



TO: Menasha Common Council Aldermen

FROM: Susan Nett, Public Health Director

DATE: July 26, 2011

RE: Winnebago Public Health Study/Impacts for the City of Menasha

In December 2010, the City of Menasha was asked to participate in a study of merging public health services in the county. The purpose of the study was to determine if merging the public health departments in Winnebago County was economically feasible, and if efficiencies in service provision could be gained. In other words, would there be better service for less cost (or at least equal service for less cost).

Information from the draft report of the Winnebago Public Health Study and the impacts to the City of Menasha was presented to the City of Menasha Board of Health at a meeting on July 25, 2011. The Board of Health was asked for a recommendation, based on a request from the consultant, Baker/Tilly, for additional funds to complete the study. There are no budgeted funds available for 2011 to cover this request.

After careful review, the Board of Health voted to opt out of continuing with the study and to reserve the right to look at other consolidation efforts as they occur in the future. Data from the draft report shows a significant reduction in services, increase in costs, and no gains in efficiencies.

The demographics of a population often determines the level and amount of services provided. Menasha has the highest incidence of poverty within Winnebago County and therefore had a higher number of contacts per population. The cost to provide public health services is calculated at a per capita (per person) expense. The draft study report lists Menasha's per capita expense at \$12.75 (as compared to Neenah at \$12.28, Oshkosh at \$6.28, and Winnebago County at \$16.65). The calculated cost per capita differs in the draft report from that calculated by the Wisconsin Department of Health Services which calculates Menasha's per capita cost at \$9.10.

Grants, fees for service, donations, and levy tax dollars provide the financial support for the public health departments. In Menasha, for the year 2010, grants accounted for 29% of the department's total expenditures; fees for service accounted for 51% of the total expenditures; less than 1% came from donations; and 20% of the total expenditures were tax levy supported. Many of the grants received use poverty as one of the base formulas for determining grant dollar amounts.

The report to the Board of Health and the draft minutes from the Board of Health meeting are attached. Please feel free to contact me with any questions.

Winnebago Public Health Study
Baker Tilly Draft Report
Impacts for the City of Menasha
Prepared for the Menasha Board of Health by Public Health Director Susan Nett

The purpose of the Winnebago Public Health Study is to determine if a county-wide consolidation of municipal health departments is economically feasible, and if efficiencies in service provision could be gained. In other words, better service for less cost (or at least equal service for less cost).

The Menasha Health Department has had a collaborative working relationship with the Menasha Joint School District since the 1970's. This partnership has increased efficiency and effectiveness in the delivery of health services to the community providing needed services at a cost lower than other communities. Other communities both in Wisconsin and outside of the state have inquired about this consolidated effort with the schools and how it could be implemented in their communities. Menasha is unique in other ways from the three other communities involved in the study. The City of Menasha is located within two counties. The health department manages the senior center. And the health department manages the city's mandated employee safety program, and state mandated weights and measures program.

The draft report calculates a savings of \$111,409 in levy dollars to the city of Menasha using the lowest tax rate of the departments in the study as the target. Services that will need to remain at the city level, on average, negate the proposed reduction in tax levy. These services are the safety program, management of the senior center, management and staffing of wts/measures program, IT services redistribution of budgeted funds currently in the health department, coordination with housing rehab program, coordination with city's emergency management program, coordination with Menasha utilities (i.e. health hazard assessments when water shut off, maintenance of medical equipment list, assistance with funding for overdue bills), new costs for finance department (management of contract and tax collection).

Safety Program

Prior to the health department managing the city's safety program, the city contracted with an outside vendor for \$36,000 annually. The 2011 budget is \$18,033 utilizing in-house resources.

Management of the Senior Center

Currently, the Health Director spends approximately 7% of her time managing the Senior Center. These responsibilities would have to be distributed to either existing staff, a new person, or the YMCA.

Management and Staffing Weights and Measures

Weights and Measures programs are statutorily required for municipalities. Menasha has gained efficiencies in providing this service by having the sanitarian inspect and license required devices, as he is already working with many of the businesses performing food safety inspections.

IT Services Redistribution

The IT budget currently includes services to the health department. If the health department is staffed at the county level these costs will need to be apportioned to the remaining city departments. There would be little savings in equipment or staffing to manage the network.

Coordination with Housing Rehab Program

The health department coordinates the lead abatement that is often needed during a housing re-hab, working closely with Mary Bach.

Coordination with City's Emergency Management Program

The health department director and staff currently spend 7% of their time preparing emergency response plans for the city, in conjunction with the Emergency Management Director for the city. These responsibilities will have to be distributed to existing staff.

