

**MEMORANDUM**

DATE: April 22, 2015

TO: Casey Toomay,  
Assistant City Manager

FROM: Dan Partridge, RS, MPH  
Director

RE: 2016 Budget Request



*Together, day by day, building a healthy community* – Since 1942 the Lawrence-Douglas County Health Department has worked to realize our vision by advancing policies, practices and programs that promote health for all, prevent disease and protect the environment. Our programs are aimed at prevention and are shown to be cost-effective.

This letter summarizes our budget request to the City of Lawrence for 2016. For 2016, the budget amount requested from the City of Lawrence is \$671,401. This represents level funding from 2015 for operational expenses and an additional \$5,299 in revenue to offset increased health insurance expenses.

**Revenue**

The Health Department leverages City funding with an additional \$3.3M through County taxes, fees and state and federal grant funds earmarked for public health. These revenues have been included in our 2016 budget submittal.

We anticipate adjustments in revenues including:

1. Grant revenue will increase to \$1,777,988 due primarily to receiving a three year \$448,578 per year Partnerships to Improve Community Health (PICH) grant from the Centers for Disease Control and Prevention in October 2014.
2. Fee and interest revenue will decrease by \$3,881 from 2014 actual revenue to \$334,705. This reflects the trend we see in our client demographics, in that, they are generally poorer and less able to support the services they receive from the Health Department. We have yet to see an increase in the number of clients having health insurance coverage.
3. 2016, funding support from Douglas County:

- a. Support for expenses other than health insurance remains level at \$775,707.
- b. Douglas County funding support for health insurance is projected at \$282,715. A 4.5% increase in insurance premiums is included in this forecast.
- c. Total Douglas County revenue request for 2016 of \$1,058,422.

Combined funding requests from the City and County equal \$1,729,823, 38.8% of this total represents the City of Lawrence portion.

We understand the need to work with our parent organizations (the City of Lawrence and Douglas County) to work diligently to control costs, maintain standards of care and challenge ourselves to meet performance goals.

### Revenue History

The Health Board routinely reviews fees for services and increases fees when indicated. However, we are constrained by the following:

- Our fees for sanitary code enforcement and child care licensure are already significant, typically several hundred dollars.
- Our fees for clinic services are often capitated by federal law. However each year as called for by Title X, we complete a cost analysis of family planning services and adjust our fees accordingly. The increase has always been modest and by law we slide the fee to zero based on our clients' self-reported income.
- Our mission is to serve the public regardless of their ability to pay.

We continue, as opportunities present themselves, to pursue alternative sources of revenue such as the Partnership to Improve Community Health (PICH) grant that support our mission.

### Expenditures

The Health Department's total budgeted expenditures *decline* in 2016 from 2015 budget by \$3,494 to \$4,014,444. City monies will be utilized to assist with funding the budgeted program expenses and to partially provide the local match/maintenance of effort requirements of the grants.

### Personnel

The 2016 budget includes \$40,000, or 1.8% of budgeted salary expense, for enhancements to staff salaries. The actual salary enhancement package will be determined by the Health Board at the end of 2015.

Health Department employees are covered under the Douglas County health insurance plan. The amount included in our 2016 budget request includes a 4.5% rate increase which will become effective June 1, 2015.

## Contractual Services

In March of 2015, the Health Department made the decision to outsource our IT services. This decision will shift expenses from personnel and capital equipment into contractual Services.

In alignment with accreditation standards we continue to focus on quality improvement (QI) and performance management. Again this year we have included with this budget request updated program performance reports which provide financial history, operational information, human impact stories and performance indicators for each program. We also include the 2014 Annual Financial Performance Report. These reports will allow you to understand more fully how City funds are used to support Lawrence residents and to understand the performance expectations we have for each program.

We are pleased to submit this 2016 budget request and are available to answer any questions you may have.

