



**MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST
BUDGET MODIFICATION**

(Revised 12/31/09)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R1 DATE 3-25-10
LYNDA GROW, BOARD CLERK

Board Clerk Use Only

Meeting Date:	<u>03/25/2010</u>
Agenda Item #:	<u>R-1</u>
Est. Start Time:	<u>9:30 AM</u>
Date Submitted:	<u>03/02/2010</u>

BUDGET MODIFICATION: HD- 10-24

**BUDGET MODIFICATION HD-10-24 Appropriating \$731,000 in Increased
Agenda Medical Fee Revenue to Fund Start-up Costs for the New Rockwood Health
Title: Center**

Note: For all other submissions (i.e. Notices of Intent, Ordinances, Resolutions, Orders or Proclamations) please use the APR short form.

Requested Meeting Date: March 11, 2010 **Amount of Time Needed:** 5 minutes
Department: Health Department **Division:** Integrated Clinical Services
Contact(s): Lester A. Walker - Budget & Finance Manager
Phone: 503-988-3663 **Ext.** 26457 **I/O Address:** 167/2/210
Presenter(s): Vanetta Abdellatif, Integrated Clinical Services Director and Wendy Lear, Business Services Director

General Information

1. What action are you requesting from the Board?

Approval of the appropriation of \$731,000 in increased medical fee revenue to fund start-up costs for the new Rockwood Health Center.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

Currently, there are significant barriers to health care access for low income residents in the Rockwood area. 40% of the over 40,000 residents earn less than 200% of the federal poverty level and 20-30% are uninsured. Recent changes in Rockwood's demographics are also contributing to an increased urgency regarding solutions to the need for health care access. From 2000 to 2007, the number of persons of color in Rockwood increased by 54% (the countywide increase was 27%). Furthermore, 62% of the 7,000 plus Rockwood residents living below 100% of the federal poverty

level are persons of color (which is 20% higher than the countywide average) and five of the area's eight census tracts are designated as Medically Underserved Populations in recognition of the access issues residents face.

The collaboration between CareOregon and Multnomah County will result in a summer 2010 opening of a new Health Center in Rockwood neighborhood to provide expanded access to Primary Care, Dental and Pharmacy Services. Comprehensive primary care services are not currently available in the immediate Rockwood area and the closest clinical access points are three part-time, volunteer acute care clinics (residents must travel outside of Rockwood to access primary care, pharmacy, dental and enabling services). The proposed project would allow the Health Department to add 4 medical and 2 dental provider teams and access to medical services for approximately 3,300 individuals and dental services for 1,100 individuals in the first year of operation.

CareOregon has purchased a building at 182nd Avenue and Division and will fund tenant improvements with the intention of entering into a long term lease agreement with the Health Department. The goal is to offer residents an option for more preventive care and earlier interventions through a medical home model, leveraging MCHD's knowledge and experience providing cost effective medical and dental care for un/under-insured patients. CareOregon is a leader in providing access to Oregon's Medicaid population and has invested over \$3 million dollars in this project. CareOregon has agreed to fund the tenant improvements and MCHD has worked with CareOregon to reduce the non-essential tenant improvements.

This budget modification increases the department's budget by \$731,000 in medical fee revenue to fund one-time-only start up costs at MCHD's Rockwood Health Center. Medical fee revenue has been trending up for more than a year, due to infrastructure investments like Building Better Care. Through the end of December 2009 actual Medicaid revenue has exceeded its budget by more than \$3 million. These changes impact program offers 40017A – Dental Services, and 40031A – Pharmacy. There is no FY2010 program offer for the Rockwood Health Center.

3. Explain the fiscal impact (current year and ongoing).

Approval of this budget modification will increase the Health Department's federal/state FY2010 budget by \$731,000. To fund on-going operations in FY2011, the department will submit a scaled, out-of-target offer requesting \$222,000 in additional general fund. In FY2012, the out-of-target offer is estimated to be \$133,000. There should be no additional general fund needed by FY13 once the clinic is at full capacity.

4. Explain any legal and/or policy issues involved.

5. Explain any citizen and/or other government participation that has or will take place.

As part of the initial ARRA grant development, conversations have occurred with key community stakeholders, such as the Coalition of Community Health Clinics, Wallace Medical Concerns, Providence Health Systems, Legacy Health System, Human Solutions, Outside In, and others. Additional stakeholders and organizations have been invited to participate in the development of programs/services and to work in collaboration at this site to provide comprehensive services to the community.

