



***Snohomish Health District
Board of Health Minutes
Regular Meeting
September 10, 2013***

Members Present

Shannon Affholter, Councilman, Everett
Adrienne Fraley-Monillas, Councilwoman, Edmonds
Dave Gossett, County Councilman
Karen Guzak, Mayor, Snohomish, Chair
Linda Grafer, Councilwoman, Mukilteo
John Joplin, Councilman, Brier
Kerri Lonergan-Dreke, Councilwoman, Lynnwood
Sean Richards, Councilman, Mountlake Terrace
Donna Wright, Councilwoman, Marysville
Stephanie Wright, County Councilwoman

Members Absent

John Koster, County Councilman
Vern Little, Mayor, Lake Stevens
Dave Somers, County Councilman, Chair
Brian Sullivan, County Councilman
Dianne White, Mayor, Stanwood

Others Present

Amy Blanchard, SHD Communicable Disease Program Manager
Judy Chapman, SHD Accountant
Randy Darst, SHD Environmental Health Division Director
Crystal Dudley, SHD Administrative Assistant
Nancy Furness, SHD Interim Communicable Disease Division Director
Gary Goldbaum, MD, SHD Health Officer and Director
Gayle Lanier, SHD VPD Outreach Program Manager
Peter Mayer, SHD Deputy Director
Rita Mell, SHD Clinic Program Manager
Wendy Nelson, Whatcom Alliance for Healthcare Advancement
Lorie Ochmann, SHD Executive Assistant
Carolyn Pape, SHD Interim Human Resources Manager
Suzanne Pate, SHD PIO



Kevin Plemel, SHD Environmental Health Program Manager

Charlene Shambach, SHD Community Health Division Director
Barb Taylor, SHD Financial Analyst
Steve Uberti, Legal Counsel
Michael Whitney, Everett Tribune

Call to Order

The regular monthly meeting of the Board of Health was convened at 3:08 p.m. by Chair Karen Guzak in the Auditorium of the Snohomish Health District Rucker Building. Roll call was taken by Lorie Ochmann, who reported there was a quorum present.

Agenda review

Chair Guzak requested clarification of Consent Agenda item 4.c. Whatcom Alliance for Healthcare Advancement (WAHA). Dr. Goldbaum discussed the In-Person Assistors role in healthcare exchanges opening October 1, 2013 for health insurance coverage effective January 1, 2014 as part of the Affordable Care Act. Two WAHA staff will be located at SHD and work to connect clients with services. Dr. Goldbaum introduced Wendy Nelson, Snohomish Coordinator for WAHA. Ms. Nelson thanked Board Members for their support and provided program handouts.

Public Comment

There was no public comment.

Chair's Report

There was no Chair's Report.

Health Officer's Report

As noted last month, the Centers for Disease Control & Prevention (CDC), the Food & Drug Administration (FDA), and public health officials in multiple states have been collaborating to investigate an outbreak of cyclosporiasis. From June 28 through August 30, 2013, CDC had been notified of 636 cases (45 hospitalized) of Cyclospora infection from 23 states; no cases have been reported in Washington. One source appears to be a salad mix produced by Taylor Farms



de Mexico; that product was voluntarily recalled. However, not all cases appear related to this product.

In response to three large scale salmonellosis outbreaks attributed to contaminated spices, the FDA conducted a study of Salmonella in spices imported during 2007-2009. Overall, 6.6% of samples were contaminated; this rate varied by spice, from 1% for cinnamon to 12% for oregano and basil. Of all Salmonella isolates, nearly 7% showed antimicrobial resistance; half of these were resistant to three or more antimicrobials. Thus, Salmonella contamination of imported spices appears to be relatively common and potentially quite hazardous.

