas and these specifics would be determined by CUPHD. Scholze concurred with Busey's recollection. She asked if Pryde just applied a 16.59% cut across the board in every area or did she perform some analysis to decide what services were most critical to the county citizens to determine what could be cut. Pryde said she was trying to get enough money to do the core services because without core services they would not receive local health protection dollars. She asked if the BOH wanted the Local Health Protection Grant. The original CUPHD proposal requested \$606,567 for core services and this is where Pryde got the number. Pryde stated she had to get the core services covered and then the other stuff would go. Her response was to cover the Infectious Disease, Environmental Health, and Administration costs.

Rappaport explained that one of reasons why the BOH has been asking for a joint study session was because it was unclear with whom and how the BOH should discuss the budget and service delivery. Some issues are a matter of policy and Rappaport hoped to have a conversation between the two boards about what it would look like to have a good cooperative arrangement between the two entities. He wanted to know from the CUPHD Board members if any administration or indirect costs listed in the CUPHD budget proposal could be negotiated, since indirect rates are negotiable in contracts. The BOH cannot continue to spend at the rate it has been spending because they are now relying on the fund reserve. Within a very short time, the BOH would spend all of its reserves if a forward-thinking plan for the allocation of funds is not developed. He asked what the appropriate charge for indirect costs would be for this arrangement and for public health in Champaign County. He wanted to take a look at what sort of cuts CUPHD is contemplating, such as the indirect costs. Pryde said they had to go back to direct costs because they talking about cutting core services. She noted that minutes from past BOH meetings reflected that members suggested lowering the number of restaurant inspections from three to two in order to lower costs. She explained the number of inspections is set by the program standards. She asked Roberts to address program standards because most come from Environmental Health. Rappaport asked if the CUPHD Board had a policy regarding indirect costs. Elliott said the CUPHD Board did not have a policy and she was not sure it was the board's job to set such a policy. She thought it was the staff's job to assign costs and the CUPHD Board was not in any position to tell their staff what kind of costs should be assigned to anything. Pryde said some costs might seem indirect on paper, but in reality they are direct costs. Pryde stated she and Wallace have never had the opportunity to explain what the indirect costs actually are. She said it obviously takes staff to run programs and it costs CUPHD \$575,000 each month to pay for staff and benefits expenses. She estimated 20% of that amount is County-related activities. Some of the programs, such as wells and sewer, are 100% County activities because these activities are not performed in Champaign-Urbana.

James said the BOH needed to know exactly what it was required to provide for core services as mandated by state statute. According to the legal opinion prepared by the State's Attorney's Office, the BOH is required to meet the bare requirements of some programs and any services exceeding that amount are discretionary. James understands simply meeting the bare minimum standards is not sufficient for services, but this is a sticking point with the costs. He has found Roberts's information about restaurant inspections to be very eye-opening, but he is still unclear if the BOH is mandated by state law to perform three inspections. Roberts explained there are program standards that accompany acceptance of the Local Health Protection Grant for food establishment inspections, private sewage, and potable water supply for private wells. He has to follow the program standards associated with the grant. The food establishments are categorized into three categories. Category 3 requires an inspection once every two years. Category 2 requires at least one inspection per year. Category 1 requires three inspections during a calendar year. Two of the inspections are unannounced, routine inspections. The program standards allow the third inspection to be an alternative contact of either a contact with the restaurant's certified manager or an educational contact.

Gowda entered the meeting at 6:28 p.m.