ATTACHMENT A

Budget Modification

If the request is a **Budget Modification**, please answer **all** of the following in detail:

- **What revenue is being changed and why? If the revenue is from a federal source, please list the Catalog of Federal Assistance Number (CFDA).**

Medicaid intergovernmental charges are being increased by \$731,000 and there is no CFDA number.

- **What budgets are increased/decreased?**

Integrated Clinic Services budget is increased by \$731,000 for Rockwood Health Clinic.

	<i>Rockwood Startup</i>
Temporary	\$18,287
Non Base Fringe	\$5,755
Non Base Insurance	\$4,199
Supplies	\$287,184
Medical & Dental Supplies	\$15,000
Software Licenses	\$43,200
Drugs	\$16,853
Central Indirect	\$18,183
Dept. Indirect	\$44,322
Internal Services Data Processing	\$113,000
Internal Services Building Mgmt	\$10,000
Capital	\$155,017
Total	\$713,000

- **What do the changes accomplish?**

These changes provide for the operational startup for the new Rockwood Health Center. Opening of the new Health Center is planned for the 2010 and the Health Center will provide expanded access to Primary Care, Dental and Pharmacy Services.

- **Do any personnel actions result from this budget modification? Explain.**

This budget modification adds \$28,241 in temporary for a clinic manager for Rockwood. A permanent Program Manager 1 position will be included in the department's FY2011 budget request.

- **If a grant, is 100% of the central and department indirect recovered? If not, please explain why.**

Central and department indirect is recovered from all Medicaid intergovernmental charges.

- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**

Operations in FY2011 will be funded by intergovernmental charges for services, on-going federal

and state grants and county general fund.

- **If a grant, what period does the grant cover? When the grant expires, what are funding plans? Are there any particular stipulations required by the grant (i.e. cash match, in kind match, reporting requirements etc)?**

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.

Budget Modification ID: **HD-10-24**

EXPENDITURES & REVENUES

Please show an increase in revenue as a negative value and a decrease as a positive value for consistency with SAP.

Budget/Fiscal Year: 2010

Line No.	Fund Center	Fund Code	Program #	Func. Area	Internal Order	Accounting Unit		Cost Element	Current Amount	Revised Amount	Change Increase/ (Decrease)	Subtotal	Description
						Cost Center	WBS Element						
1	40-70	26030	40017A	40			46800-00-26030	50236	0	(314,650)	(314,650)		Medicaid FFS - Dental
2	40-70	26030	40017A	40			46800-00-26030	60240	0	95,095	95,095		Supplies
3	40-70	26030	40017A	40			46800-00-26030	60246	0	10,000	10,000		Medical supplies
4	40-70	26030	40017A	40			46800-00-26030	60350	0	7,827	7,827		Central Indirect
5	40-70	26030	40017A	40			46800-00-26030	60355	0	19,078	19,078		Dept. Indirect
6	40-70	26030	40017A	40			46800-00-26030	60380	0	37,650	37,650		Intl Svcs Data Processing
7	40-70	26030	40017A	40			46800-00-26030	60550	0	145,000	145,000		Capital
8									0				
9	40-70	26030	n/a	40			47400-00-26030	50236	0	(257,654)	(257,654)		Medicaid FFS
10	40-70	26030	n/a	40			47400-00-26030	60100	0	18,287	18,287		Temporary
11	40-70	26030	n/a	40			47400-00-26030	60135	0	5,755	5,755		Non Base Fringe
12	40-70	26030	n/a	40			47400-00-26030	60145	0	4,199	4,199		Non Base Insurance
13	40-70	26030	n/a	40			47400-00-26030	60240	0	165,728	165,728		Supplies
14	40-70	26030	n/a	40			47400-00-26030	60246	0	5,000	5,000		Medical supplies
15	40-70	26030	n/a	40			47400-00-26030	60350	0	6,409	6,409		Central Indirect
16	40-70	26030	n/a	40			47400-00-26030	60355	0	15,622	15,622		Dept. Indirect
17	40-70	26030	n/a	40			47400-00-26030	60380	0	26,654	26,654		Intl Svcs Data Processing
18	40-70	26030	n/a	40			47400-00-26030	60430	0	10,000	10,000		Intl Svcs Bldg Mgmt Lease
19									0				
20	40-80	26020	40031A	40			48245-00-26020	50236	0	(158,696)	(158,696)		Medicaid FFS Pharmacy
21	40-80	26020	40031A	40			48245-00-26020	60240	0	26,361	26,361		Supplies
22	40-80	26020	40031A	40			48245-00-26020	60290	0	43,200	43,200		Software Lic/Maint
23	40-80	26020	40031A	40			48245-00-26020	60310	0	16,853	16,853		Drug
24	40-80	26020	40031A	40			48245-00-26020	60350	0	3,947	3,947		Central Indirect
25	40-80	26020	40031A	40			48245-00-26020	60355	0	9,622	9,622		Dept. Indirect
26	40-80	26020	40031A	40			48245-00-26020	60380	0	48,696	48,696		Intl Svcs Data Processing
27	40-80	26020	40031A	40			48245-00-26020	60550	0	10,017	10,017		Capital
28									0				
29									0				