Coordination with Menasha Utilities

The health department currently maintains and confirms a listing of residences with medical equipment for which the utility may not discontinue services. HIPPA requirements would make it difficult to transfer this responsibility to the electric utility. Accurate medical data is important both for the resident and the utility. Second, health hazard assessments are done on those residences where the water has been shut off. And third, some individuals need assistance locating funds to pay outstanding utility bills. The health department provides referral services to assist these individuals so as to avoid disconnection of their utilities.

New Costs for Finance Department

The finance department will be required to manage a contract with Winnebago County, file reports, and collect revenues. These are new duties associated with a merged department and not currently required by the existing health department. This is required due to the location of the city within two counties. Winnebago County would have to contract for services with the city and a separate health levy would be needed to pay for the contracted services.

Draft Data Review

Preliminary draft data demonstrates a reduction in services and level of service provision that result in higher cost per client than is currently experienced by the city of Menasha. Programs affected include 1) communicable disease follow-up (currently the city of Menasha's cost per case is the lowest of all entities and increases 19% under a merged department); 2) young family public health contacts (service reductions proposed and the cost per case is nearly doubled); 3) adult/elderly public health contacts (Menasha's cost per case is the lowest and increases 200%); 4) public health nuisance abatement (Menasha's cost per case is the lowest of all the entities and would increase 50% per case). See Attachment A

The city of Menasha has the highest incidence of individuals living in poverty estimated to be 34.7%. Notably with an increased high risk population there is also an increased need for services and a higher number of contacts per population. According to the study report the highest level of contacts is provided by the Menasha Health Department. Typically the cost of providing public health services is calculated as a per capita (per person) cost. Menasha's per capita cost is one of the lowest at \$12.75 according to the Baker Tilly study. Statistical data from the state department of health services lists the per capita cost at \$9.10 which is also one of the lowest in the area.

The Menasha Health Department has been developing self-sustaining prevention programs for its high risk populations. One such program is the fluoride varnish dental program targeting low income 4 and 5 year olds. This program prevents dental decay and the complications associated with dental decay and reduces future treatment costs. For every dollar spent on prevention, there is a \$50 savings in future treatment costs. In addition there are benefits that are unquantifiable such as better school attendance, other health benefits for the child, and the parent doesn't have to miss work for appointments. The program is funded 100% by grants and MA reimbursements. Under the proposed merger, this program would be eliminated, thus eliminating service to a segment of Menasha's higher risk population.

As this is a draft report of the Winnebago Public Health Study and the information presented at this time shows no fiscal benefit to Menasha, and proposes a drastic reduction in services, a recommendation is requested to either continue with the process or stop at this time with the understanding that it can be re-visited in the future as directed by the Menasha Board of Health and Menasha Common Council. If the Board of Health chooses to recommend continuing with the process, Baker Tilly is requesting additional funding from Menasha not to exceed \$7500. (There are no budgeted funds available for 2011 to cover this request.)

Attachment A

Projected decrease in health department levy (\$111,409)

Costs Remaining with City

Outsource Safety Program	\$35,000
Senior Center Management/oversight	\$8,000
IT Services (Redistribution of Budgeted Finds)	\$42,000
Management and Staffing Wits/Measures	\$10,000
Coordination with Emergency Management (City Emergency Preparedness)	\$8,000
Coordination with Housing Rehab Program	\$2,000
Coordination of Services with Menasha Utilities	\$4,000
New Cost- Management of Contract and Tax Collection	\$1,000

Potential Savings (\$1409)

Services with Increased Costs:

Communicable Disease Control	\$5,468 – 19% increase in cost
Public Health Nuisance Abatement	\$3,275 – 50% increase in cost

Reduction in Services with Increased costs

Young Family Contacts (52% reduction in service)	\$10,656 – 50% increase in cost
Adult/Elderly PH Contacts (51% decrease in service)	\$58,710 – 204% increase in cost

Net increase in Cost to Provide Services to Menasha \$76,700

Menasha aldermen occasionally attend meetings of this body. It is possible that a quorum of Common Council, Board of Public Works, Administration Committee, Personnel Committee may be attending this meeting. (No official action of any of those bodies will be taken).