### Enclosures:

- 2016 proposed budget
- 2016 Program Performance Reports
- 2014 Annual Financial Performance Report
- Organization Chart

		2014 Actual	2015 Budget	2016 Budget
<b>REVENUE</b>				
<b>City</b>				
5010	City Operating	662,930	666,102	671,401
<b>County</b>				
5020	County Operating - fund 91111	735,470	735,470	735,470
5020	County Operating (San Code) - fund 91199	30,237	30,237	30,237
5021	County Health Insurance	245,861	286,713	282,715
5022	County Operating (Pr. LIVELY) - fund 91112	10,000	10,000	10,000
Total County		1,021,568	1,062,420	1,058,422
<b>Operating</b>				
5110	Contract Services	187,126	192,045	157,763
5120	Program Fees	337,374	303,219	333,505
5190	Interest	1,212	1,200	1,200
Total Operating		525,712	496,464	492,468
<b>Grant</b>				
5171	Federal	863,000	1,310,497	1,354,754
5172	State	376,731	430,206	391,236
5173	Local/Private	50,987	33,999	31,999
Total Grant		1,290,718	1,774,702	1,777,988
<b>Other</b>				
5701	Other	15,647	18,250	14,164
Total Other		15,647	18,250	14,164
<b>Total Revenue</b>		<b>3,516,575</b>	<b>4,017,938</b>	<b>4,014,444</b>

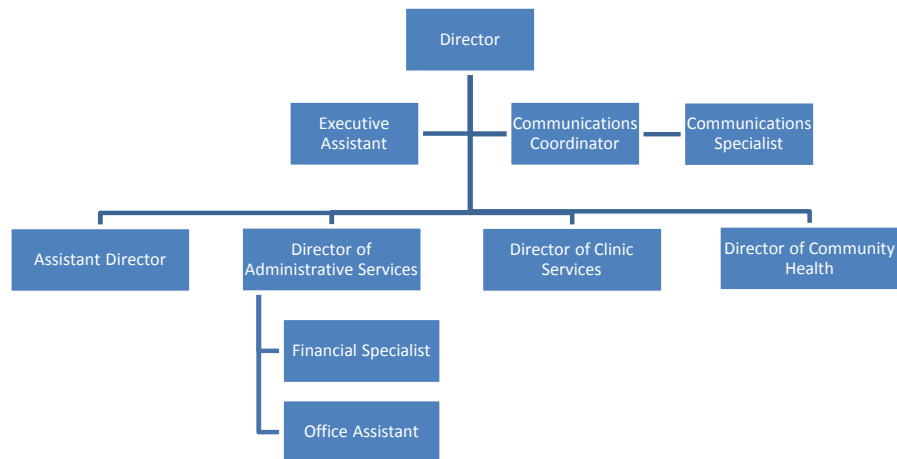
<b>EXPENSE</b>				
<b>Payroll</b>				
6010	Gross Salaries & Wages	1,991,895	2,109,790	2,179,081
6200	Payroll Taxes (SS & MC)	145,109	161,398	166,700
6201	Insurance - Health	414,215	477,856	471,192
6202	KPERS	186,900	214,356	235,961
6203	Insurance - Unemployment	1,994	9,084	9,382
6204	Insurance - Work Comp	25,396	25,606	25,491
6205	Insurance - Prof. Liability	3,994	6,700	6,700
6020	Payroll Related Expenses	-	-	-
Total Payroll		2,769,503	3,004,790	3,094,508
<b>Contractual Service</b>				
6300	Contractual Service Expenditure	57,375	308,177	256,566
6310	Interpreters	8,702	8,220	8,800
6320	Advertising	225	43,000	100
6302	Employment Ads	936	1,225	1,584
6322	Health Education/Promotion	15,234	11,500	80,200
6330	Bank & Credit Card Fees	3,415	3,300	3,500
6340	Continuing Education / Meetings	3,750	14,500	24,000
6341	Commercial Travel	39,672	8,700	13,300
6342	Meals	3,465	3,421	4,741
6343	Lodging	9,370	8,155	8,900
6344	Registration	6,035	16,320	14,700
6350	Copying & Printing	10,622	9,308	9,503
6360	Insurance - Non-Payroll Related	10,680	10,250	11,000
6370	Laboratory	13,694	15,400	15,500
6380	Mileage/ Tolls/ Parking	24,860	29,875	29,875
6390	Miscellaneous	17,986	8,527	5,475
6301	Phone & Communications	18,789	30,200	30,043
6311	Postage & Delivery	10,529	8,564	10,500
6312	Publications & Subscriptions	2,448	2,396	1,885
6313	Repair & Maintenance	1,135	1,528	1,015
6314	Service & Licensing Contracts	59,580	92,434	63,048
6315	Medical Fees	2,552	2,745	6,520
6316	Network Consultant Fees	2,889	90,000	60,000
6317	Legal Fees	1,169	4,140	2,760
6318	Physician Fees	11,059	11,000	11,985
6319	Dues	8,681	9,357	9,042
6323	HR Consultant	-	-	-
6321	Business Administration Fees	873	1,400	917
Total Contractual Service		345,723	753,642	685,458
<b>Commodities</b>				
6410	Medical Supplies	17,098	20,365	19,824
6420	Pharmaceuticals	151,972	181,250	176,569
6430	Office Supplies	11,742	23,799	14,227
6440	Other Supplies	27,179	20,092	23,859
Total Commodities		207,991	245,506	234,478
<b>Other</b>				
6500	Other Expenses	-	-	-
6222	Capital Equipment	-	-	-
	To Funded Depreciation	80,000	14,000	-
	To Board Designated Fund	100,000	-	-
Total Other		180,000	14,000	-
<b>Total Expense</b>		<b>3,503,217</b>	<b>4,017,938</b>	<b>4,014,444</b>