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						Cost Center	WBS Element						
30	10-10	3503		20		709000		50310		(113,000)	(113,000)		Budgets receipt of DP reimb
31	10-10	3503		20		709000		60240		113,000	113,000		Budgets offsetting expenditures
32									0				
33	72-50	3500		20		902575		50310		(10,000)	(10,000)		Budgets receipt of Bldg Mgmt SR
34	72-50	3500		20		902575		60170		10,000	10,000		Budgets offsetting expenditure
35									0				
36	19	1000		20		9500001000		50310		(18,183)	(18,183)		Indirect reimb revenue in GF
37	19	1000		20		9500001000		60470		18,183	18,183		CGF Contingency expenditure
38									0				
39	40-90	1000	40040	40		409050		50370		(44,322)	(44,322)		Indirect Dept reimb revenue in GF
40	40-90	1000	40040	40		409001		60000		44,322	44,322		Off setting Dept expenditure in GF
41									0				
42	72-10	3500		20		705210		50316		(4,199)	(4,199)		Insurance Revenue
43	72-10	3500		20		705210		60330		4,199	4,199		Offsetting Expenditure
44									0				
45									0				
46									0				
47									0				
48									0				
49									0				
50									0				
51									0				
52									0				
53									0				
54									0				
55									0				
56									0				
57									0				
58									0				
											0	0	Total - Page 2
											0	0	GRAND TOTAL

FM Side			PS/CO Side			Cost Element/ Commitment Item	Notes
FM Fund Center	FM Fund Code	Functional Area	Internal Order	Cost Center	WBS Element		
General Fund Contingency							
19	1000	0020		9500001000		60470	Reduce available General Fund Contingency
xx-xx	xxxxx	0020		xxx	xxx	xxxxx	Increase Expenditure
Indirect							
Central							
xx-xx	xxxxx				xxx	60350	Indirect Expenditure
19	1000	0020		9500001000		50310	Indirect reimbursement revenue in General Fund
19	1000	0020		9500001000		60470	CGF Contingency expenditure
Departmental							
xxx	xxxxx				xxx	60355	Indirect Department Expenditure
xx-xx	1000			xxx	xxx	50370	Indirect Dept reimbursement revenue in General Fund
xx-xx	1000			xxx	xxx	xxx	Off setting Dept expenditure in General Fund
Telecommunications							
xx-xx	xxxxx				xxx	60370	Departmental telecommunication expenditure
10-10	3503	0020		709525		50310	Budgets receipt of reimbursement
10-10	3503	0020		709525		60200	Budgets offsetting expenditure in telecommunications fund
Data Processing							
xx-xx	xxxxx				xxx	60380	Departmental data processing expenditures
10-10	3503	0020		709000		50310	Budgets receipt of Data Processing reimbursement
10-10	3503	0020		709000		60240	Budgets offsetting expenditures
PC Flat Fee <i>(Flat Fee is no longer in effect for most Departments beginning in FY 2007)</i>							
xx-xx	xxxxx				xxx	60390	Departmental PC Flat Fee expenditure
10-10	3503	0020		709617		50310	Budgets receipt of PC Flat Fee
10-10	3503	0020		709617		60240	Budgets offsetting expenditure
Electronic Service Reimbursement							
xx-xx	xxxxx					60420	Departmental Electronics expenditure
72-55	3501	0020		904200		50310	Receipt of Electronics service reimbursement
72-55	3501	0020		904200		60240	Budgets offsetting expenditure
Motor Pool: <i>Use this cost center if you are adding funds for motor pool use.</i>							
xx-xx	xxxxx				xxx	60410	Departmental Motor Pool expenditure
72-55	3501	0020		904150		50310	Budgets receipt of Motor Pool service reimbursement
72-55	3501	0020		904150		60240	Budgets offsetting expenditure
Fleet: <i>Use this cost center if you are adding funds for dedicated program cars.</i>							
xx-xx	xxxxx				xxx	60410	Departmental Fleet expenditure
72-55	3501	0020		904100		50310	Budgets receipt of Fleet service reimbursement
72-55	3501	0020		904100		60240	Budgets offsetting expenditure
Building Management							
xx-xx	xxxxx				xxx	60430	Departmental Building Management expenditure
72-50	3505	0020		902575		50310	Budgets receipt of Building Management service reimbursement
72-50	3505	0020		902575		60170	Budgets offsetting expenditure
Insurance Service Reimbursement							
xx-xx	xxxxx					60140 or 60145	Departmental Insurance expenditure
72-10	3500	0020		705210		50316	Insurance Revenue
72-10	3500	0020		705210		60330	Offsetting expenditure
Lease Payments to Capital Lease Retirement Fund							
xx-xx	xxxxx					60450	Departmental Capital Lease Retirement expenditure Contact your Budget Analyst to complete this.
Mail & Distribution							
xx-xx	xxxxx				xxx	60460	Mail & Distribution expenditure
72-55	3504	0020		904400		50310	Budgets receipt of service reimbursement
72-55	3504	0020		904400		60230	Budgets offsetting expenditure
Records							
xx-xx	xxxxx				xxx	60460	Records expenditure
72-55	3504	0020		904500		50310	Budgets receipt of service reimbursement
72-55	3504	0020		904500		60240	Budgets offsetting expenditure
Stores							
xx-xx	xxxxx				xxx	60460	Stores expenditure
72-55	3504	0020		904600		50310	Budgets receipt of service reimbursement
72-55	3504	0020		904600		60240	Budgets offsetting expenditure

