



***Snohomish Health District  
Board of Health Minutes  
Regular Meeting  
June 10, 2014***

**Members Present**

Suzie Ashworth, Councilmember, Granite Falls  
Adrienne Fraley-Monillas, Councilmember, Edmonds  
Karen Guzak, Mayor, Snohomish, Chair  
Linda Grafer, Councilmember, Mukilteo  
John Joplin, Councilmember, Brier  
Ken Klein, County Councilmember  
Sam Low, Councilmember, Lake Stevens  
Scott Murphy, Councilmember, Everett  
Sid Roberts, Councilmember, Lynnwood  
Donna Wright, Councilmember, Marysville  
Stephanie Wright, County Councilmember

**Members Absent**

Sean Richards, Councilmember, Mountlake Terrace  
Terry Ryan, County Councilmember  
Dave Somers, County Councilmember  
Brian Sullivan, County Councilmember

**Call to Order**

The regular monthly meeting of the Board of Health was convened at 3:05 p.m. by Chair Stephanie Wright in the Auditorium of the Snohomish Health District Rucker Building. Roll call was taken by Lorie Ochmann, who reported there was a quorum present.

**Minutes**

It was moved by Ms. Guzak and seconded by Mr. Low to approve the amended minutes of the regular meeting held April 8, 2014. The motion carried unanimously.



## **Consent Agenda**

It was moved by Ms. D. Wright and seconded by Ms. Grafter to approve the following items on the Consent Agenda: (a) vouchers for May 2014; and (b) Resolution 14-06 authorizing May 2014 expenditures for Health District and PHEPR funds. The motion carried unanimously.

## **Public Comment**

There was no public comment.

## **Chair's Report**

Chair Wright had no report.

## **Health Officer's Report**

Dr. Goldbaum reported that increased measles cases reporting across the nation, including in the Pacific Northwest continues this month. Most outbreaks start with a case imported from overseas and spread among unvaccinated residents; many people have been exposed as infectious individuals travel through airports and out in the community. An outbreak of varicella (chickenpox) is occurring in the Arlington School District. Although many parents consider chickenpox to be benign, it can cause serious complications and is very disruptive to work and home life. As for measles, the best protection is for everyone to be vaccinated.

New Centers for Disease Control and Prevention (CDC) guidelines recommend pre-exposure prophylaxis (PrEP) for those at substantial risk of HIV infection. PrEP consists of a daily dose of a combination antiretroviral drug, emtricitabine/tenofovir (Truvada). Just as oral contraceptives dramatically reduce the likelihood of pregnancy, PrEP reduces the risk of infection if one is exposed to HIV. PrEP is not recommended by itself, but together with other strategies such as regular condom use. This new prevention tool could have significant impact on the HIV epidemic in the U.S. To reduce financial barriers and increase utilization, the Washington State Department of Health's Drug Assistance Program provides co-pay coverage for insured individuals and full coverage for uninsured or under-insured individuals. Currently, only medication-related costs for PrEP are covered.

Staff have recently confronted ambiguity in the food code. Currently code requires permits for any public events that offer food. At issue is what constitutes a public event. Fundraisers pose a challenge, be they for a faith institution, a non-profit, or a political campaign. Current policies and practices are under review to assure that code is applied fairly.

Board members were reminded to take the ten minute survey previously emailed to them.



## **Executive Session**

Pursuant to RCW 42.30.140 The Snohomish Health District Board of Health convened into Executive Session at 3:14 for the purposes of discussing potential litigation. The Board anticipated the Executive Session would last five minutes. The Board reconvened at 3:25.

## **Committee Reports**

There were no questions regarding the monthly financial standing report.

## **Action Items**

### **FEMA Local Agency Designee and Alternate**

Judy Chapman, SHD Business Manager briefed the Board on Federal Emergency Management Agency (FEMA) reimbursement requirements. During the response to the Hwy 530 Landslide SHD incurred costs reimbursable by the FEMA. FEMA requires that in order to apply for such funding, SHD must name an authorized representative to execute contracts, certify completion of projects, request payment, and prepare required documentation. The Board was asked to designate Judy F. Chapman, as the authorized representative and Peter M. Mayer, Deputy Director as alternate.

It was moved by Mr. Murphy and seconded by Ms. Fraley-Monillas to approve Resolution 14-08 designating Judy Chapman as the FEMA authorized representative and Peter Mayer as alternate. The motion carried unanimously.

### **Unpaid Holidays for Reason of Faith or Conscience**

Teri Smith, SHD Human Resources Manager discussed changes to unpaid leave. On March 31, 2014, Governor Inslee signed Substitute Senate Bill 5173 (SSB 5173) into law. SSB 5173 amends RCW 1.16.050, 28A.225.010, 43.41, 28B.10 and 28C.18 by providing employees of local government entities with two unpaid holidays per calendar year for "a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization." This legislation takes effect on June 12, 2014. Staff proposed a new unpaid holiday request form which will complement existing holiday and leave practices. The policy will apply to both union and non-union and part-time and full-time status employees regardless of their exempt or non-exempt status. If an employee seeks compensation for the time off, they will be required to comply with the District's policies in requesting accrued vacation or compensatory time, as SSB 5173 does not provide a mechanism for substituting paid leave for the unpaid leave under this law.