<b>NET INCOME</b>		13,358	-	(0)
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**Program Organization**

FTE History	
2010	8.2
2011	7.6
2012	8.2
2013	8.5
2014	7.0
2015*	6.4
2016*	6.4

\*budgeted



**Program Description**

The Health Department's Administration Program strives to be accountable to the community and Health Board by providing staff with the leadership and tools necessary to deliver the services people need and the results people expect.

**Program Impact Story**

Grant funding is a major means of support for most Health Department programs. The Health Department's administrative services program manages 20+ grants, totaling more than \$1,000,000. Rachele Hazelton, WIC program consultant at the Kansas Department of Health and Environment, works closely with Health Department Director of Administrative Services Jennie Henault and her staff on the WIC (Women, Infants and Children Special Supplemental Nutrition program) grant. Hazelton reviews quarterly time studies, affidavits, expenses and supporting documentation submitted by Henault's staff for the agency's WIC program. "Jennie and her staff are great," Hazelton said. "They have been most excellent in getting things to me correctly and on time." Rich Minder, Success by 6 Collaborative Projects Coordinator, also works closely with Henault and her staff on Smart Start Kansas, a grant that helps fund the Health Department's work with young families. "The data system is clearly in place," Minder said. "Whenever I need reports or data, there is more than what I need."

**Performance Indicators**

	2011	2012	2013	2014	2015 Target
Operating margin	3.1%	-3.3%	-2.0%	0.4%	≥ 0.0
% of grant affidavits submitted by deadline	100%	100%	100%	95%	100%
% of help desk requests resolved same day	98%	94%	90%	88%	≥ 75%
% of accounts receivable collected within 90 days	NA	NA	31%	24%	≥ 36%
Number of page views to the agency website	51,744	74,788	98,824	118,516	≥ 113,340

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	0.5%	0.1%	0.8%	0.1%	0.2%
Grants	0.7%	0.6%	1.1%	0.0%	0.0%
Local tax	96.5%	99.4%	97.7%	99.2%	99.6%
Other	2.2%	0.5%	0.4%	0.7%	0.2%

**Expenditure History**

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
	\$861,415	\$856,720	\$833,766	\$873,035	\$889,224	\$761,743	\$601,725

