

Budgeting for Local Public Health

Orientation for new health officers

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Overview

- Finance
- Budgets
- Grants
- Program Evaluation & Quality Improvement
- Discussion along the way

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What's in your wallet?

- Share your budgeting experience
 - What has worked well?
 - What has not worked well?
 - What do you wish you had known earlier?
 - What resources – including people/positions – were used?




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Financing Public Health

- A complex system involving funding streams, economic factors, and policy and political changes
- This complexity along with the lack of transparency and the wide variation in local public health discretionary spending make it difficult to develop a "blueprint" for all public health agencies to embrace.

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Public Health Finance Toolkit



Making Sense of Local Health Department Funding:
A Public Health Finance Toolkit

LEAP PROJECT

May 2012

Public Health Finance | 2011

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Financing public health . . . is not a new challenge



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Financing Local Health Services

"Competing demands in the federal budget are numerous — and heavy . . . Of the total tax dollar, less than one cent is likely to be available to the Department of Health, Education, and Welfare for the promotion of public health."

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#1 Finance or Budget Concern

- What is your top concern related to your first (or second) budget cycle? Why?

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Current Funding Sources

- What are the current funding sources for programs in the public health department in your community?



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Funding Sources for LHDs

- Tax levy
- Revenues & fee for service
 - Vaccine administration fee
 - TB skin testing
 - Medicare & Medicaid
 - Shared services
 - Licensing and inspection fees
- Grants
 - DHS Grants and Contracts
 - Regional grantors
 - State grantors
 - National grantors
- Endowments/Local gifts of funding

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Funding Sources for LHDs

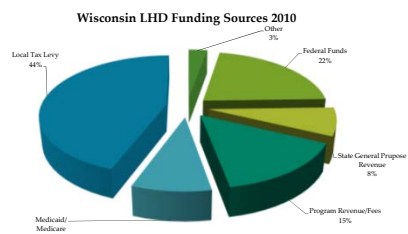
- Tax levy
- School nursing contracts
- TB skin testing
- Immunization fees & administration fees
- Shared services (provider)
- Licensing and inspection fees
- Fluoride varnish/sealants
- Medicaid & Medicare
- Private insurance
- Grants
 - Consolidated contract (Immunization, Lead, MCH)
 - Preparedness (PHEP/Ebola)
 - Prevention
 - WIC
 - Oral health program
 - Wellness
 - Radon
 - Drug free communities
 - CHIPP
 - Private grants (Community Foundations)



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Funding Sources for LHDs

Wisconsin LHD Funding Sources 2010



Source	Percentage
Local Tax Levy	44%
Medicaid/Medicare	9%
Program Revenues/Fees	12%
State General Purpose Revenue	9%
Federal Funds	22%
Other	3%

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Finance for LHDs

Wisconsin Local Health Department Revenues/Expenses 2005-2009

Year	Population	Revenues/Expenses	Wisconsin Average LHD Per Capita Expenditures	Range of Per Capita Expenditures among Wisconsin LHDs	% of Wisconsin LHD Budgets funded via Local Tax Levy
2005	5,580,757	\$136,853,056	\$24.52	\$6.18 - \$62.55	50%
2006	5,617,744	\$144,228,771	\$25.67	\$1.35 - \$77.49	51%
2007	5,548,124	\$150,059,575	\$26.60	\$8.70 - \$74.20	50.2%
2008	5,675,156	\$147,167,727	\$25.90	\$9.00 - \$73.40	52.6%
2009	5,588,040	\$153,750,480	\$27.00	\$9.70 - \$70.30	52.9%

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Budgets

- Written, detailed schedule of financial activities in an agency, a plan for agency expenditures and revenues and the act of balancing the expenditures with the revenues
- Line Item Budget: The line item budget is a commonly used financial accounting technique used to forecast costs for expenditures that ideally support an organization's strategic business goals and objectives.
- Performance Based Budget: Focuses attention on work that is being accomplished, direct benefits to the community, and cost of these services.