**CITY OF MENASHA
BOARD OF HEALTH
July 25, 2011
Minutes**

- A. Meeting called to order by Chairman Candyce Rusin at 6:32 PM.
- B. Present: Candyce Rusin, Dr. Teresa Rudolph, Dorothy Jankowski, Lori Asmus, Susan Nett
Others present: Mayor Don Merkes, Jerold Finch, Chuck Farrey, Joanne Sievert
- C. MINUTES TO APPROVE
1. Motion to approve minutes from June 8, 2011 meeting made by D. Jankowski and seconded by T. Rudolph. Motion carried.
- D. REPORT OF DEPT HEADS/STAFF/CONSULTANTS
1. June 2011 Communicable Disease Report distributed and discussed. S. Nett explained one of the latent cases of TB was in a young child who will require directly observed therapy twice weekly for 9 months. Currently the family brings the child to the health department. Once school is in session, the school health aide will be able to administer the medication in school. S. Nett explained also about the case of salmonella as now is the time when an increase in enteric diseases is noted. This particular case was not foodborne but rather was related to a reptile in the home and inadequate hand washing.
- E. ACTION ITEMS
1. Winnebago County Health Department Merger Study---Review and Recommendation. S. Nett was asked to review with board members the current status of the Winnebago Public Health Study Baker Tilly draft report and what impacts for the city were noted. S. Nett explained the purpose of the study is to determine if a county wide consolidation of public health departments is economically feasible and if efficiencies in service could be gained (or in other words, better service for less cost or at least equal service for less cost). S. Nett explained the collaboration with the school district has been a great way to know the families in the community and has been an efficient and effective way of providing public health services since the 1970's. S. Nett explained the preliminary data shows no fiscal benefit to the city and proposes a drastic reduction in services. Some of the programs affected include communicable disease follow-up (mandated by state statute). Currently Menasha's cost per case is the lowest of all four entities in the study and increases 19% under a merged department. It should also be noted that provision of immunizations is part of this program and was not addressed in the draft report. Some calculations done by S. Nett show the Menasha Health Department is again the lowest in cost per individual. A second program affected by a merged department is the young family public health contacts. Menasha Health Department works with many young families. 52% service reduction is proposed with a 50% increase in cost per case for the young family contacts. Adult/elderly public health contacts also has a

"Menasha is committed to its diverse population. Our Non-English speaking population and those with disabilities are invited to contact the Menasha Health Department at 967-3520 at least 24-hours in advance of the meeting for the City to arrange special accommodations."

Board of Health Members: Dorothy Jankowski, Lori Asmus, Susan Nett, Candyce Rusin, Theresa Shoberg

proposed 51% decrease in service with a 204% increase in cost per case. The other notable data is in regards to public health nuisance abatement where currently Menasha's cost per case is the lowest of the four entities. Under a merged department, Menasha cost per case would increase 50%. S. Nett also explained that Menasha is unique from the other three communities in that it is located in 2 different counties. The health department manages the senior center, manages the city's mandated employee safety program, and manages the state mandated weights and measures program. These programs would need to remain with the city under a county merger. S. Nett provided information on the poverty level in the city which according to the state data is at 34.7% (the highest of the four entities). There are services being provided using grant funds and fee reimbursements that were specifically developed to meet the needs of these low income residents. An example was given of the fluoride varnish program, which under a merged department would be eliminated, thus eliminating service to a segment of Menasha's higher risk population. To summarize, the information presented to date in the report, shows no fiscal benefit to Menasha and proposes a drastic reduction in services. S. Nett explained that Baker/Tilly was requesting additional funding to complete and finalize the draft report. S. Nett is requesting a recommendation from the BOH to either continue with the study process or stop at this time with the understanding that a consolidation effort can be re-visited in the future as directed by the Menasha BOH. T. Rudolph questioned if there is money available to continue. S. Nett responded there were no budgeted funds available at this time. C. Rusin questioned how the 2 county issue would work. S. Nett explained that Winnebago County would have to contract with the city of Menasha to be able to provide public health services to the entire city. The city would have to levy for the public health services and reimburse the county. Finance department for the city would have to manage such a contract as well as collect the taxes and then reimburse Winnebago County. C. Rusin questioned if the study shows a decrease in service levels as a way to save money, why can't we do that ourselves? T. Rudolph was concerned about the loss of control the city would have over the types of services the residents may or may not receive. A motion was made by T. Rudolph and seconded by L. Asmus to stop the study process at this time as there were no gains in efficiencies, there was a reduction in services, and there were no cost savings to the city of Menasha. Motion passed on a roll call vote of 4-0 with S. Nett abstaining. A second motion was made by D. Jankowski and seconded by L. Asmus for the BOH to reserve the right to look at other consolidation efforts in the future. Motion carried on a roll call vote of 5-0.

F. HELD OVER BUSINESS

1. None

G. Motion to adjourn at 8:05 PM made by L. Asmus and seconded by D. Jankowski. Motion carried.