



King County

Metropolitan King County Council Budget & Fiscal Management Committee

Staff Report

Agenda Item No.:	10	Date:	July 21, 2009
Briefing No.:	2009-0384	Prepared by:	Carrie S. Cihak

SUMMARY

Proposed Ordinance 2009-0384 would make a supplemental appropriation to Public Health of \$1,186,710. The appropriation is backed with federal and state family planning revenues that are higher than were anticipated in the 2009 adopted budget, which included only nine months of appropriation authority for family planning services. The additional revenues and appropriation authority will allow the family planning program to operate for all of 2009, removing it from its nine-month “lifeboat”. However, the program is likely to face continued financial challenges in 2010.

Striking Amendment S1 would add to the proposed ordinance a proviso on the Public Health budget related to preparation and response to the H1N1 influenza pandemic. The proviso requires the executive to transmit a written update to the Council by August 17, 2009 that would detail:

- 1) Known essential costs related to preparation for an H1N1 outbreak in King County during the winter influenza season;
- 2) Funds currently available within the Public Health fund that may be appropriated or placed in reserve for H1N1 preparation and response;
- 3) Information on federal funding that may become available for local H1N1 preparation and response.

BACKGROUND

The Family Planning "Lifeboat"

King County operates 10 Public Health Centers (PHCs). All but one PHC offers family planning services that include birth control, pregnancy testing, sexually-transmitted disease testing and treatment, and reproductive health services to low-income women, men and teens. In 2007, the PHCs served 17,200 family planning clients.

Compared to other health services offered through the PHCs, there is limited federal and state funding available to support family planning. Continued operation of the family planning program has required the County to support these services with a significant amount of County General Fund and allocations of State Public Health flexible funding (MVET backfill). The 2009 adopted budget for family planning of \$7.8 million is supported with \$3.7 million in these flexible funds, or more than 40% of the family planning budget.

In 2009, the County's General Fund financial challenge resulted in the County not being able to fully fill the 2009 gap in dedicated family planning funding. The 2009 adopted budget therefore includes only nine months of appropriation authority and revenue for family planning services. The County placed the family planning program in this nine-month "lifeboat" in the hopes that additional dedicated funding for the program might become available. The Council also added a proviso to Public Health's budget asking for options that would allow the program to operate for the full year.

The Adopted "Lifeboat" Legislation: Ordinance 16590

On July 13, 2009, the Council adopted Ordinance 16590, providing supplemental appropriation authority for several programs that were placed in a six-month "lifeboat" in the 2009 adopted budget. Without this supplemental appropriation, these programs would have been eliminated for the remainder of 2009. Because the programs required County General Fund for their continuation, the Council had to identify other General Fund savings or reductions in programs in order to fund the supplemental appropriations. These included savings from a State reduction in the required Public Employees' Retirement Systems (PERS) contribution and significant reductions in the budgets of the legislative branch and the Executive's office.

In the ordinance as transmitted, the executive proposed restoration of three Public Health lifeboat programs totaling \$840,216. The programs were proposed for restoration based on their potential connection with preparation and response to the H1N1 influenza pandemic (several other Public Health lifeboat programs were not proposed for restored and have now ended). The Council removed appropriation for these programs from the adopted ordinance while requiring the Department to continue to prepare for an H1N1 influenza outbreak during the winter flu season. The Council also directed staff to work with the Department over the following week to analyze the funds needed and the funds available for H1N1 preparation and response and, if needed, to prepare amendments to the family planning appropriation ordinance based on that analysis.

ANALYSIS

The Family Planning Appropriation: \$1,186,710; \$0 General Fund

In March 2009, the executive transmitted a response to the family planning proviso, indicating that additional family planning state and Title X federal funds would be received in 2009. The State allocates dedicated state and federal family planning funding based on a formula that takes into account indicators of need (e.g., client income levels) from the prior year. The number and type of family planning clients seen in the PHCs in 2008 led to an unexpected increase in King County's allocation of dedicated funding for 2009, based on the State's formula.