Rappaport envisioned one of the indirect costs as being a portion of the salaries of CUPHD staff charged to the BOH. This cost was an example of a negotiable expense. He noted the BOH is charged almost \$12,000 of the Public Relations & Information Specialist's salary and this is not a core service. Rappaport asked if that was negotiable. Pryde said that was the kind of information she needed the opportunity to be able to explain. The Public Relations & Information Specialist is an internal title for the CUPHD staff person who works with the emergency management groups and the public information officers. The PR Specialist does all of the flyers, signage, and banners. This person has worked on the pandemic flu grant and emergency preparedness. Pryde stated they have a lot of grants that are county-wide. Rappaport said he was raising the question, as matter of policy, about the charges in excess of \$100,000 in that general category. Given revenue and expenditures projections, the BOH and CUPHD have a non-sustainable relationship. This will ultimately lead to a problem for the County Board of Health and could also lead to a problem for CUPHD since a portion of its budget is dependent on the BOH. He pointed out no one would be helped by the BOH going out of business and encouraged some creative solutions to make the BOH's revenue go further. He was not suggesting any particular change, instead he wanted have a policy-level conversation about how the BOH and CUPHD could deal with this issue. Pryde said she believed the policy-level discussion would be on the BOH's end and involve prioritization. She emphasized that she has said for a long time that the BOH cannot continue as it has in the past. The County Public Health Department was created because there was a desperate need for public health in Champaign County. This need goes beyond the core services and involves a lot of the other grants CUPHD brings in and dental services. Pryde did not know what to say about the fund balance and other financial issues. She stressed that she has been saying since she took over the Administrator position that CUPHD was paying for communicable disease services until she and Wallace got a handle on the CUPHD budget. She stated Wallace has done a great job getting a handle on what the actual costs are and they do not have the ability to charge Champaign-Urbana residents for County services. Pryde stated CUPHD is not doing a ridiculous amount of services; they are following the program standards. She noted CUPHD is running the programs very well and receives exemplary remarks from the state every time they have a site visit. She agreed the BOH cannot continue on the way it is, but CUPHD put a great deal of time into preparing the budget. CUPHD has software where the staff's work is daily entered and this enabled her to get a pretty good handle on where staff is actually doing their services. The staff also has to track their time as a grant requirement.

Regarding the CUPHD Board's lack of policy, Weibel stated they did not have a policy regarding indirect costs because there was no reason to have one. He said this was the first time there was a request for a policy and he felt the board could not set a policy without data. Weibel expressed the CUPHD Board felt it was okay for staff to operate as they had in the past. The board could create a policy in the future, but he emphasized a policy could not be made out of thin air.

Gowda asked if the grants received by CUPHD were geographically restricted to the Champaign-Urbana area. Elliott said they addressed some of Gowda's question before he arrived. Pryde stated CUPHD teased out all of the information early on in the budget process with Busey. CUPHD has a lot of grants that provide services to Champaign County residents, but it requires staff to do so. Pryde remarked the budget included more than the core services

because it includes all the grants, extensive Medicaid billing, and everything else based on a percentage of what the County residents receive. With the exception of dental, she thought County residents could receive the same services that Champaign-Urbana residents do. There will be things cut in the FY2010 budget, but the grants services will remain the same. Pryde listed the Tobacco Free Communities Grant, Emergency Preparedness Grant, and West Nile Virus Grant as the three grants that total \$97,000 and are specifically for county activities. James inquired if those grants were unspent, then the revenue is returned to the state. Pryde confirmed he was correct.

James thought the BOH had not been absorbing the costs for a lot of things being done in prior years and they are now seeing a true picture, more or less. There are a number of entities the BOH would like to support, but they cannot because costs keep increasing and they have very limited tax revenue. James was aware that the BOH needs to meet the core services, but he really needed to have the core services definition fine-tuned and would perhaps talk to legal counsel again. It was a tough choice for him to make because he liked seeing services in rural services. He wondered if there were ways to tighten up certain cost areas so the BOH got a better bang for its buck. James noted the other agencies perform activities that have to do with the BOH's overall charter, but he wanted to tackle the core services issues first. The BOH would only receive a certain amount of money unless someone puts a tax increase on the ballot. James appreciated all the information given to the BOH. Pryde said Peterson could describe how the BOH was paying a lot more before.

Rappaport stated he did not mean to sound critical of anyone, but in the time he has been on the BOH it has been very difficult to anticipate what CUPHD's budget request will be for the services from one year to the next. There are many explanations as to why the budget uncertainty exists, however, this context makes it difficult for the BOH to anticipate expenditures and budget for them. The reaction to this year's budget request was caused by the request being quite a bit different from the amount the BOH had been paying in previous years. Rappaport understood there were reasons for the change, he wanted to express it was hard for the BOH to anticipate the budget in some orderly fashion. All the BOH is trying to accomplish when its members ask questions was to get the most efficient use of its small amount of money, even if it means trimming around the edges and buying one less office chair.