**2015 Priority Area for Improvement**

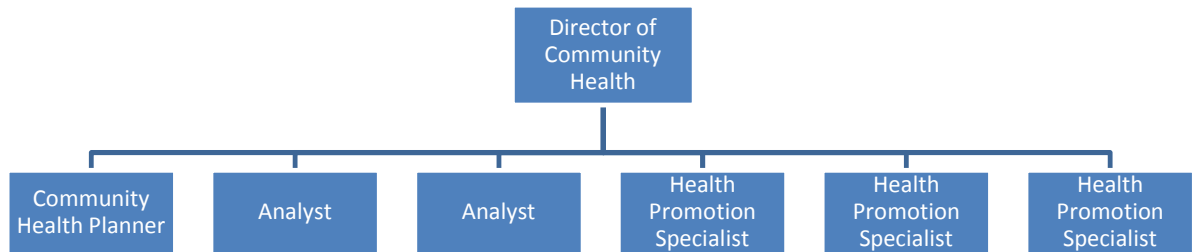
We will:

Improve data driven decision-making through practices that allow for greater sharing of data across programs by December 31, 2015.

**Program Organization**

FTE History	
2010	0.8
2011	1.2
2012	2.1
2013	2.9
2014	3.6
2015*	7.5
2016*	7.1

\*budgeted



**Program Description**

The Health Department's Community Health Program is responsible for monitoring the health status of the community to identify health determinants and health disparities in the population. We work to mobilize community partnerships to implement evidence-based strategies and evaluate impact of program outcomes to improve community health. Our targets are a reduction in chronic disease by modifying behaviors that influence health.

**Program Impact Story**

In 2012 the Community Health program, in collaboration with a diverse array of public and private sector community partners, completed a comprehensive Community Health Assessment (CHA). The CHA highlighted community health priorities and assets that could potentially help address these issues. Community work groups were convened around each of the five priorities identified in the CHA: access to healthy foods, physical activity, awareness of and access to mental health services, access to health care, and poverty/limited employment opportunities. In 2013 the work of these groups will be integrated into a comprehensive Community Health Improvement Plan. The plan will be intended to guide system and policy changes community-wide to promote health and well-being. Completion of the plan also will enable the health department to pursue public health accreditation, one of the health department's key strategic priorities.

**Performance Indicators**

	2012	2013	2014	2015 Target
Number of page views to the Community Health data page on the Health Department website	NA	1,221	1,914	≥ 992
Number of Douglas County adult tobacco users registered with the Kansas Tobacco Quitline	222	135	68	≥ 300
Number of community/system change entries into the Online Documentation and Support System	NA	NA	16	≥ 12

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	48.7%	42.2%	51.1%	74.4%	73.1%
Local tax	51.1%	53.5%	45.2%	24.2%	25.5%
Other	0.1%	4.3%	3.7%	1.4%	1.4%

**Expenditure History**

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
	\$93,065	\$119,183	\$216,691	\$304,814	\$344,947	\$948,080	\$914,406

**2015 Priority Area for Improvement**

We will:

- Increase number of users registered with the Kansas Tobacco Quitline to ≥ 300 by December 31, 2015.

**Program Organization**

FTE History	
2010	1.3
2011	2.1
2012	0.9
2013	0.9
2014	0.7
2015*	1.0
2016*	0.8

Responsibilities spread throughout the organization

**Program Description**

The purpose of the Preparedness Program is to protect and promote the health of Douglas County residents by improving the capacity of staff, volunteers, community partners and individuals to respond to and recover from significant health incidents.

**Program Impact Story**

Paula Hladky and Willard Epling always wanted to enjoy their retirement in ways that kept them active and allowed them to give back to their community. During one of Lawrence Memorial Hospital’s health fairs, the couple learned of the Douglas County Medical Reserve Corps (MRC), a group of volunteers that responds in health emergencies and in non-emergency situations. It was shortly after the tragic events of Sept. 11, 2011 that the couple decided to join the MRC and help prepare the community for future emergencies. “Our biggest effort ever was with the (2009 H1N1) immunization clinics,” Paula said. “We met practically everyone in Douglas County then,” she laughed, adding that one of the best rewards of being an MRC volunteer is the opportunity to meet clients and fellow workers. Another great benefit that volunteers receive is the “training, training, training,” as Paula puts it. Volunteers learn critical skills such as staffing a mass dispensing site or emergency vaccination clinic, all-hazards incident management, personal and family preparedness and educating the public before and during disasters. It’s all part of the full and active retirement Paula and Willard envisioned for themselves. “The secret of retirement,” Paula explains, “is to appreciate what you