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Public Health Driving Forces: Performance Management

- Healthiest Wisconsin 2020
- Community Health Improvement Process and Plans (CHIPP)
 - Evidence-Based Practice
 - Standards of Care
 - Strategic Planning
- Accreditation
 - Evidence-Based Practice
 - Standards of Care
 - Strategic Planning

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LHD Budget Cycle

- Late spring – Budget policy and direction for departments is set
- Summer – Budget preparation
 - Examine fiscal trends
 - Identify personnel needs/costs
 - Forecast supply, equipment needs
 - Forecast revenues
 - Identify capital improvement needs
- Fall – Budget hearings and approvals
 - Adoption
- Independent Health Departments versus Health and Human Service Departments
- Department budget within the larger county's budget

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A LOOK at the BUDGET

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Budget - 1

Revenues	Public Health	Expenditures	Public Health
Intergovernmental Grants (ex. Preparedness, Lead, Immunization, Flu/RSV, etc)	82,709	Personnel Salaries, Benefits, Meals/ lodging, Travel)	1,075,207
Licenses & Permits	175,000	Contracted Services & Interpreter Services	29,280
Public Charges for Services (PHCC, TCM, Loan Closet, PPI)	115,500	Memberships & Registrations	5,350
Intergovernmental Charges for Services (Environmental, CSP)	167,916	Data Processing & Maintenance/Repair	25,713
Sundry Revenues - Donations & Reimbursements	1,175	Operating & Program Supplies	58,365
Fund Balance	65,939		
Tax Levy	585,616		
Total Revenue	1,143,945	Total Expenditures	1,193,945

CREDIT:
Wausara County
Public Health Financial
Report Calendar Year 2014

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Budget - 2

Revenues	Health Dept	Expenditures	Health Dept
Property Taxes	320,000	Personnel	555,656
Public Health Schools	17,641	Travel Operations	13,921
Misc.	149	Equipment & Supplies	29,152
Disease Prevention	30,339	Contracted Services	47,821
MCH	18,989	Fixed Charges	4,558
Prevention	5,333	Misc. Charges	3,471
Lead	5,624	Return to General Fund	10,992
State of WI-MC	167,553	Carry Forward	8,550
State of WI-Health Check	10,961		
State of WI-Prenatal	4,324		
Well Woman Program	21,957		
Immunization	11,971		
Preparedness	50,441		
Oral Health	12,709		
Carry Forward Used	412		
Total Revenue	674,122	Total Expenditures	674,122

CREDIT:
Shavano County
Health Department
2011 Financial Report

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Budget - 3a

EXPENDITURES - CITY TAX Levy	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assessed Increase / Decrease
Salaries & Wages	357,420	352,474	352,170	357,279	445,240	417,514	417,514	32,104
Overtime	1,200	720	1,100	1,175	1,100	1,100	1,100	1,200
Health Insurance	14,200	14,640	18,100	17,984	18,100	18,100	18,100	1,800
Employer Taxes - Pension	28,200	28,200	28,200	28,200	32,700	32,700	32,700	4,500
Retirement - General	22,900	22,700	28,200	28,200	30,500	30,500	30,500	7,600
City Saver (Village and Medicare)	2,100	2,100	2,000	2,000	1,100	1,100	1,100	1,000
Contingencies	1,200	200	1,300	1,300	1,300	1,300	1,300	1,000
Insurance - Automobile (State and Local)	600	450	600	600	600	600	600	0
Office Supplies	8,000	8,100	8,000	8,000	8,000	8,000	8,000	0
Printing & Mailing	500	40	500	500	500	500	500	200
Communications - Phone & Data Communications	8,000	8,000	8,000	8,000	8,000	8,000	8,000	0
Books & Subscriptions	400	100	400	400	400	400	400	0
Printing - General & Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	0
Health Insurance	800	800	800	800	800	800	800	0
Information Management	100	100	100	100	100	100	100	0
Medicals	0	0	0	0	0	0	0	0
Diagnostic Medical Supplies (State Contract)	600	1,000	1,000	1,000	1,000	1,000	1,000	0
Biological Supplies	700	600	600	600	600	600	600	0
Medical Supplies	8,000	8,200	8,200	8,200	8,200	8,200	8,200	0
Developmental Health	2,000	800	1,000	400	1,000	1,000	1,000	0
Professional Fees	8,000	8,000	8,000	8,000	8,000	8,000	8,000	0
Equipment Leasing	300	200	300	300	300	300	300	0
Cell Service (Contract)	700	400	700	700	700	700	700	0
Auto Village Variable	4,000	3,700	4,000	4,100	4,000	4,000	4,000	0
Vehicle Fuel	100	100	100	100	100	100	100	0
Vehicle Maintenance	100	100	100	100	100	100	100	0
New Equipment	100	100	100	100	100	100	100	0
TOTAL	481,820	474,314	481,870	487,279	529,240	500,214	500,214	18,974