Pryde spoke about CUPHD's efforts to cut costs this year. She stated that if she was allowed to answer questions and explain things at meetings then everyone would understand more about what she is talking about. In the past year, CUPHD has changed its health insurance carrier to save \$75,000, implemented an opt-out insurance option for employees who are double covered, leased space in its facility to two outside agencies to generate revenue (Pryde noted CUPHD has two more agencies waiting to lease space), drastically reduced its telecommunications costs, made use of an extensive network of volunteers on programming, minimized its electricity use, done aggressive grant writing to bring in \$1.5 million extra in grants this year, maximized Medicaid reimbursement to expand programs which has been most evident in CUPHD's dental program, changed to central medical and office supply purchasing, and not given merit or COLA salary increases to staff this year. Until CUPHD receives the \$2 million it is owed from the Illinois Department of Public Health, it has enacted a hiring freeze and stopped all equipment, supply, and travel purchases.

Elliott commented that although CUPHD is referred to as making a funding request, she wanted to make clear that the agency was not applying for funding from the County Board of Health. Instead CUPHD in telling the BOH what it would cost to fulfill the current agreement between the boards. Elliott thought the agreement leaves all of the cost estimates up to CUPHD and to assume CUPHD has fluff might be erroneous. There could potentially be room to look at costs savings in the future, but she thought that was the CUPHD Board's call. Rappaport agreed it was absolutely the CUPHD Board's call, which is why he wanted to have a joint meeting to share the BOH's dilemma. Rappaport said the BOH was requesting a closer look at the way costs are allocated to see if some costs could be trimmed. He was trying to express that the BOH wanted to continue the services it is mandated to provide and, as a governing body, the BOH has an obligation to look closely and question CUPHD instead of just accepting their budget.

Elliott asked Wallace to describe the method used to assign percentages. Wallace said the CUPHD budget was assembled based on historical information and actual personnel time currently spent on County programs. The fringe benefit rate for CUPHD personnel did increase do the IMRF rate, which Wallace emphasized was outside CUPHD's control. Wallace stated the claim that the Administrative salaries charged to the BOH was 25.3% was not entirely true. The salaries used to reflect that figure was based on job descriptions and, while CUPHD has a job classification system, it does not necessarily mean a support staff person automatically falls into Administration. CUPHD has many Administrative Assistants that are specifically designated to programs and are mostly covered by grants or fees. These are not included in Administrative salaries. Wallace projected CUPHD's total Administrative salaries at \$855,000 in FY2010. She was asking 11% of the total Administrative salaries to be covered by the BOH. Regarding indirect costs, Wallace said the BOH has never paid for these in the past and in her opinion the programs cannot be operated without indirect costs such as utilities, the mortgage payment, telephones, and other things. Wallace said the BOH was being asked to pay less than 8% of the total indirect costs CUPHD pays. She did not think this was unrealistic. Further, she noted the CUPHD budget request increased significantly because the BOH had not been charged for Infectious Disease core services, which is less than \$114,000 annually. CUPHD has been paying for this out of Champaign-Urbana tax dollars and cannot continue to do so. James asked what the 8% of indirect costs amounted to in dollars. Wallace estimated it was roughly \$40,000. James noted it would cost money if the BOH had to lease a building and pay for phones, but he did not know if the cost was fair. His point was the BOH was never charged this before and this is the reason they had questions.

Concerning the program standards, Pryde brought Crause and Thompson to explain in more detail. Pryde said CUPHD has been having a disastrous time with TB in the County. Crause said there are seven active TB cases, three of which are in the County. There are 25 latent TB cases, six of which are in the County. Crause was shocked that there were 22 positive TB skin tests in June and nine were in the County. She noted the TB case management offered by CUPHD is on the rise. CUPHD also offers disease intervention services for STD and HIV for County residents. James asked what happens when the cost of treating the number of cases exceeds the budget set for those services. Crause said CUPHD has historically exceeded its TB budget because it receives very little support from the Illinois Department of Public Health. CUPHD has increased staffing for TB. James wanted to point out to the BOH that there are

times CUPHD renders services they are not paying for that should be borne by the BOH. Crause said CUPHD does not stop services because they run out of money. Elliott asked if that was a requirement. Crause stated they are required to provide directly observed therapy for persons with TB regardless of payment.