**Performance Indicators**

	2011	2012	2013	2014	2015 Target
% of essential staff reached within 60 minutes of initiation of a notification drill	NA	NA	100%	100%	100%
% of staff and MRC volunteers who have completed all required ICS training	46%	68%	94%	89%	≥ 90%

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	97.0%	88.3%	100.0%	72.1%	112.8%
Local tax	3.0%	11.5%	0.0%	27.9%	-12.8%
Other	0.0%	20.0%	0.0%	0.0%	0.0%

**Expenditure History**

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
	\$305,195	\$108,829	\$70,604	\$115,937	\$86,279	\$124,512	\$107,530

**2015 Priority Area for Improvement**

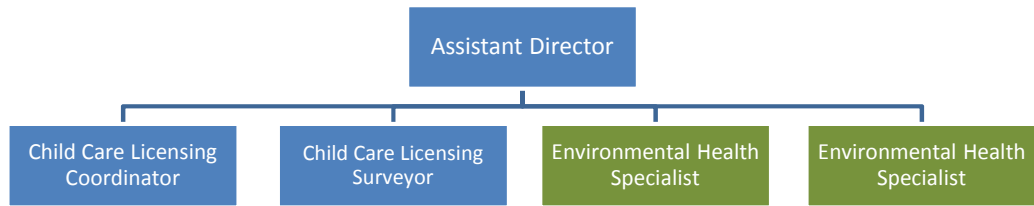
We will:

Improve public health emergency messaging with more accessible and complete web information by December 31, 2015.

**Program Organization**

FTE History	
2010	4.1
2011	4.0
2012	4.0
2013	4.0
2014	4.1
2015*	4.0
2016*	4.3

\*budgeted



**Program Description**

Regulatory Services enforce public health laws. These laws include Kansas child care licensing regulations designed to safeguard children from predictable harm in out-of-home child care. Enforcement of local city and county laws include the Douglas County Sanitary Code and City of Lawrence public pool and spa ordinance. We accomplish all of this through field inspections and investigations..

**Program Impact Story**

Monica Curtis’s previous experience with government programs had been frustratingly slow, but her experience with the Health Department’s Environmental Health program was anything but. With a move from Boulder, Colo., to her parents’ old farm looming, a lot of work needed to be done for the land to be safe and ready for her family. “I didn’t know the first thing to do so I came to the Health Department,” she said. Environmental Health Specialist Andrew Stull inspected the property’s septic system and found that the lateral field needed to be replaced. Monica was concerned about the cost since she had several other projects in mind that she wanted to complete before moving into the home. With Andrew’s assistance, she was introduced to the Douglas County Conservation District’s on-site waste management system program that could help her pay for the lateral field repairs. Within three weeks, funding was approved and the lateral field passed final inspection. Through the Health Department, Monica learned about the necessary procedures and programs that were important for updating the plot “I definitely learned a lot about septic systems,” said, Monica, comparing what she learned to taking a college course on the subject. “Andrew was truly a wealth of knowledge.”

**Performance Indicators**

	2011	2012	2013	2014	2015 Target
% of child care facilities processed prior to renewal date	79%	12%	87%	98%	≥ 90%
Rate of reportable accidents (# per 10,000 child care days)	0.04	0.02	0.00	0.01	≤ .03
% of child care facilities in compliance with safe sleep practices	84%	91%	90%	97%	≥ 95%
% of recreational water facilities meeting safety standards	91%	91%	91%	89%	≥ 97%
% of environmental health inspections completed timely	NA	NA	95%	98%	≥ 90%

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	35.2%	35.3%	41.3%	34.6%	36.5%
Grants	35.2%	35.9%	35.9%	37.1%	29.0%
Local tax	29.6%	28.8%	22.8%	28.3%	34.5%
Other	0.0%	0.0%	0.0%	0.0%	0.0%