In 2008, the Health District collaborated with the Snohomish County Medical Society and community partners (Providence Everett Medical Center, Community Health Plan of Washington, and others), an effort was launched to bring Project Access Northwest (PANW, formerly King County Project Access) to Snohomish County in 2010. PANW is a non-profit that manages a complex system to provide free specialty care at no charge to eligible patients. PANW recruits volunteer physicians and the ancillary services to support them. Fully underway in 2011, when 303 patients were served, the program has continued to expand, serving 403 patients in 2012 and 205 in the first six months of 2013. Numbers of volunteer specialists limit further growth—patient demand for services exceeds slots available. Last quarter, over half of referrals were to gastroenterology, orthopedics, gynecology, & physical/occupational therapy. Although health care reform will expand access for many, it will not cover everyone—the need for PANW services will remain.

The community health improvement planning process continues to go well. The three groups (focusing on the priority issues of youth physical abuse, adult and youth obesity, and adult and youth suicide) are each meeting every two weeks. All have gathered information on what resources are currently available in Snohomish County to address the issue, what seems to be going well, and where there are gaps. They are now working on measureable goals and objectives for each issue.

Minutes

It was moved by Mr. Gossett and seconded by Ms. D. Wright to approve the minutes of the regular meetings held June 11, 2013 and August 13, 2013. The motion carried unanimously.

Proclamations and Special Presentations

Nancy Furness provided background information on the Public Health Emergency Preparedness and Response Program and read a proclamation proclaiming September National Preparedness Month.

It was moved by Ms Fraley-Monillas and seconded by Mr. Gossett to proclaim September National Preparedness Month. The motion carried unanimously.



Randy Darst recognized Crystal Dudley as Employee of the Quarter.

Committee Reports

Mr. Mayer reported on the 2014 Budget Ad Hoc Committee. The Committee has convened twice, August 26th and September 10th. The third meeting will be September 26th. The Committee was briefed on Work Plan and budget information by division. The Committee reviewed the six year financial forecast and highlighted items related to next steps and policy matters relative to staffing implications. There was also discussion of investments of fund balance in support of transition strategies, largely focused on technology. A proposed budget will be presented to the full Board in October followed by a public hearing in November, and proposed budget adoption in December.

Dr. Goldbaum reported that the Ad Hoc Structure and Process Committee is working to address how the Board does business. This came about after a public comment period that highlighted a lack of procedures. The Committee is also addressing other Board issues such as the committee structure. There are many of examples of Rule of Procedures available from other jurisdictions that will be useful in this process. The Committee will discuss the potential for Board Members not present to call in to meetings on a limited basis, consistent with Open Public Meeting Act requirements. The group will reconvene in the future, after the 2014 budget is final.

There were no questions regarding the monthly standing reports. Program Policy Committee and Administration Committee did not meet.

Consent Agenda

It was moved by Ms. S. Wright and seconded by Ms. Lonergan-Dreke to approve the following items on the Consent Agenda: (a) vouchers of June, July, and August 2013, (b) Resolution 13-14 authorizing June, July, and August 2013 expenditures for Health District and PHEPR funds, (c) approval of Whatcom Alliance for Healthcare Advancement (WAHA) agreement, and (d) renewal and expansion of the 2013 – 2015 Local Source Control Contract. The motion carried unanimously.

Action Agenda

Ms. Chapman and Mr. Mayer provided a review of background information on the proposed comprehensive set of financial management policies the Board has been discussing for several months. The process began in March with the Administration and Program Policy Committees followed by a Board Work Session in April and formation of the Financial Policies Ad Hoc Committee in July. Committee Members John Koster, Kerri Lonergan-Dreke, Dianne White,



and Donna Wright met on July 1st and July 16th to review staff proposals intended to create a set of policies that provide a framework to guide decision making regarding agency financing.

Policy highlights include an operating budget based on the principle that current operating expenditures will be funded with current revenue (we will live within our means), a budget that is structurally balanced and in alignment with District goals and the Strategic Plan. A six year forecast has been developed to better identify future pitfalls and allow adequate time to adjust spending rather than relying solely on fund balance. A quarterly financial statement will be provided to the Board. Mr. Mayer discussed a 30 Day Working Capital Reserve, and Emergency General Fund Reserve, and Line of Credit with Snohomish County. Examples of similar reserves in local jurisdictions were provided. Additionally, three Assigned Reserves--Equipment Replacement Reserve, Technology Reserve, and a Building Replacement Reserve--were proposed. These reserves are intended to be used as needed and use will fluctuate year to year. Staff would seek authorization in the annual budget to spend reserves. The proposed action necessitates rescinding Resolutions 11-19 and 11-37, addressing fund balance.