James asked if the well water testing was mandated or if there was a criterion for the program. Roberts explained the potable water program has program standards based on the Local Health Protection Grant. CUPHD is required to sample a newly drilled well and does not charge a fee for this service. CUPHD also does not charge a fee for testing a well's water if an infant lives in the house served by the well, if there is a suspected water-borne illness in the family, or if the testing is being done at a doctor's request. This is done as part of the water protection program. CUPHD also offers another well water testing program that tests private well water upon request. This program is often used in real estate transactions. The CUPHD Board set a policy that charges a \$20 fee per test. He estimated approximately 160 wells were tested last year, of which 50% were real estate transactions or private curiosities. Pryde noted that well water testing could be part of an investigation if a communicable disease outbreak occurs.

Busey acknowledged the Administration charges increasing \$95,000 from the previous fiscal year is a significant increase and is part of the reason the BOH has been looking at these areas. She thought Pryde or Wallace could probably provide an explanation that would assist the BOH in understanding the increase. The BOH was charged for three Account Technicians in 2009, one at 18% and two at 4% of their time. For FY2010, the BOH is being asked to pay for four Account Technicians, three at 20% and one at 18% of their time. The HR positions being charged to the BOH has increased from 4% to 10% of their time. Busey suggested it would help if CUPHD provided a fuller understanding of why those costs charged so drastically from one year to another. Wallace said the BOH had not been charged for everyone working on county services and the former rates did not accurately reflect what staff were actually doing. Busey inquired how CUPHD changed its ability to document the time its staff spent on county services. Wallace stated CUPHD uses a payroll system. Busey asked when the system went into effect. Pryde said it was phased in over a number of years. Busey asked at what point in time CUPHD knew it was accurately measuring staff time and what sample was used to project the FY2010 staff estimates. Wallace stated it was based what staff has done in the last six months. CUPHD continues to work on making sure employees enter their time accurately every day. The times charged to the BOH in the FY2010 budget request were a combination of talking to employees and the time employees' entered into the payroll system. Busey thought part of the BOH's analysis was to ask if there was any room for negotiation on some of those Administrative costs. Pryde stated part of the deal was CUPHD has been doing the system for a while and the BOH was not being fully charged until CUPHD got a handle on its finances. She stated it took the CUPHD Administration two years to work through the mess. Busey wondered if the addition of the Infectious Disease charges had an impact on Administrative support charges. Pryde agreed and stated Communicable Disease is a program that involves HIV, STDs, TB, Hepatitis, and the little yucky reportable diseases CUPHD must follow up on. None of the Administrative staff costs related to Communicable Disease had been included in previous budgets. Pryde explained CUPHD had not been billing Medicaid for a lot of the county services, but there are some things under Communicable Disease that can be billed to Medicaid.

Segal asked about getting additional grants to make the money stretch further. Pryde concurred it was possible. Segal said the BOH felt frustrated because it only operates as a way to sign its money over to CUPHD without any options about supporting programs outside of the core services. If more grants would cover the core services, the BOH could direct money to other programs. Pryde stated there is no money for core services, outside of STD and HIV, besides the Local Health Protection Grant. Roberts said the other revenue source would be to look at the fees. Segal has read a sizable amount of money was coming from Washington to the states to pay for flu vaccines and asked if the states had decided how this would be allocated. Pryde said no decision had been made, but she hoped to get the vaccine, needles, and equipment for free. She also hoped CUPHD would receive stimulus money to defray its staff and travel costs. The state gives nothing to cover the staff and travel expenses involved in delivering the seasonal flu vaccine. CUPHD did receive a \$500,000 grant for the pandemic flu planning. Pryde thought the hospitals and other places would step up and help pay for giving the shots.