In addition, the Department is implementing the following strategies to eliminate the remaining funding gap in the family planning program:

- 1) Adjusting clinic hours to match to service need, thereby increasing the number of completed appointments and revenue;
- 2) Implementing business process improvements to make more efficient and appropriate use of staff;
- 3) Providing more focused access and outreach to ensure clients eligible for coverage get enrolled sooner.

The additional dedicated funding and these changes in business practices will allow the family planning program to operate in all existing sites for the remainder of 2009, without any additional General Fund support. Adoption of the proposed appropriation of \$1,186,710 will thereby remove the program from its nine-month "lifeboat".

H1N1 Influenza Preparation & Response: Continuing Uncertainty

The World Health Organization has now declared the H1N1 influenza virus to be a pandemic. The virus is circulating widely in the Southern Hemisphere at this time; most public health officials believe that it is likely to cause more widespread infection and illness in the Northern Hemisphere during the winter influenza season. The virus continues to cause illness that is broadly comparable in severity to regular seasonal influenza. However, because influenza viruses can change relatively quickly, a great deal of uncertainty remains regarding how the H1N1 pandemic will evolve and how it will impact King County this coming winter.

In addition to uncertainty over the impact that H1N1 will have and hence the level of resource and response that will be needed, uncertainty also exists regarding the amount of federal funding that will be available to King County for preparation and response. On July 10, the U.S. Department of Health and Human Services announced \$350 million in H1N1 grants that will be distributed to States and hospitals. Washington State is expected to receive a total of about \$7.4 million, with \$5.5 million of that for public health emergency response grants. These public health grants will help State public health departments perform a variety of functions, including preparing for potential vaccination campaigns, implementing strategies to reduce people's exposure to the H1N1 virus, and improving influenza surveillance and investigation. The Washington State Department of Health will surely involve local health jurisdictions in carrying

out these functions; however, how the State will allocate funding to local departments including King County is not yet known.

Over the past several years, the County has invested in comprehensive pandemic influenza planning, reflecting the County's roles as regional public health service provider, essential government service provider, and large employer. While the three public health "lifeboat" programs proposed for restoration by the executive in the lifeboat legislation do have a potential connection to H1N1 preparation and response, these programs do not constitute the full picture of pandemic preparedness and response activities or, necessarily, the highest priority activities. While there are some essential activities that should be undertaken that are known today, the level and type of activities needed is certain to evolve over the coming months. *Council staff is working with the Department to bring before the Council a fuller picture of resource needs and availability of funding for preparation and response to the current H1N1 pandemic.*

CHANGES TO THE TRANSMITTED LEGISLATION

As directed by the Chair and members of the Committee, a striking amendment has been prepared that reflects input received from the Department of Public Health over the past week. Striking Amendment S1 would add to the proposed ordinance a proviso on the Public Health budget related to H1N1 preparation and response. The proviso recognizes the continuing uncertainty regarding the impact of H1N1 on King County and the funding that is available. The proviso directs the executive to transmit to the Council by August 17 a written update that details:

- 1) Known essential costs related to preparation for an H1N1 outbreak in King County during the winter influenza season;
- 2) Funds currently available within the Public Health fund that may be appropriated or placed in reserve for H1N1 preparation and response;
- 3) Information on federal funding that may become available for local H1N1 preparation and response.

Council and Department staff expect that any functions related to the lifeboat programs that are essential to the County's preparation for the H1N1 pandemic can at this time be absorbed within the Department's existing appropriation. However, as the disease evolves, the Department may require additional appropriation authority.

NEXT STEPS

Should the Council adopt Striking Amendment S1, Council staff will work with the Department on a briefing for the Council's Budget & Fiscal Management Committee at the beginning of September that will provide the Committee with a broader picture of the resource needs, availability, and timing for H1N1 preparation and response.