How are functional areas assigned to cost objects?

For the most part, functional area is related to what department has recorded the revenue or expenditure (i.e. the District Attorney is reported in Public Safety and Justice). There are some exceptions to this rule that require certain funds to be assigned to a particular functional area, regardless of what department the revenues or expenditures are recorded in.

Functional Area Assignments ~ Based on Fund		
1501 – Road Fund	Roads and Bridges	80
1502 – Emergency Communications Fund	Community Services	60
1503 – Bike Path Fund	Community Services	60
1504 – Recreation Fund	Community Services	60
1506 – County School Fund	Community Services	60
1509 – Willamette River Bridges Fund	Roads and Bridges	80
1510 – Library Fund	Library	70
1512 – Land Corner Preservation Fund	Roads and Bridges	80
2500 – Justice Bond Project Fund	Public Safety and Justice	50
2501 – Revenue Bond Project Fund	Community Services	60
2502 – SB 1145 Fund	Public Safety and Justice	50
2504 – Building Project Fund	Community Services	60
2505 – Deferred Maintenance Fund	Community Services	60
2506 – Library Construction / 1996 Bonds Fund	Library	70
2507 – Capital Improvement Fund	Community Services	60
2509 – Asset Preservation Fund	Community Services	60
2510 – Library Property Fund	Library	70
3000 – Dunthorpe-Riverdale Service Dist #14 Fund	Dunthorpe-Riverdale Service Dist #14	500
3001 – Mid County Service District #1 Fund	Mid County Service District #1	510
3002 – Behavioral Health Managed Care Fund	Behavioral Health Managed Care	520

If a cost object is not in one of the funds listed above, then the functional area should be assigned based on the department that the cost object is in.

Functional Area Assignments ~ Based on Department (Fund Center)		
Non-Departmental (10, except 10-50)	General Government	20
Non-Departmental – CCFC (10-50)	Social Services	40
District Attorney (15)	Public Safety and Justice	50
Countywide (18 & 19)	General Government	20
Human Services (20, 25, 26, 30 & 31)	Social Services	40
School and Community Partnerships (21)	Social Services	40
Health (40)	Health Services	30
Community Justice (50)	Public Safety and Justice	50
Sheriff's Office (60)	Public Safety and Justice	50
County Management (72)	General Government	20
Community Services (91)	General Government	20
Library (80)	Library	70

If you have any questions or comments, please contact Susan Luce in General Ledger at ext. 22138.