It was moved by Ms. Fraley-Monillas and seconded by Mr. Roberts to adopt Resolution 14-07 implementing SSB 5173 relating to two unpaid holidays for Snohomish Health District employees for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization and direct the Health District Director/Health Officer or designee to develop necessary rules, procedures and/or protocols to facilitate efficient administration of the policy. The motion carried unanimously.

### **Youth Tobacco Prevention Grant Application**

Charlene Shambach, SHD Community Health Division Director discussed a funding opportunity for seven regional lead organizations across the State, including Snohomish County. The lead organizations are being provided an opportunity to develop and provide youth tobacco prevention activities in their regions particularly in the hardest to reach youth populations. The Snohomish Health District intends to submit an application to the Washington State Department of Health for the Youth Tobacco Prevention grant. The objectives of this grant are: (1) identify and reach youth from priority populations or from communities that have a high burden of smoking-related disease and death; (2) enhance community participation in youth tobacco prevention and control; (3) strengthen school and campus-based tobacco-free policies and make non-smoking the norm; and (4) develop youth leaders who work to create healthier communities and improve youth health outcomes. The action requested would enable the Health District to compete for funding and if awarded, lead to the development of strategies addressing these objectives. Should the District be awarded funding, staff will return to the Board for review of the scope of work including staffing assignments and seek authority to sign the contract.

It was moved by Ms. Fraley-Monillas and seconded by Ms. Grafer approve the submission of the Youth Tobacco Prevention grant. The motion carried unanimously.

### **Program Briefings**

#### **Health Care Authority Agreement Regarding use of SHD Office Space**

Judy Chapman presented a proposal for Health Care Authority use of SHD office space. Snohomish Health District recognizes that providing information and promoting access to health care for community member improves health and reduces the overall cost of health care on a community. SHD also recognizes that it serves the most vulnerable population with regard to being able to access health care and those clients would benefit by having easy access to information about affordable health care. SHD further recognizes that its resources are limited in the ability to fully accomplish goals of providing the needed information and that a collaborative approach would be more efficient and cost effective. As an element of implementation of the Affordable Care Act (ACA), the Health Care Authority (HCA) of Washington State is expanding access to Washington Apple Health (Medicaid). To accomplish this goal they are seeking partners throughout the state that can provide office space for local and regional staff who will



promote enrollment in Washington Apple Health. SHD has identified available space within the Rucker Building to offer HCA for the use by HCA staff and has worked out a proposed agreement whereby HCA will: (1) provide information about applying for Washington Apple Health to SHD clients and staff;(2) provide staff and computer technology necessary to do the work; (3) require staff to comply with immunization, TB screening, and background check policies set by SHD. In consideration of the service provided by HCA, SHD will: (1) provide building access and cubicle space for one or two HCA staff members; (2) provide utilities, janitorial services, building maintenance, a desk phone and internet access at the designated cubicle space, and (3) provide occasional access to office space for confidential conversations between staff and supervisor. No action was requested of the Board.

### **SHD Indirect Cost Allocation Methodology**

Judy Chapman gave a presentation on the district's Indirect Cost Allocation Plan. An indirect cost allocation plan is a method to determine and assign the cost of central services to the internal users of those services in a reasonable and equitable manner. Indirect costs are those costs incurred for common or joint purposes, benefiting more than one division or program and not readily assignable to a specific division or program. Examples of indirect costs are information technology services, accounting, human resources, facility operations and maintenance, fringe benefits, depreciation or use allowances, and other general and administrative expenses. Cost allocation enables local governments to more accurately account for the full cost of the services it provides and thereby better assess the fees it should charge, and reimbursement rates for grants and other restricted funds. Plan documentation requires identify cost centers and allocable costs, a description of the methods used, and documentation of the allocation. The plan should be reviewed and updated annually. Glen Halvorsen of Cost Evaluation Services was engaged to review the District's Indirect Cost Allocation Plan, revise where appropriate, and provide a recommended OMB A-87 compliant cost allocation plan for submission to the Washington State Department of Health (DOH) for their approval. Mr. Halvorsen gave a presentation to the Board on the process and his recommendations in May. Subsequent to DOH approval, this plan will establish the allowable grant reimbursement rates. No action was requested of the Board.

