

**ORANGE COUNTY BOARD OF HEALTH
AGENDA ITEM SUMMARY**

Meeting Date: February 25, 2015

Agenda Item Subject: FY 2015-16 Fee Schedule

Attachment(s): Fee Schedule & Requested Changes

Staff/Board Member Reporting: Colleen Bridger, Health Director

Purpose/Recommended Action: Action/Approve
 Action/Approve & forward to Board of Commissioners
 Information with possible action
 Accept as information
 Revise & schedule for future action

Summary Information:

In reviewing Health Department fee schedules, which are done on an annual basis, the Department would like to add a new fee in Personal Health, and adjust fees in the Dental and Environmental Health division. The proposed changes are detailed below:

Personal Health

Personal Health proposes the implementation of a minimum charge for the Diabetes Self-Management Education program to keep all Nutrition fee schedules consistent. This minimum fee is the same as the MNT program minimum fee.

Name of Fee	2014-15 Rate	2015-16 Proposed Rate	Anticipated Revenue from Fee Change
DSME Minimum Fee	\$0	\$20	\$320

Dental

Dental Health proposes a \$6 fee increase for oral evaluation and counseling for patients under three years of age. This increase will bring the rate to the 70% percentile for income and is consistent with other dental fees. In addition, the American Dental Association (ADA) has recently released a code for the re-application of sealants. This will enable the Dental Clinic to bill for this service where it was unable to previously.

Name of Fee	2014-15 Rate	2015-16 Proposed Rate	Additional Revenue from Fee Change
Oral evaluation for a patient under three years of age and counseling with primary caregiver	\$55	\$61	\$684
Re-application of sealant	\$0	\$49	\$3,381

Environmental Health

At the request of the Board of Health during last year's budget discussion, the Health Department has analyzed the fees charged by Environmental health for on-site and well services. This review showed that currently, Orange County is subsidizing one-third of the cost to provide on-site/well services to homeowners. As a result, staff proposes a phased-in increase in on-site/well fees to fully cover the cost of providing these services. Staff reviewed comparable fees in our peer jurisdictions (Durham, Chatham, Alamance, Wake, and Guilford), and found that if we increased our fees to cover our actual direct costs, our fees would be among the highest in the region. As such, we are proposing a phased-in increase over three years to result in a 33% increase by year three. See below for the estimated fee changes for both Full Cost Recovery (Option 2) and the recommended phased-in increase (Option 3).

Full Cost Recovery Environmental Health Fee Increases (Option 2)

Name of Fee	2014-15 Rate	2015-16 Proposed Rate	Additional Revenue from Fee Change
Septic-Const Authoriz	\$260	\$350	\$14,703
Septic-Est Syst Inspect	\$125	\$170	\$15,834
Septic-Mob Home Prk Insp	\$125	\$170	\$2,226
Septic-Mob Home Prk Insp	\$175	\$235	\$870
Septic-Mob Home Prk Insp	\$225	\$300	\$375
Septic-Site Ins/Imprv Perms	\$350	\$470	\$28,899
Septic Contractor Registr Fees	\$200	\$270	\$4,958
Septic Tank Manuf Yard Insp	\$250	\$335	\$581
Contractor Education Regis Fee	\$25	\$35	\$630
Wells	\$430	\$575	\$24,310
WTMP Fees	\$125	\$170	\$23,436

Recommended Environmental Health Fee Increases (Option 3)

Name of Fee	2014-15 Rate	2015-16 Proposed Rate	Additional Revenue from Fee Change
Septic-Const Authoriz	\$260	\$290	\$4,901
Septic-Est Syst Inspect	\$125	\$140	\$5,278
Septic-Mob Home Prk Insp	\$125	\$140	\$742
Septic-Mob Home Prk Insp	\$175	\$195	\$289
Septic-Mob Home Prk Insp	\$225	\$250	\$125
Septic-Site Ins/Imprv Perms	\$350	\$390	\$9,633
Septic Contractor Registr Fees	\$200	\$225	\$1,652
Septic Tank Manuf Yard Insp	\$250	\$280	\$193
Contractor Education Regis Fee	\$25	\$30	\$210
Wells	\$430	\$480	\$8,103
WTMP Fees	\$125	\$140	\$7,812

Summary

There are three options for the Board to consider with the Environmental Health Fees. The first "Option 1" is to make no changes to the fees and continue to have the county subsidize on-site and well fees. The second "Option 2" is to immediately raise the on-site and well fees by 33% so that the county is no longer subsidizing on-site and well fees. The third "Option 3" is to phase in the fee increase over three years resulting in an 11% increase in on-site and well fees for this fiscal year. Staff recommends Option 3.

Option	Description	Total New Revenues	Total County General Fund Increase if Implemented
Option 1	No fee increase	\$0	\$250,768
Option 2	Full Cost Recovery – 33% increase	\$116,822	\$149,050
Option 3	3 Year Phased Increase – 11% increase	\$38,941	\$232,937

Recommended Motion:

To approve the phased-in fee increase for 2015-2016 as presented and forward to the Board of County Commissioners for action.