**Expenditure History**

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
	\$265,796	\$301,641	\$291,483	\$298,973	\$300,787	\$295,247	\$339,618

**2015 Priority Area for Improvement**

We will:

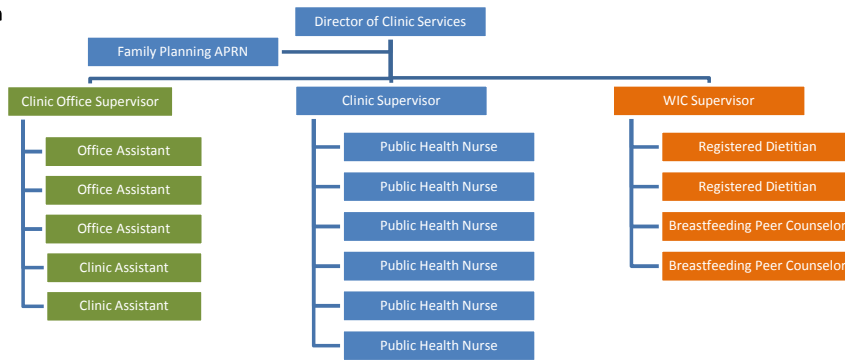
Improve customer service with more accessible and complete web information by December 31, 2015.



**Program Organization**

FTE History	
2010	18.4
2011	18.6
2012	17.8
2013	17.3
2014	18.0
2015*	15.7
2016*	16.4

\*budgeted



**Program Description**

Our clinic emphasizes prevention and education serving over 20,000 clients each year with the following services: immunizations for all ages; women’s health and family planning; sexually transmitted infection testing and treatment; and nutritional support and counseling for pregnant or nursing women and their children. Clinic staff also monitor and investigate communicable diseases.

**Program Impact Story**

Dafne Vargas-Hernandez wanted to ensure that she found good health care for her son, Andres, who was only 3 months old when her family moved to Lawrence from Costa Rica. Dafne called multiple health clinics and found out how the Health Department could help. She brought Andres to the Health Department for immunizations, well child screenings, WIC and was assisted with finding a family doctor. Even though Andres was at a healthy weight based on Costa Rican standards, the American weight charts showed him at the low end of the scale. “I always asked lots of questions and they had very appropriate and wise answers regarding his nutrition and development,” she said. Dafne’s experiences with health care in Costa Rica influenced her expectations of health care workers in the United States. “Back home, the pediatrician does everything,” she said. When she came to the Health Department, however, Dafne found that the clinic nurses and WIC nutritionists treated her son with the same care and attention that she had experienced in her homeland. “You feel that it is not only a service that they are providing,” she said, “but that they are interested in the development of the child.”

In a recent survey focusing just on clients’ interaction with clinic office staff one hundred and sixty-one clients were asked about their experiences. Some of those comments included; “Everyone was extremely nice and I very much appreciated that.”, and “Served quickly and efficiently, everyone very kind and helpful.”

**Performance Indicators**

	2011	2012	2013	2014	2015 Target
% of 2 year olds being seen at the Health Dept. who are up to date on their primary immunization series	81%	72%	75%	75%	≥ 84%
% of communicable disease investigations initiated within 24 hours	99%	99%	99%	99%	100%
% of first time contraception seekers who continue method for more than 3 months	80%	65%	60%	69%	≥ 85%
% of families participating in family-based sexuality education program who live in the 66044 zip code	6%	5%	12%	19%	≥15%
Cash drawer balance accuracy	99%	99%	94%	89%	≥ 97%
Data entry accuracy	NA	68%	93%	92%	≥ 95%
% of WIC fruit and vegetable checks redeemed	79%	75%	78%	74%	≥ 85%
% of WIC infants delivered at weight above 5 lbs. 8 oz.	94%	94%	94%	95%	≥ 95%
% of women who breastfed for a minimum of 6 months (duration)	29%	31%	32%	38%	≥ 40%

