



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: August 4, 2014
Board Meeting Date: September 9, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
SaraT L. Mayer, Director, Public Health, Policy and Planning

Subject: Public Health, Policy and Planning Fee Schedule

RECOMMENDATION:

Adopt a Resolution amending the Public Health, Policy and Planning Fee Schedule effective October 1, 2014.

BACKGROUND:

On December 10, 2013, your Board approved Public Health, Policy and Planning's (PHPP) request to adopt the updated San Mateo County Public Health, Policy and Planning Fee Schedule (Fee Schedule) effective January 1, 2014.

The PHPP Fee Schedule includes fees charged by the Public Health Laboratory (PHL), Public Health Clinics, and Vital Statistics for services provided to the public. The PHL provides clinical and environmental tests. The Public Health Clinics, which includes the Mobile Clinic and the Sexually Transmitted Diseases (STD) Clinic, provides free or low-cost medical services to homeless, uninsured, and low-income clients, as well as STD education and testing services. Vital Statistics issues birth and death certificates as well as Medical Marijuana Identification Cards.

The County is prohibited from charging more than the actual cost to provide a service. The fees charged are determined by considering the cost of providing services and the need to prevent fees from becoming a barrier to testing for communicable diseases. Some fees may be waived for persons determined to be at risk for transmitting a communicable disease to others.

New tests are added to the Fee Schedule as a result of new technology, when providers determine a clinical need for tests previously not available to them, or when the State identifies a requirement to add tests for new diseases.

DISCUSSION:

This proposed Fee Schedule updates PHL clinical fees by changing the methodology used for calculating these fees to a cost-based methodology. Any corresponding Health Clinics fees for tests performed by the PHL have also been updated to reflect the new methodology.

The nature of PHL tests have changed significantly over the past 10 years, from processes that required significant staff time to processes that are now machine- and material-intensive. A cost-based methodology for test fees will allow the PHL to pass on savings or increases created by the adoption of technology directly to the purchaser of these tests. PHL tests are purchased by the San Mateo Medical Center, other area hospitals, and local municipalities.

The use of a cost-based methodology for establishing fees will also allow the PHL to assess, on an annual basis, which tests can be competitively delivered by making transparent the cost of each test performed.

PHPP requests your Board to authorize the Chief of the Health System or designee to make changes to the Fee Schedule to replace tests for diseases already included on the approved Fee Schedule with an equivalent test, as long as the new test fee is no more than 10% greater the current test fee; and to add tests that provide a greater level of clinical information than current tests, as long as these fees are not more than 10% greater than the highest fee in that category (e.g. Laboratory Fees; Respiratory Disease Tests).

The Resolution has been reviewed and approved by County Counsel as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a Healthy Community by ensuring that vital public health testing, clinical services and vital statistics records are provided to residents of San Mateo County. It is anticipated that 94% of PHL proficiency tests performed will be rated as good or acceptable. (The industry standard is 80% for proficiency tests.)

PERFORMANCE MEASURE(S):

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Percent of PHL proficiency tests performed rated good/acceptable (industry standard is a test score of 80%)	93.5%	94%

FISCAL IMPACT:

The changes to the PHPP fees are expected to generate an additional \$91,000 in revenue in FY 2014-15. These funds have been included in the PHPP FY 2014-15 Recommended Budget.