



COUNTY OF HUMBOLDT

For the meeting of: 4/5/2022

File #: 22-373

To: Board of Supervisors
From: DHHS: Administration
Agenda Section: Consent

SUBJECT:

Request for County General Fund Supplement for Department of Health and Human Services Public Health

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize the Department of Health & Human Services (DHHS) - Public Health to receive a one-time supplemental increase in County General Fund to restore what Public Health lost in fund balance due to the late postings of Fiscal Years 2019-20 and 2020 -21 ISF/CAP charges by the Auditor-Controller;
2. Approve, and authorize the transfer of County General Fund from 1100-199 to Public Health Fund 1175-400 in the amount of \$381,482.

SOURCE OF FUNDING:

Public Health Fund (1175), General Fund (1100)

DISCUSSION:

Due to the late posting of Internal Service Fund (ISF) and Cost Allocation Plan (CAP) charges to the general ledger in Fiscal Year (FY) 2019-20 and FY 2020-21, Public Health was unable to claim all or a portion of these costs to State and Federal funding sources in several programs.

For FY 2019-20, the following programs were impacted:

- Dental Transformation Initiative - Local Dental Pilot Program
- Proposition 56 - Local Oral Health Program
- SafeCare Nursing Program - funded by Social Services CalWorks, CalFresh, and CWS
- Foster Care Nursing
- Child Welfare Services Nursing
- California Home Visiting Program
- CalWorks Home Visiting Program

- CalFresh Healthy Living Program (NEOP)
- NorCAP Program - Rx Safe and Hepatitis C High Risk
- Drug Free Communities
- Substance Abuse Prevention and Treatment Block Grant
- Mental Health Services Act - Suicide Prevention Program
- Mental Health Services Act - Stigma
- Public Health Emergency Preparedness Program - Base and Lab
- Hospital Preparedness Program
- Pandemic Flu Program
- Family Violence Prevention Program

The programs listed above have claiming deadlines of either 30 or 45 days after the end of the quarter, though a few programs have a 60-day deadline. Our latest deadline for claiming on any of these programs would have been 9/1/2020 with many of them much sooner than that. At the time of these claiming deadlines, the only CAP and ISF costs that we had access to include estimates, if eligible in grants, were the approved Cost Allocation Plan charges as they were filed with the State on 4/28/2020.

In FY 2019-20, the ISF and CAP charges posted on the following timeline:

- 10/23/2020: Information Services Charges - 3125 posted
- 11/30/2020: Communications/Utility Charges - 3513 and Purchasing & Disposition Charges - 3940 posted
- 12/1/2020: Insurance - 2110, Cost Allocation Plan - 3137, and ADA ISF - 3517 posted

Typically, after ISF and CAP Charges post, Public Health fiscal staff journal the costs to the appropriate programs. Due to the late posting of the ISF and CAP charges, in FY 2019-20, Public Health was only able to do this for the Information Services Charges. Even so, it was well beyond the claiming periods at that time. The estimated total of unrecoverable costs because of late postings is \$177,053 for FY2019-20.

For FY 2020-21, Public Health's calculations are based, in part, on the ISF and CAP journals emailed out by the CAO's office as submitted to the Auditor-Controller's office for posting. As of the time of the writing of this agenda item, the Insurance and ADA charges are the only charges that have posted. Insurance charges posted on 12/17/2021 and ADA charges posted on 12/8/2021. The CAP for FY 2020-21 was filed with the State on 5/28/2021 and programs that allow for us to claim percentages or estimates on these charged were claimed as such but as Public Health's grantors require actual costs not estimates, Public Health had no basis to claim for these costs as they have not posted and we have not been able to submit our journals to allocate them to their respective programs.

For FY 2020-21, the following programs were impacted:

- Tobacco Free Humboldt
- Proposition 56 - Local Oral Health Program
- SafeCare Nursing Program - funded by Social Services CalWorks, CalFresh, and CWS
- Child Health and Disability Prevention Program
- Foster Care Nursing
- Child Welfare Services Nursing
- Infectious Disease Program
- Maternal, Child, and Adolescent Health Program
- California Home Visiting Program
- CalWorks Home Visiting Program
- Immunization Program
- CalFresh Healthy Living Program (NEOP)
- Hepatitis C Virus Collaboration Project
- Substance Abuse Prevention and Treatment Block Grant
- Mental Health Services Act - Suicide Prevention Program
- Public Health Emergency Preparedness Program - Base and Lab
- Hospital Preparedness Program
- Pandemic Flu ProgramEpidemiology & Laboratory Capacity Enhancing Detection Program
- Family Violence Prevention Program
- California Children's Services

The estimated total of unrecoverable costs because of late postings, is \$204,429 for FY20-21. This number is considered an estimate as it is based on the journals that were submitted by the CAO's office for the CAP, Communications, Purchasing & Disposition, and Information Services charges as those have not yet posted to the GL.

Additionally, to be noted, is that Public Health received a reduction in the CalWorks Home Visiting Program allocation for FY 2021-22, in part, due to underspending as the ISF and CAP charges could not be included as expenditures timely in FY 2020-21. The allocation was reduced by \$59,838, of which \$8,903 was for ISF, CAP, and local Motor Pool charges that had not posted. This impact is indicative of the ongoing danger to allocations and grants with continued underspending due to delays in posting. See attached email from the State explaining the reasoning for the reduction in allocation.

The lost ability to be reimbursed by the Federal and State funding sources is tantamount to the County of Humboldt subsidizing the Federal and State Government for their programs instead of the County being properly compensated by the Federal and State Government for the costs the County incurred while providing the Federal and State program services to the community on their behalf.

Approving the one-time supplemental County General Fund increase would allow the County of Humboldt's DHHS-Public Health branch to restore funds lost and utilize it for the intended purpose of non-federal match to enhance and expand the aforementioned programs above.

Public Health needs to preserve and maintain its funding due to the uncertain times the community is in with the COVID-19 pandemic, in order to meet the potential current and future funding demands placed on Public Health services for the benefit of the entire community.

FINANCIAL IMPACT:

Additional funding from the General Fund (1100-199) is requested in the amount of \$381,482. If this one-time request is approved, this will increase Contribution to Health in Fund 1175, Budget Unit 400, Object 6111 Public Health Administration for FY 2021-22 for losses in Public Health applicable to FY 2019-20 and FY 2020-21. The Public Health Fund continues to fund the response to the to the COVID-19 pandemic and these funds would be utilized to continue to this response.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by creating opportunities for improved safety and health and protecting vulnerable populations.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the allocation of funds for DHHS-Public Health; however, that is not recommended due to the ongoing costs of the COVID-19 pandemic and future Public Health emergencies. The continued strain on the Public Health Fund could result in a reduction of services to the community in the future, not just to respond to the pandemic, but in programs across Public Health.

ATTACHMENTS:

1. FY 2019-20 Public Health ISF and CAP Costs
2. FY 2020-21 Public Health ISF and CAP Costs
3. DHHS' CalWorks - HVP Expenditure Report
4. California Department of Social Services - County Fiscal Letter NO. 20/21-04
5. California Department of Social Services - County Fiscal Letter NO. 21/22-22

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: 22-373