Scholze stated the BOH has an enormous amount of respect for Pryde's knowledge and expertise in public health; however, it was frustrating because it is the Administrator's job to decide where to make the budget cuts to maintain core services with as little impact on the quality of services as possible. Scholze wished the BOH could get the CUPHD staff's expertise to recommend where to make the exact cuts. Pryde said she has certainly been doing that, but she did not think the BOH liked her responses. The suggestion she made five-six months ago was to focus on core services and dental. While the BOH did completely cut the \$50,000 Senior Wellness Program, Pryde stated the BOH is not down to the point of having no money because they are funding other programs and holding money in reserve. Pryde thought it was good to hold money in reserve because CUPHD would need it for flu vaccines, but the BOH could not put money in its fund balance when they are not paying for what they currently have. She remarked that CUPHD really tried to be honest with the budget this time. Pryde felt she should have submitted a widely extravagant budget so there would be something to cut. A lot of CUPHD services would be squeezed down to nothing during a pandemic because the agency would only be doing flu services outside of core services.

Thompson explained she was the Communicable Disease Investigator for CUPHD and her program standards are mandated by IDPH. Her jurisdiction is Champaign County so she serves all residents within the county. She was responsible for following up on all suspected and confirmed cases of communicable disease, including food-borne illness complaints and animal bites. Thompson dialogues with physicians regarding patients, schools regarding children, and restaurant managers regarding employees. She is required to follow-up with all close contacts regardless of whether the patient is a county resident or Champaign-Urbana resident.

Rappaport wanted to get out into the air that this meeting sounds a warning to Champaign County, Champaign-Urbana, and to CUPHD that the county could be facing a serious public health dilemma. Part of the dilemma is dollar-driven and will require some creative ideas of how the BOH and CUPHD can work cooperatively and more efficiently. He stressed that he has heard Pryde's points that the BOH wastes money on things that are not public health. CUPHD receives most of the BOH's revenue. The BOH also funds the Smile Healthy Dental Program for Children in Champaign County. By every account, the Smile Healthy Program is incredibly successful at reaching children who would not otherwise receive dental services. Everything

said about public health talks about dental care and its effect on the long-term health and welfare of the population. The BOH believes providing dental care is public health. The only other program funded by the BOH in FY2010 is Crisis Nursery's perinatal depression program. This is funded because the BOH had an agreement with the Mental Health Board to jointly fund a program for a couple of years. That program will cost the BOH less than \$21,000 and the Mental Health Board is putting in \$25,000. This program was established when the BOH thought it could afford to fund other programs based on what CUPHD was asking them to pay in previous years. Rappaport noted if the BOH runs out of money; they will have cut the mental health program and dental services. He felt it was inaccurate to characterize the BOH's programs as not being public health. He hoped the two boards could develop some sort of context for collaboration for services throughout Champaign County for good government and good public health. Rappaport would like to develop some cooperative conversations and not be surprised with the next budget. He thought the BOH may have to think about the fact that it does not have huge tax revenue to support County public health. He wanted to have conversations so all parties are aware that the BOH will run out of money within a couple of years.

James mostly agreed with Rappaport's comments and noted that CUPHD is trying to serve the residents in the best way possible. He thinks some of the blame is attributable to the budget problems at the state and county levels. He hates to hear talk about taxes because everyone has preferences, but the bottom line is sometimes we stray from what we were supposed to be doing and take on more activities. Then when cuts have to be made it is painful to someone or something. James does not blame any organization working with or requesting money from the BOH. He appreciated all of the efforts made on everyone's part and hoped the organizations continue to work together.

Pryde encouraged the BOH members to visit CUPHD and look at what is being done in the programs. She thought it must be difficult to serve on a board when they are not familiar with what the programs are doing. The BOH could speak with the staff operating the programs, look at the programs standards, and visit the CUPHD website. Pryde stated she answers every single email and phone call she receives. She encouraged people to look at CUPHD and ask questions. They should feel free to make suggestions.

Adjournment

MOTION by Weibel to adjourn; seconded by James. **Motion carried with all ayes.**

The meeting was adjourned at 7:22 p.m.

Respectfully submitted,

Kat Bork
Board of Health Secretary