Board Members discussed the availability of funds for a two million dollar line of credit with Snohomish County.

It was moved by Mr. Affholter and seconded by Ms. Lonergan-Dreke to adopt Resolution 13-11, Establishing Snohomish Health District Financial Management Policies and Reserves and rescinding financial management policies adopted previously under Resolution 11-19: "Setting a Minimum Fund Balance Target" and Resolution 11-37 "Use of Fund Balance". The motion carried unanimously.

Program Briefings

Second Quarter Financial Status Briefing

Ms. Chapman provided a Second quarter financial Status briefing. The purpose of a quarterly financial report is to provide a formal presentation of on-going trends and current status of the District's financial situation. One of the challenges in providing financial reports is the timing. The majority of SHD's intergovernmental revenue is based on reimbursement grants. In order to project revenue, billable expenses must be accumulated and then billed. This takes several weeks, often outside the deadlines for Board of Health reports. Staff are working to shorten the billing timeline to allow for more current and complete reports.

The District posts revenue to over 370 different revenue codes and over 150 different expense categories. During the first two quarters of the year, 85% of the budgeted revenue has been collected. This is primarily due to the collection of food establishment permits early in the year. While the indirect federal funding the District receives through the Washington State Department of Health may be slightly reduced due to federal sequestration, SHD has received authorization to resume billing for Medicaid Administrative Match effective July 1, 2012. This will result in higher revenue in 2013 than initially anticipated. Overall the total revenue collected through the 2nd



quarter is at 59% of the total projected level for the year. With the news that Medicaid Administrative Match will resume and July through December will be paid during 2013, staff currently anticipates collecting 102% of the budgeted revenue. SHD has two funds, the general Fund and the Public Health Emergency Response Fund. Previously these funds have been reflected separately in reports to the Board. These reports are now combined into a single balance sheet to better reflect the overall financial situation.

2013 Work Plan Briefing

Mr. Mayer along with Division Directors provided an update on the 2013 Agency Work Plan. The Work Plan supports the development, implementation and evaluation of SHD efforts and initiatives and “operationalizes” planning efforts outlined in the SHD Strategic Plan, Quality Improvement Plan, Agency Budget, and Community Health Assessment / Improvement Plan. Work Plan initiatives are generally project oriented and developed to identify work tasks, persons responsible, timeframes to accomplish desired activities and priorities. The Work Plan is intended to be used as a tool for planning and staff intends to provide updates to the Board about twice annually. As priorities, funding, public policy, and other unforeseen changes occur throughout the year, the Work Plan will be reviewed and decisions will be made to determine which initiatives go off the Work Plan and what new priorities are added. Community Health Division Director, Charlene Shambach highlighted three areas of focus for the division. The Community Health Improvement Plan process is supported by the Assessment and Healthy Communities Programs working with the Public Health Advisory Council. The Community Health Assessment efforts culminated in the Community Report Card released in April. The second initiative highlighted was the newly implemented Electronic Death Registration. The system went live July 2nd with great success. Over 75% of all death certificates in Snohomish County are now issued electronically. Finally, the Second Trimester Infant Feeding Group to Promote Breastfeeding also went live in July in both the Everett and Lynnwood WIC clinics. A summary of the Infant Feeding Group initiative was included in the Community Health Division monthly report in the August Board packet. Nancy Furness, Interim Director for the Communicable Disease Division reported on the expanded childcare prevention outreach activities in preschools, which are not regulated and therefore present a challenge in disease reporting and follow up. The second initiative is to increase the use of the Washington Immunization Information System (WIIS) by adult healthcare provider and pharmacies. The goal is to provide lifetime information, not just immunization information for children. Preventive services such as immunizations are part of the Affordable Care Act, providing some financial incentive for participation. Small, independent providers are the greatest challenge. The third initiative is to explore the possibility of third party billing for health services. SHD has received a grant for \$35,000 to fund a contractor to conduct an in-depth study of the feasibility of third party billing for immunization services by SHD. That grant opportunity will be discussed in a future meeting. Division Director, Randy Darst discussed areas of focus for the Environmental Health Division including improving pre-opening of inspections of water recreation facilities and reducing the number of red item violations. Seasonal water recreation facilities operate from Memorial Day through Labor Day and are inspected twice during that period. By offering a pre-opening inspection, the goal is to reduce the unsafe facilities by identifying red violations prior to opening and to allow for more inspections earlier in the season.