INVITED

- Dr. David Fleming, Director, Public Health – Seattle & King County
- Kathie Huus, Chief of Staff, Public Health – Seattle & King County

- Dorothy Teeter, Chief of Health Operations, Public Health – Seattle & King County
- Ben Leifer, Chief Administrative Officer, Public Health – Seattle & King County
- Connie Griffith, Chief Financial Officer, Public Health – Seattle & King County
- Cindy West, Budget Supervisor, Office of Management & Budget

ATTACHMENTS

1. Striking Amendment S1 to Proposed Ordinance 2009-0384
2. Proposed Ordinance 2009-0384
3. Transmittal letter from Executive Triplett, dated June 18, 2009
4. P4 Proviso Response, dated March 11, 2009

S1

<07/19/2007>

Sponsor: Larry Gossett
Julia Patterson
Bob Ferguson

<csc> Proposed No.: 2009-0384

1 **STRIKING AMENDMENT TO PROPOSED ORDINANCE 2009-0384, VERSION 1**

2 On page 1, beginning on line 6, delete everything through page 2, line 13, and insert:

3 " BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

4 SECTION 1. From the public health fund there is hereby approved and adopted
5 an appropriation of \$1,186,710.

6 SECTION 2. Ordinance 16312, Section 92, as amended, is hereby amended by
7 adding thereto and inserting therein the following:

8 PUBLIC HEALTH - From the public health fund there is hereby appropriated to:

9 Public health \$1,186,710

10 ER1 EXPENDITURE RESTRICTION:

11 Of this appropriation, the following amounts shall be expended or encumbered
12 only to maintain the following services in the second half of 2009: \$278,109 for Safe
13 Communities funded through the children and families commission; \$184,797 for
14 sexually transmitted disease control; \$30,000 for chronic disease and injury prevention;
15 \$57,144 for immunizations. Further, of this appropriation, not less than \$60 million shall
16 be used solely to operate the county's ten current public health centers in 2009.

17 ER2 EXPENDITURE RESTRICTION:

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Files\Content.Outlook\BOSKJCCG\2009-0384 Family Planning Striker S1 csc 2009-07-21 (2).doc

18 Of this appropriation, \$20,000 shall be expended from the environmental health
19 designated fund balance solely for the inclusion of septic and plumbing permits into the
20 scope of the Envision Public Portal CIP project (CIP Project number 377226).

21 ER3 EXPENDITURE RESTRICTION:

22 Of this appropriation, \$180,187 shall be expended solely to fund veterinary
23 services at King County animal care and control shelters for the purposes of providing
24 veterinary medical care and controlling the spread of zoonotic disease.

25 ER4 EXPENDITURE RESTRICTION:

26 Of this appropriation, \$5,000 shall be expended or encumbered only for a contract
27 related to the Tyee school-based health center for the second half of 2009.

28 ER5 EXPENDITURE RESTRICTION:

29 Of this appropriation, \$20,000 shall be expended or encumbered only for the
30 purposes of a contract for analysis of the state and federal health care reform proposals in
31 relation to the principles adopted in BOH Resolution 08-10 and activities related to the
32 board of health's support for the public health operational master plan's health provision
33 policy development strategies regarding health care reform.

34 P1 PROVIDED THAT:

35 Of this appropriation, \$320,383 shall not be expended from Washington state
36 5930 local public health funding until a business case for the communicable disease
37 database project (CIP Project number 377225) has received a positive recommendation
38 from the project review board and the business case has been approved by motion by the
39 council.

40 The executive shall file business case and proposed motion by April 10, 2009, in
41 the form of 11 copies with the clerk of the council, who shall retain the original and will
42 forward copies to each councilmember and to the lead staff for the law, justice and
43 human services committee, or its successor.

44 P2 PROVIDED FURTHER THAT:

45 Of this appropriation, no funds shall be expended to implement a centralized
46 telephone interpretation call center until the project review board has made a positive
47 recommendation on a business case for the call center or until the project review board
48 determines that the call center does not require Project Review Board oversight.

49 P3 PROVIDED FURTHER THAT:

50 Of this appropriation, \$250,000 shall only be expended or encumbered for
51 activities related to tuberculosis control. Further, \$150,000 of this \$250,000 shall only be
52 expended or encumbered if, by March 2, 2009, the department of public health submits to
53 the council a report on tuberculosis control activities. The report shall include an
54 overview of tuberculosis infection in King County and the department's tuberculosis
55 control activities planned in 2009 as well as a recommended plan for how the additional
56 \$250,000 shall be expended on tuberculosis control.