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	22.1%	19.0%	17.1%	16.3%	15.6%
Grants	42.7%	46.3%	51.8%	49.9%	47.1%
Local tax	35.1%	34.6%	31.1%	33.8%	37.3%
Other	0.1%	0.1%	0.0%	0.0%	0.0%

**Clinic Expenditure History**

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
	\$1,268,431	\$1,338,904	\$1,357,222	\$1,327,737	\$1,350,884	\$1,319,223	\$1,439,834

**2015 Priority Area for Improvement**

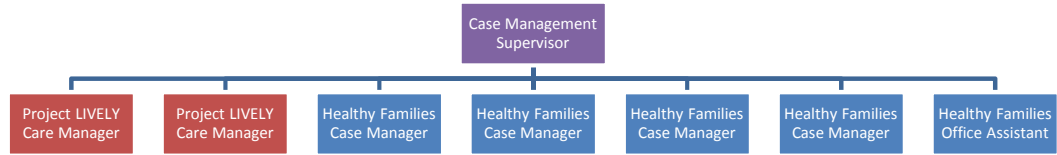
We will:

Improve data driven decision-making through greater sharing of program data by December 31, 2015.

**Program Organization**

FTE History	
2010	4.6
2011	5.2
2012	6.0
2013	7.5
2014	7.0
2015*	7.4
2016*	7.4

\*budgeted



**Program Description**

Case management services include working with young families in our Healthy Families program and seniors in our Project Lively program. Healthy Families uses an evidence based program to support parents facing multiple stressors in their lives. Staff meet with families regularly in their home and in group settings to teach them about their child's health and development, help them access health care, assist them with goal setting and link them to community services. Project Lively (Life, Interest and Vigor Entering Later Years) promotes the health of older adults. Our goals are to educate individuals about available resources and connect them with the help they need to stay safely in their homes and reduce premature nursing home placement. To accomplish this we collaborate with community partners and advocate for aging issues.

**Program Impact Story**

91 year old Herman Morgan embodies what Project Lively stands for. "Getting old isn't easy and you need help sometimes," Herman said. When Herman entered the program in 2006, he was the primary caregiver for his wife, Elenor. Multiple health issues forced her to go into a nursing home, which has been difficult for both of them, but having the help of Project Lively's care managers made the transition easier. Project Lively connected him with Meals on Wheels when he was caring for Elenor "(You get an old man that doesn't know how to cook, you start pressing the button on the microwave and you start getting in trouble," he jokes. Project Lively also set him up with an emergency cell phone, assisted with education on Medicare- Part D, connected him with housekeeping services, tax help, physical therapy and dental care. "(The care managers) have been very good to me and I have been very satisfied," he said. "Anything I've ever mentioned that they could help me with, they have."

**Performance Indicators**

	2011	2012	2013	2014	2015 Target
% of children in Healthy Families program who are up-to-date on recommended immunizations	53%	87%	95%	95%	≥ 90%
% of pregnant and post-natal women who are assessed for their willingness to quit smoking by Healthy Families	NA	39%	74%	80%	≥ 75%
% of HF family goals completed on time	NA	81%	81%	79%	≥ 75%
Number of teen parents enrolled in Healthy Families Douglas County	9	26	30	26	≥25
% of Project Lively home visits completed timely	NA	NA	94%	92%	≥ 96%
Average number of days to make contact with a Project Lively program referral	NA	NA	2.2	3.0	≤ 4.5

**Revenue History**

	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
Operating	4.8%	23.2%	32.3%	31.2%	23.3%
Grants	29.8%	36.4%	40.4%	37.3%	34.7%
Local tax	26.6%	40.3%	27.3%	31.5%	42.0%
Other	38.8%	0.1%	0.0%	0.0%	0.0%

**Expenditure History**

2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Budget	2016 Budget
\$594,789	\$622,070	\$676,053	\$593,284	\$531,099	\$569,122	\$611,332

Amounts in 2010 through 2013 reflect additional funding from the Kansas Children's Service League.

**2015 Priority Area for Improvement**

We will:

- Improve data driven decision-making through greater sharing of program data by December 31, 2015.