CREDIT:
Greenfield Health
Department
2015 Budget Request

Budget - 3b

REVENUE - LICENSES & FEES	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assessed Increase / Decrease
Animal Health Permits	1,000	700	8,000	2,400	9,000	8,200	8,200	0
Food Establishment Permits	117,000	112,700	120,000	119,200	120,000	120,000	120,000	0
Motor Permits	1,000	940	540	400	540	540	540	0
Swimming Pool Permits	11,000	8,600	10,000	8,600	11,000	8,600	8,600	0
Temporary Restaurant Permits	2,000	2,000	2,000	4,800	2,000	1,800	2,000	0
Signs & Notices	8,000	8,000	8,700	8,400	10,000	7,600	10,000	0
Table/Study Permit	300	900	300	2,270	300	300	300	0
Health Department Revenue	10,000	8,100	8,000	14,500	8,000	8,000	8,000	0
Amusements (Fees & Medicare Ramps for P&I)	27,000	23,000	27,000	9,200	25,000	23,000	23,000	0
TOTAL	178,000	164,340	178,340	167,500	175,000	167,500	167,500	0

REVENUE - GRANTS	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assessed Increase / Decrease
Amplification	8,000	8,000	8,500	8,500	8,500	8,500	8,500	0
AMF	1,100	1,100	1,100	1,100	1,100	1,100	1,100	0
MOH	12,000	10,770	13,800	13,800	13,800	13,800	13,800	0
Prevention	0	0	3,400	3,400	2,100	2,000	2,000	0
CDC Focus A	40,540	40,540	40,540	40,540	40,540	40,540	40,540	0
Prevention CBI	8,800	8,400	8,700	8,700	8,700	8,700	8,700	0
Public Health Quality Improvement	2,000	0	0	0	0	0	2,000	2,000
TOTAL	64,440	60,810	74,540	74,540	74,540	74,540	74,540	0

CREDIT:
Greenfield Health
Department
2015 Budget Request

Grant Funding

- Monetary awards given by a governmental agency, foundation, or other entity to plan, implement, or operate a program or fund a project
- May be competitive or non-competitive
- Strategies
 1. Know your resources
 2. Become familiar with funding sources
 3. Collect strong and recent data
 4. Identify a project that is evidence based
 5. Plan for sustainability
 6. Collaborate!



Budget constraints

- Budget cuts
- Staff impact
- Program impact
- Impact to your community



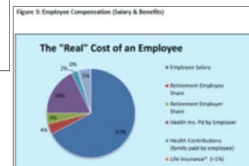
The "Cost" of an Employee

The Cost of an Employee
HEALTH COUNTY ANNUAL COMPENSATION/BENEFIT STATEMENT

EMPLOYEE: Healthy Public Health Nurse # 22946789

Total Compensation	79,274.54
Employee Salary	54,884.51
Retirement - Employer Share	2,522.76
Retirement - Employee Share Paid by Employer	3,260.70
Health Insurance paid by Employer	14,467.08
Health Insurance paid by Employee	1944.00
Life Insurance*	154.86
Social Security (FICA)	3,762.03
Total Employer Paid Benefits	21,703.63

AMSO costs - Administrative, management, support, and overhead



Budget Cuts

- Personal experience with budget cuts?
 - Where you involved in the process?
 - What strategies or decisions were involved?
 - If not, what was your perspective?

Discussion

- Two part-time public health nurses recently left the local health department for other employment. The public health supervisor is contemplating whether to combine these positions into one full-time position.
 - What the budgetary implications of creating a full-time versus two-part time positions?
 - Do part-time employees reduce the overall cost of programming?
 - Based on these considerations, would you advocate for the full-time or part-time positions? Provide the rationale for your decision.

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Program Evaluation

- Agencies are under continual pressure to demonstrate that monies spent have been effective
- Traditionally, programs were considered effective by the number of individuals served
- Shift is toward greater accountability and demands evidence that public health funds are spent on programs with positive outcomes
- Public health accreditation is helping agencies through Performance Management Plans

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Quality Improvement

- Plan
- Do
- Check (Study)
- Act



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Questions? Comments? Concerns?



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Special Thanks

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Reference

LEAP Project. (2012). Making sense of local health department funding: A public health finance toolkit. Madison, WI: Author