57 The report must be filed in the form of 12 copies with the clerk of the council,
58 who shall retain the original and will forward copies to each councilmember and to the
59 lead staff for the board of health and the law, justice and human services committee, or
60 their successors.

61 P4 PROVIDED FURTHER THAT:

62 Of this appropriation, \$300,000 shall only be expended or encumbered for the
63 purposes of operating the county's nine family planning service centers for at least the
64 first nine months in 2009. Due to the ongoing public health structural financial crisis and
65 the county's general fund challenge, family planning services are in jeopardy of complete
66 elimination in 2010 if additional revenue support for these services is not found. Options
67 for an alternative structure for delivering family planning services in 2009 shall be
68 proposed by the executive by July 15, 2009. The development of any such options for
69 2009 and options for delivery of family planning services in 2010 shall be reflected in the
70 2009 health provision work plan required by Proviso P-5 of section 92 of this ordinance.

71 The executive shall file any legislation or reports related to this proviso in the
72 form of 12 copies with the clerk of the council, who shall retain the original and will
73 forward copies to each councilmember and to the lead staff for the board of health and
74 the committee of the whole, or their successors.

75 P5 PROVIDED FURTHER THAT:

76 Of this appropriation, \$100,000 shall only be expended or encumbered if, by
77 January 31, 2009, the department of public health submits to the King County board of
78 health and the King County council a 2009 health provision work plan. The health
79 provision work plan shall include the scope and schedule for activities and deliverables in
80 2009 for accelerating the implementation of the adopted public health operational master
81 plan strategies for health provision. Due to the ongoing public health structural financial
82 crisis and the county's general fund challenge, the council finds that the current model for
83 delivery of health provision services offered through the county's public health centers is
84 not financially sustainable in the near term. Further, opportunities exist to achieve

85 improved and more equitable health outcomes by coordinating with other community
86 providers to produce a more effective system of health care. Therefore, the work plan
87 shall include as a primary deliverable the transmittal to the council by July 15, 2009, of
88 any financially viable options that would be proposed for implementation in 2010 for
89 restructuring the delivery of health provision services through the public health centers,
90 including family planning as referenced in Proviso P-4 of section 92 of this ordinance.
91 The work plan shall also include specific recommendations for a process to engage the
92 community in the development of these options, including a recommended schedule for a
93 series of briefings to the council in the first half of 2009.

94 The work plan must be filed in the form of 12 copies with the clerk of the council,
95 who shall retain the original and will forward copies to each councilmember and to the
96 lead staff for the board of health and the committee of the whole, or their successors.

97 P6 PROVIDED FURTHER THAT:

98 The council recognizes that the H1N1 influenza pandemic continues to evolve
99 and may have a heightened, but as yet unknowable, impact on King County during the
100 2009-2010 winter influenza season. It is the intent of the council that the Seattle-King
101 County department of public health continue to prepare for and respond to the H1N1
102 influenza pandemic. (~~The department shall continue the portions of the child care~~
103 ~~health, zoonotics, and communicable disease programs related to H1N1 preparation and~~
104 ~~response by reprioritizing other programs and utilizing existing appropriation authority in~~
105 ~~the 2009 adopted budget.)) By August 17, 2009, the executive shall transmit to the
106 council a written update outlining the known essential costs associated with preparedness
107 for an H1N1 influenza outbreak during the 2009-2010 winter influenza season. The~~

108 update shall also detail the department's capacity to fund these costs within the existing
109 resources of the public health fund that either may be appropriated for known essential
110 costs or placed in reserve to be appropriated for future essential costs as the disease
111 evolves and those costs become known. The report shall also include information related
112 to potential federal funding for H1N1 preparation and response.