Fifty of the 250 seasonal facilities participated in the program this year. Second, as previously reported, the SHD sanitary code regarding food sanitation has been updated to reflect recent changes in regulations. Informational sheets and guidance documents continue to be updated. The third initiative is improvements to the process and procedures in responding to public records requests. This formal Quality Improvement project is intended to reduce the number of staff touches, improve the quality of the information submitted by the requester, and reduce the number of clarification calls. A number of changes have been implemented as a result of the process. The assessment and analysis phase is underway. Mr. Mayer reported on Administration initiatives. SHD is deploying a SharePoint website to manage documents and facilitate collaboration throughout the agency. A mobile technology initiative has not started due to delays in acquiring the necessary technology. The mobile technology will facilitate Environmental Health inspectors working in the field. There will be more discussion of the acquisition and deployment of the mobile technology in the budget proposal. IFAS, the SHD integrated human resources and financial software, has not been updated in over a decade is a major initiative on the Work Plan. A business process review has been completed and good progress is being made. Other technology initiatives include a restructured website which currently has over 120 pages of content, implementation of portable communications tools for mobile and office use, and a greater social media presence. Quarterly financial budget updates to the Board of Health, and agency management workforce development plans are also included in the Work Plan. A complete listing of initiatives was provided to in the meeting packets.

2014 Budget Process Overview

Mr. Mayer presented the 2014 Budget Process overview. The budget process has been guided by the following goals: to achieve a balanced, stable and sustainable budget by 2015 & beyond; to provide an extended six year planning horizon to increase awareness of future potential challenges & opportunities; to set aside discrete reserves for contingencies and replacement of capital assets; to plan for the capital needs of the District; to increase transparency & accountability in managing District finances and operations; to seek new or expanded revenues where feasible while prudently controlling costs. The transition approach is comprised of near term and long term objectives. The near term, defined as 2013-2014, SHD will ensure all current functions are justified. To do that, all services will be reviewed with additional focus on services supported by the General Fund. Fee and grant supported services will be evaluated to ensure they are self-sustaining. The agency will evaluate attrition opportunities and new revenues will be considered with the goal of achieving a balanced budget in 2014, but by no later than the 2015 budget. For long-term planning (2015-2020), staff will update the SHD Strategic Plan, develop performance standards for use of state flexible funds, identify and direct funding to foundational public health programs, services, and functions, and facilitate transfer of other programs, services, and functions to community partners. There have been some enhancements to the budget process in 2014; new or expanded elements include a formal Budget Call, with an instruction guide provided to staff along with a detailed budget schedule. This year forms were distributed and submitted electronically, and the agency Work Plan was incorporated in the process. Divisions presented their baseline budgets to the Business Office



and the Board. A proposed budget will be presented to the full Board in October followed by a public hearing in November, and proposed budget adoption in December.

Information Items

A calendar for scheduled meetings in September and October 2013 was provided to Board Members in their packets.

The Program Policy Committee meeting scheduled for September 26th is cancelled. Instead, the 2014 Budget Ad Hoc Committee will meet on September 26th at 3:30.

Adjournment

The meeting was adjourned at 5:00 PM.

Karen Guzak, Chair

Gary Goldbaum, M.D., M.P.H., Secretary