### **ECG Reimbursement Feasibility Analysis and Recommendations**

Nancy Furness, Communicable Disease Division Director provided background on the reimbursement feasibility analysis and introduced ECG Management Consultants, Tim Patmont and Charles Brown. On September 10, 2013, the SHD 2014 Work Plan was presented to the Board. The Communicable Disease Division's work plan included an exploration of 3<sup>rd</sup> party billing for public health clinical services. To accomplish this work plan, SHD sought proposals to conduct a business review to determine if SHD can cost effectively seek reimbursement for immunization and TB clinic services through 3<sup>rd</sup> party private insurance billing. Historically, SHD has billed only Medicare and Medicaid for limited clinical services. Lacking objective data, it is estimated that up to 50% of our clients may have insurance coverage. With the Affordable Care



Act, health insurance is now available to every U.S. citizen. Mr. Patmont presented the Board with an overview of the analysis process, including a review of current operations, feasibility of third-party billing and the assumptions, gaps, and impacts of such billing activities. ECG recommends the Immunization Clinic abstain from third-party billing, noting that yields from the self-pay/insured population are unlikely to increase under third-party billing. Mr. Patmont summarized additional recommendations for the Immunization Clinic: (1) check and collect patient balance upon visit; (2) institute a financial penalty for missing an appointment; (3) enable the link between the Encounter and Immunization modules; (4) conduct a cost-benefit analysis to determine the potential lost revenue from not verifying individual income; (5) consolidate clinic services to one site; and (6) consider vaccine bar-coding to increase charting efficiency. TB Program recommendations were: (1) pursue third-party billing; (2) bill for physician time; and (3) incorporate a patient payment portion for provided services (with a 0% payment tier). Additional recommendations were made for changes related to implementation.

### **Reinstatement of Position Reductions**

Ms. Chapman reviewed the FTE reductions proposed in the 2014 Budget. Personnel related reductions were summarized by each Division Director at the October 8, 2013 Board of Health meeting, including not filling and/or postponing filling of vacant positions, instituting FTE reductions of vacant and 2.9 occupied positions. These strategies were then incorporated into a preliminary budget proposal presented to the Board at the November 12, 2013 meeting. Subsequent to the adoption of the 2014 budget, resignations, retirements and re-deployments have resulted in a projected salary savings in excess of \$600,000, more than adequate to temporarily offset the costs associated with funding the proposed reductions for the remainder of the year. Staff intends to reinstate the 2.9 FTE for the balance of 2014 and again re-evaluate the positions and assignments in the customary process associated with preparing the 2015 budget and being better informed by a final strategic plan. This action will not require further appropriation authority nor adjustment of the current authorization of 148.7 FTE, as approved by the Board in the 2014 budget.

### **Information Items**

A calendar for scheduled meetings in June and July 2014 was provided to Board Members in their packets.

### **Work Session**

Pete Mayer introduced Margaret Norton-Arnold and Heidi Keller (via phone), who have been contracted by SHD to lead the update to the 2009 Strategic Plan. Ms. Norton-Arnold reviewed the process to date, including employee listening sessions, a brainstorming session with the Public Health Advisory Council, interviews with partners, and ongoing work with SHD



Directors. To date, partner interviews have been completed with: Jeff Amann, Septic Designer; Laura Hamilton, Snohomish County Children's Commission; Dr. Federico Cruz-Urbe, Sea Mar Community Health Centers; Ken Stark, Snohomish County Human Services Director; Dr. Yuan-Po Tu, Everett Clinic; and Dr. Gary Cohn, Everett School District. Interviews are yet to be completed with: Art Ceniza, City of Lynnwood; Ed Peterson, Housing Hope; Bill Tsoukalas, Boys & Girls Club; and State Representative Mike Sells. Partners are being asked for general impressions, anything that might impact their organization, concerns, and advice to the Board. Thirty other organizations have been asked for their feedback via email. Ms. Norton-Arnold walked the Board through the draft document, noting both staff and partner feedback related to each strategic initiative. Each of the of eight draft strategic initiatives were reviewed; 1) Move Patients out of SHD Clinics and into Medical Homes; 2) Pursue Continuous Improvement of Environmental Health Business Practices; 3) Optimize Delivery of Early Childhood Development Programs; 4) Implement Community Health Policies/Programs to Address Chronic Disease/Injury; 5) Improve Administrative Support Functions; 6) Institute Workforce Development and Succession Planning; and 7) Improve Health District Funding and Governance; and 8) Become Nationally Accredited. Initiative 1 garnered the most discussion. Overall implementation (cross-District teams) will require additional thought and consideration. Mr. Klein acknowledged the staff concern regarding medical homes, stating that the concern is valid and the transition time will be long. Chair Wright requested the final draft plan be made available to Board Members for review as soon as it is completed noting the July 4<sup>th</sup> holiday. Final edits to the plan will be completed by June 20<sup>th</sup>. The final proposed plan will be presented to the Board at the July 8<sup>th</sup> meeting.

## **Adjournment**

The meeting was adjourned at 4:50 PM.

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Stephanie Wright, Chair

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