113 The update must be filed in the form of 12 copies with the clerk of the council,
114 who shall retain the original and will forward copies to each councilmember and to the
115 lead staff for the budget and fiscal management committee, or its successor."
116

EFFECT/INTENT:

Requires the executive to transmit a report to the Council by August 17, 2009 that would detail:

- 1) Known essential costs related to preparation for an H1N1 outbreak in King County during the winter influenza season;**
- 2) Funds currently available within the Public Health fund that may be appropriated or placed in reserve for H1N1 preparation and response;**
- 3) Information on federal funding that may become available for local H1N1 preparation and response.**



KING COUNTY

Signature Report

July 20, 2009

Ordinance

Proposed No. 2009-0384.1

Sponsors Gossett, Constantine and Patterson

1 AN ORDINANCE making a supplemental appropriation of
2 \$1,186,710 to the public health fund; and amending the
3 2009 Budget Ordinance, Ordinance 16312, Section 92, as
4 amended.

5
6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 SECTION 1. From the public health fund there is hereby approved and adopted
8 an appropriation of \$1,186,710.

9 SECTION 2. Ordinance 16312, Section 92, as amended, is hereby amended by
10 adding thereto and inserting therein the following:

11

Ordinance

12	<u>PUBLIC HEALTH</u> - From the public health fund there is hereby appropriated to:	
13	Public health	\$1,186,710
14		

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

ATTEST:

APPROVED this ____ day of _____, _____

Attachments None

June 18, 2009

The Honorable Dow Constantine
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Constantine:

Enclosed for the County Council's review and approval is a supplemental ordinance to fund Family Planning programs in Public Health for the remainder of 2009. Public Health is requesting an increase of \$1,186,710 in appropriation authority to fund these clinics. Public Health has secured federal funding such that the increase requested here will not impact the General Fund.

The Family Planning program provides reproductive health care, sexually transmitted disease (STD) services, and outreach and health education services to low-income women, men and teens in King County. The goals of the programs are to promote sexual health and well-being and to reduce unintended pregnancies and STD transmission.

As part of the 2009 Budget, the County Council funded all nine Family Planning clinics for the first nine months of the year. In order for the clinics to remain open for the final three months of 2009, council mandated the Seattle-King County Department of Public Health to find additional revenue and/or cost saving strategies to sustain clinical services. All family planning clinics will close September 30 if these additional revenues and new strategies are not realized.

The department received additional Title X federal funding and has developed cost savings and revenue generating strategies to fund the family planning programs for the remainder of 2009. These strategies are described in detail in the department's Proviso 4 response.

A fiscal note and financial plan are included in the transmittal package.

The Honorable Dow Constantine
June 17, 2009
Page 2

If you have any questions regarding this request, please contact Beth Goldberg, Deputy Director, Office of Management and Budget, at 206-263-9727.

I certify that funds are available.

Sincerely,

Kurt Triplett
King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Tom Bristow, Chief of Staff
 Saroja Reddy, Policy Staff Director
 Anne Noris, Clerk of the Council
 Frank Abe, Communications Director
Bob Cowan, Director, Office of Management and Budget (OMB)
Beth Goldberg, Deputy Director, OMB
David Fleming, Director, Seattle-King County Department of Public Health (DPH)
Kathie Huus, Chief of Staff, DPH
Dorothy Teeter, Chief of Health Operations, DPH
Benjamin Leifer, Chief Administrative Officer, DPH
Connie Griffith, Chief Financial Officer, DPH

FISCAL NOTE

Ordinance/Motion No.	
Title: Family Planning	
Affected Agency and/or Agencies:	Public Health
Note Prepared By: <i>Mark Leaf</i>	263-8590
Note Reviewed By: Cindy West	263-9723

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund Title	Fund Code	Revenue Source	Current Year 2009	1st Year 2010	2nd Year 2011	3rd Year 2012
Public Health	1800	FEDERAL GRANTS-INDIRECT	\$ 247,069			
Public Health	1800	STATE GRANTS	\$ (2,341)			
Public Health	1800	INTERGOVERNMENTAL PAYMENT	\$ 79,600			
Public Health	1800	CHARGES FOR SERVICES	\$ 49,400			
Public Health	1800	NON REVENUE RECEIPTS	\$ 1,267,710			
Public Health	1800	REDUCES NON REV BALANCER	\$ (454,728)			
TOTAL			\$ 1,186,710	\$ -	\$ -	\$ -

Expenditures from:

Fund Title	Fund Code	Department	Current Year 2009	1st Year 2010	2nd Year 2011	3rd Year 2012
Public Health	1800	Public Health	\$ 1,186,710	\$ -	\$ -	\$ -
TOTAL			\$ 1,186,710	\$ -	\$ -	\$ -

Expenditures by Categories

	Current Year 2009	1st Year 2010	2nd Year 2011	3rd Year 2012
SALARIES & WAGES	\$ 620,579			
PERSONAL BENEFITS	\$ 311,047			
SUPPLIES	\$ 29,000			
CONTINGENCIES	\$ 10			
CONTRA EXPENDITURES	\$ 226,074			
TOTAL	\$ 1,186,710	\$ -	\$ -	\$ -

Assumptions:

Extends Family Planning Clinics for October through December, 2009

Non-CX Financial Plan

Fund Name: Public Health
 Fund Number: 000001800
 Prepared by: Cindy West

Quarter: Second, 2009
 Date Prepared: June 16, 2009

Category	2008 Actual ¹	2009 Adopted ²	2009 Revised	2009 Estimated	Estimated-Adopted Change	Explanation of Change
Beginning Fund Balance	6,309,641	7,427,091	5,451,971	5,451,971		
Revenues						
BEG UNENCUMBERED FUND BAL			566,517	566,517	566,517	Children Hlth Initiative & VHSL Behav Hlth FB
LICENSES & PERMITS	12,266,421	14,235,222	14,235,222	12,304,233	(1,930,989)	Plumbing, Gas Piping, & Septic Tank Permit Decline
FEDERAL GRANTS-DIRECT	14,002,641	11,700,972	11,655,361	11,817,960	116,988	Ryan White & EPA-Elevate Blood Lead increase
FEDERAL GRANTS-INDIRECT	33,156,807	29,848,891	30,092,246	30,518,790	669,899	State Consolidated Contract increases
STATE GRANTS	17,104,590	19,502,836	19,832,209	19,871,566	368,730	State Consolidated Contract increases
STATE ENTITLEMENTS	9,531,747	9,451,689	9,451,689	9,451,689		
INTERGOVERNMENTAL PAYMENT	53,469,427	56,620,442	57,324,640	56,635,655	15,213	Minor revenue change
CHARGES FOR SERVICES	10,751,464	11,002,207	11,552,369	11,644,991	642,784	Removal of non revenue balancer that is in the adopted
FINES & FORFEITS	25					
MISCELLANEOUS REVENUE	4,797,215	5,460,592	5,353,759	5,652,721	192,129	Robert Wood Johnson & United Way increase
NON REVENUE RECEIPTS		2,718,967	629,567	4,172,138	1,453,171	Grant Contingency revenues
OTHER FINANCING SOURCES-OTHER	1,923					
OTHER FINANCING SOURCES-CX-CFSA	4,335,963	3,596,029	3,596,029	3,596,029		
OTHER FINANCING SOURCES-CX	27,419,299	27,459,619	27,459,619	27,459,619		
FAMILY PLANNING NEW REVENUES				1,186,710	1,186,710	Family Planning Supplemental
Total Revenues	186,837,521	191,597,466	191,749,227	194,878,618	3,281,152	
Expenditures						
SALARIES & WAGES	(84,994,613)	(85,358,173)	(89,939,003)	(87,342,224)	(1,984,051)	Grant revenues-shift from grant contingency
PERSONAL BENEFITS	(31,670,486)	(33,732,170)	(34,465,555)	(34,456,653)	(724,483)	Grant revenues-shift from grant contingency
SUPPLIES	(7,010,472)	(6,128,431)	(6,164,094)	(6,158,267)	(29,836)	Minor expenditure increase
SERVICES & OTHER CHARGES	(50,800,212)	(47,675,035)	(49,232,037)	(49,449,240)	(1,774,205)	Contract increases from new grant revenues
INTRAGOVERNMENTAL SERVICE	(13,635,343)	(14,545,864)	(14,550,664)	(14,478,199)	67,665	Minor expenditure decrease
CAPITAL OUTLAY	(563,346)	(943,071)	(878,091)	(863,091)	79,980	Reduction to capital outlay
DEBT SERVICE	(63,368)	(40,239)	(40,239)	(40,239)		
INTRA COUNTY CONTRIBUTNS.	(135,948)	(490,856)	(490,856)	(483,890)	6,966	Minor expenditure decrease
CONTINGENCIES		(8,390,292)	(1,536,597)	(4,172,138)	4,218,154	Grant Contingency expenditures
CONTRA EXPENDITURES		5,554,904	5,547,909	5,055,543	(499,361)	Furlough & historical expenditure projection adjustment
Adj for discrepancy between Access ARMS & GL	1,733					
Family Planning Supplemental				(1,186,710)	(1,186,710)	Family Planning Supplemental
Total Expenditures	(188,872,054)	(191,749,227)	(191,749,227)	(193,575,108)	(1,825,881)	
Estimated Underexpenditures						
Other Fund Transactions						
GAAP Adj - Misc. Trust - EMS	79,285					
GAAP Adj - Misc. Trust - Martha Tapp Car Seat	38,118					
GAAP Adj - Misc Trust - Childrens Health Initiative	1,059,460					
Use of FB in revenues section above			(566,517)	(566,517)		
Program reductions to return to \$1 M Target FB			1,000,000			
Total Other Fund Transactions	1,176,862		433,483	(566,517)		
Ending Fund Balance	5,451,971	7,275,330	5,885,454	6,188,964		
Designations and Reserves						
INVENTORY RESERVE	(534,263)	(534,263)	(534,263)	(534,263)		
RESERVE FOR ENCUMBRANCES	(457,456)	(446,959)	(457,456)	(457,456)		
DESIGNATED FOR REAPPROPRIATION						
TRAINING & MEDICAL EQUIP FOR MEDIC ONE RESERVE	(79,285)	(84,099)	(79,285)	(79,285)		
PRIVATE FOUNDATIONS & NON-PROFIT RESERVE	(38,118)	(38,118)	(38,118)	(38,118)		
RESERVE FOR CHILDREN'S HEALTH INITIATIVE	(1,059,460)	(1,059,460)	(1,059,460)	(1,059,460)		
ENVIRONMENTAL HEALTH FEE RESERVE	(2,694,612)	(1,718,324)	(2,694,612)	(2,694,612)		
Total Designations and Reserves	(4,863,193)	(3,881,223)	(4,863,193)	(4,863,193)		
Ending Undesignated Fund Balance	588,777	3,394,107	1,022,260	1,325,770		
Target Fund Balance	1,000,000	1,000,000	1,000,000	1,000,000		

