



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST CONTINGENCY REQUEST

(Revised: 8/18/11)

Board Clerk Use Only

Meeting Date: 9-20-12
Agenda Item #: R.8
Est. Start Time: 10:10 am
Date Submitted: 8-31-12

BUDGET MODIFICATION # HD-13-01 requesting General Fund Contingency
Agenda Title: Transfer to appropriate \$38,393 in one-time-only revenue for start-up funds for Health Share of Oregon.

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date: September 20, 2012 **Time Needed:** 5 Minutes
Department: Health Department **Division:** Director's Office
Contact(s): Lester A. Walker – Budget & Finance Manager
Phone: (503) 988-3663 **Ext.** 26457 **I/O Address:** 167/2/210
Presenter Name(s) & Title(s): Joanne Fuller, Chief Operating Officer

General Information

1. What action are you requesting from the Board?

Approval of \$38,393 of General Fund Contingency for start-up funds for the Health Share of Oregon Coordinated Care Organization.

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.

In order to establish the Health Share of Oregon Coordinated Care Organization (CCO), (formerly the Tri-County Medicaid Collaborative (TCMC)) and fully staff the new CCO, the 14 sponsoring organizations on the Health Share of Oregon Executive Steering Committee have agreed to contribute to a fund to support the process. This fund is not intended to capitalize Health Share of Oregon, and will only be used to compensate staff assigned full-time to setting up Health Share of Oregon and for services such as legal, consulting, website design, public relations, and meeting expenses. The contributions of the 14 sponsoring agencies are calculated on each organization's ability to pay as represented by their total health care revenues or their annual budget. The first installment of \$38,393 was

approved by the Board of County Commissioners at the end fiscal year 2012, and this current request is for the second installment of \$38,393 for fiscal year 2013. Health Share of Oregon has been approved to begin operating on September 1, 2012 and additional start-up contributions are not expected.

This contingency request, if approved, will be recorded in Program Offer 40000: Health Department Leadership Team.

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

Approval of this budget modification will increase the Health Department's General Fund FY 2013 budget by \$38,393.

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

This funding proposal for Health Share of Oregon is the financial commitment that the County has made to the healthcare transformation process and the start-up of the new coordinated care organization.

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

Multnomah County is collaborating with 13 other government and private-sector partners to establish Health Share of Oregon, including Clackamas County, Washington County, CareOregon, OHSU, Legacy Health System, Kaiser Permanente, and Providence Health System.

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).**

This budget modification appropriates \$38,393 in one-time-only (OTO) general fund revenue for the completion of the Health Share of Oregon CCO. The Health Department's general fund revenue budget will increase by \$38,393 in FY 2013 as a result of this budget modification.

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

The Health Department's budget will have the following changes:

- Pass-through & Program Support budget will increase by \$38,393

- **What do the changes accomplish?**

This budget modification will allow Multnomah County to meet its commitment to support the CCO process by contributing startup funds.

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

There are no personnel actions as a result of this budget modification.

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

General fund is not subject to indirect cost.

- **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?**

This revenue is one-time only for the creation of the Health Share of Oregon CCO. At this time, it is not expected that additional start-up contributions will be needed by Health Share of Oregon.

- **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)?**

This budget modification is not grant-related.

Contingency Request

If the request is a **Contingency Request**, please answer **all** of the following in detail:

- **Why was the expenditure not included in the annual budget process?**
Specific details about this expense were unknown at the time the FY 2013 budget was submitted.
- **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**
Healthcare transformation and the creation of the new Health Share of Oregon CCO are being shepherded by the Department of County Human Services and the Health Department, in collaboration with the Chair's Office. Healthcare transformation, however, remains a County-wide effort. This contingency request represents the County's support and financial commitment to the healthcare transformation process.
- **Why are no other department/agency fund sources available?**
The healthcare transformation effort in Oregon is a new County-wide collaboration with only limited information available at the time that the FY 2013 budget was developed.
- **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?**
No new revenue will result from this expenditure. This expenditure supports Multnomah County's commitment to Health Share of Oregon and healthcare transformation in Oregon.
- **Has this request been made before? When? What was the outcome?**
On June 28, 2012, the Board approved a request for a first installment of \$38,393. At that time, the Board was made aware of the possibility that a request for additional installments might be necessary.

NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet. If it is a General Fund Contingency Request, a memo from the Budget Office must be submitted.

Required Signatures

Elected Official or Dept Director:		Date: 08/28/2012
	_____	_____
Budget Analyst:	Althea Gregory /s/	Date: 08/31/2012
	_____	_____
Department HR:		Date: 8/14/2012
	_____	_____