Financial Plan Notes:

2008 actuals are based on the 14th month ARMS & encumbrance carryover \$457,456 not reflected in ARMS GL, but will be reflected in the 2008 CAFR
 2009 Revised Based on MAR ARMS
 2009 Estimated Based on Divisional Analysis of FEB ARMS
 The target Public Health Fund balance goal is \$1,000,000
 General Fund is budgeted at 98% in the Public Health Fund with 2% reserved centrally.



King County

Ron Sims

King County Executive

701 Fifth Avenue, Suite 3210
Seattle, WA 98104

206-296-4040 Fax 206-296-0194

TTY Relay: 711

www.kingcounty.gov

RECEIVED

2009 MAR 11 PM 4: 04

CLERK
KING COUNTY COUNCIL

March 11, 2009

The Honorable Dow Constantine
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Constantine:

Enclosed is the Seattle-King County Department of Public Health's response to Proviso P4 included in Section 92 of the 2009 adopted budget. This budget proviso reads, in part:

"Of this appropriation, \$300,000 shall only be expended or encumbered for the purpose of operating the county's nine family planning service centers for at least the first nine months in 2009. Due to the ongoing public health structural financial crisis and the county's general fund challenge, family planning services are in jeopardy of complete elimination in 2010 if additional revenue support for these services is not found. Options for an alternative structure for delivering family planning services in 2009 shall be proposed by the executive by July 15, 2009. The development of any such options for 2009 and options for delivery of family planning services in 2010 shall be reflected in the 2009 health provision work plan required by Proviso P-5 of section 92 of this ordinance."

At the time this budget proviso was adopted, the County was projecting significant and unsustainable losses for the family planning program in 2009. In order to maintain services for at least nine months and recognizing the critical nature of these services, the King County Council requested options for an alternative structure for delivering family planning services in 2009.

In mid-January 2009, the family planning program received notice that it would be receiving additional family planning state funds and additional family planning Title X federal funds for 2009. These additional funds will enable the Seattle-King County Department of Public Health to maintain family planning services for the full year, with only a modest funding gap.

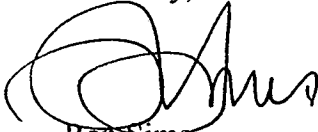
The Honorable Dow Constantine

March 11, 2009

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Implementing the operational strategies described in the enclosed proviso response permits the department to continue to provide family planning services through the end of 2009. This allows the department to consider more significant changes to the program in the context of Proviso P5, which requires the executive to propose financially viable options for restructuring the delivery of health provision services through the public health centers, including family planning.

Sincerely,



Ron Sims

King County Executive

Enclosure

cc: King County Council Members

ATTN: Tom Bristow, Interim Chief of Staff

Saroja Reddy, Policy Staff Director

Anne Noris, Clerk of the Council

Frank Abe, Director of Communication

Bob Cowan, Director, Office of Management and Budget

David Fleming, MD, Director, Seattle-King County Department of
Public Health (DPH)

Kathie Huus, Chief of Staff, DPH

Dorothy Teeter, Chief of Health Operations, DPH

Benjamin Leifer, Chief Administrative Officer, DPH

Laura Federighi, Interim Chief Financial Officer, DPH

This proviso response is presented in accordance with Proviso P4 included in Section 92 of the 2009 adopted budget. . This budget proviso reads, as follows:

“Of this appropriation, \$300,000 shall only be expended or encumbered for the purpose of operating the county’s nine family planning service centers for at least the first nine months in 2009. Due to the ongoing public health structural financial crisis and the county’s general fund challenge, family planning services are in jeopardy of complete elimination in 2010 if additional revenue support for these services is not found. Options for an alternative structure for delivering family planning services in 2009 shall be proposed by the executive by July 15, 2009. The development of any such options for 2009 and options for delivery of family planning services in 2010 shall be reflected in the 2009 health provision work plan required by Proviso P-5 of section 92 of this ordinance.”

At the time this budget proviso was adopted, the County was projecting significant and unsustainable losses for the family planning program in 2009. In order to maintain services for 2009, and at the same time recognizing the critical nature of these services, the King County Council funded nine months of operations and requested options for an alternative structure for delivering family planning services in 2009.

In mid-January, the family planning program received notice that it would be receiving additional family planning state funds and additional family planning Title X federal funds for 2009. These additional funds reduce the 12 month budget gap for family planning to approximately \$166,000 in a program with a budget of \$7.8 million for clinic services. Implementing the operational strategies described in this proviso response permits the department to continue to provide family planning services through the end of 2009. This permits the department to consider more significant changes to the program in the context of Proviso P5, which requires the executive to propose financially viable options for restructuring the delivery of health provision services through the public health centers, including family planning, by July 15, 2009.

The following strategies are being implemented to enable family planning clinical services to operate throughout 2009:

1. The PH Kent Teen Clinic will open to adult women for morning appointments. This will help address a service need and generate revenue. There is currently little capacity for family planning services for low income adult women in Kent. Demand for teen appointments at the center is highest in the afternoon especially since the opening of Kent Phoenix Academy school based health center in 2008.
2. All clinics are developing business process improvements that will make more efficient use of staff. This includes matching staffing with client demand by creating and scheduling different types of family planning visits, revising provider team member roles (nurse practitioners, medical assistants, and health educators) to more fully match the

skills, competence, ability and licensure/certification requirements with the specific work required, and modifying the number of provider and staff positions.

3. The number of Family Planning clients who are approved for Take Charge coverage or Medicaid will be increased by focusing Access and Outreach workers to support Family Planning clients and better preparing uninsured clients to bring required documentation with them to their clinic appointment.

Based on the additional state and federal funding and the strategies listed above, the family planning program will be able to operate for all of 2009 in the current sites.