

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: HEALTH SERVICES AGENCY

BOARD AGENDA # B-12

Urgent        Routine X *KR*

AGENDA DATE August 14, 2001

CEO Concurs with Recommendation YES *pk* NO         
(Information Attached)

4/5 Vote Required YES        NO X

SUBJECT: ACCEPTANCE OF PRESENTATION OF HEALTH SERVICES AGENCY 2000/2001 ANNUAL REPORT

STAFF  
RECOMMEN-  
DATIONS:

1. ACCEPT THE HEALTH SERVICES AGENCY 2000/2001 ANNUAL REPORT.

FISCAL  
IMPACT:

There is no fiscal impact.

BOARD ACTION AS FOLLOWS:

No. 2001-623

On motion of Supervisor Simon , Seconded by Supervisor Caruso  
and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Simon, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2)        Denied

3)        Approved as amended

MOTION:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

By: *Christine Ferraro* Deputy

ACCEPTANCE OF PRESENTATION OF HEALTH SERVICES AGENCY 2001 ANNUAL REPORT

PAGE: 2

**DISCUSSION:** The Health Services Agency has published an annual report. The report highlights the many services performed at the Health Services Agency.

This report clearly shows how the Health Services Agency is committed to achieving our vision of leading the way to a healthy community and mission to lead the development, implementation, and promotion of public policy and health care services to achieve excellent physical, psychological, and social well being. By focusing on our vision and mission, we are closer to our goal of improving the lives of the residents of Stanislaus County.

**POLICY**

**ISSUES:**

Acceptance of the Health Services Agency 2001 Annual Report will support the Board's priorities of a Safe & Healthy Community, Community Service Delivery, Multi-jurisdictional Cooperation, and Community Leadership.

**STAFFING**

**IMPACTS:**

None.



**Stanislaus County Health Services Agency  
Annual Report 2000/2001**

## **Stanislaus County Board of Supervisors**

PAT PAUL, *District One*

THOMAS MAYFIELD, *District Two*

NICK BLOM, *District Three*

RAY SIMON, *District Four*

PAUL CARUSO, *District Five*

## **Stanislaus County Administration**

REAGAN WILSON

*Chief Executive Officer*

PATTY HILL THOMAS

*Assistant Executive Officer*

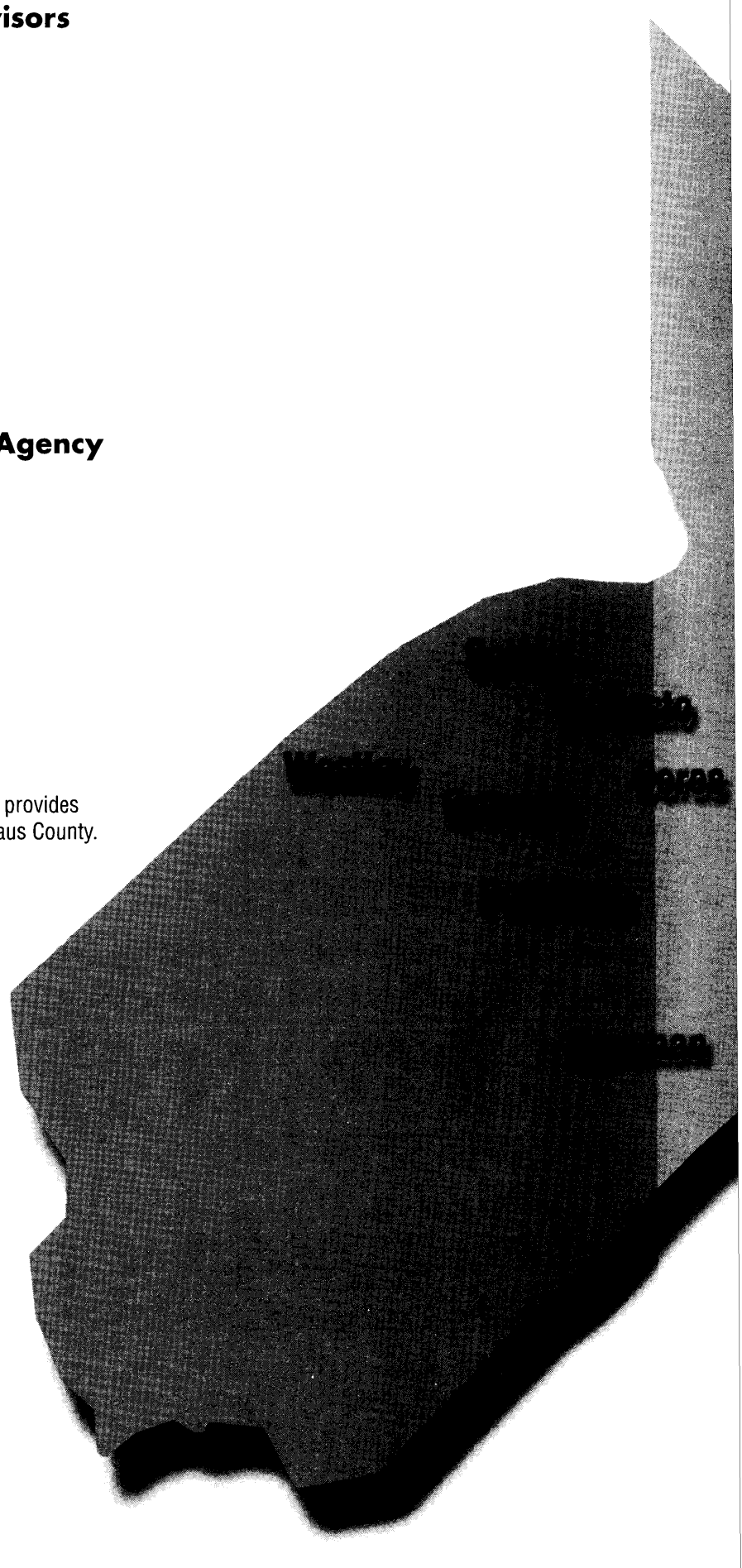
## **Stanislaus County Health Services Agency**

BEVERLY M. FINLEY

*Managing Director*

The Health Services Agency provides services throughout Stanislaus County.

Stanislaus County Health Services Agency  
830 Scenic Drive  
Modesto, CA 95350  
(209) 558-7000  
[www.hsahealth.org](http://www.hsahealth.org)



Oakdale

Riverbank

Empire

La Grange

Hughson

Waterford

Deerair

Turlock



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July 10, 2001

Board of Supervisors  
County of Stanislaus  
1010 10<sup>th</sup> Street Place  
Modesto, California 95350

It is with pleasure and pride that we share the 2000/2001 Health Services Agency Annual Report. The Agency has continued to develop programs and services that reflect the Board's Vision for County. The Agency's vision statement "Leading the Way to a Healthy Community" supports the County's vision.

During the past year the Agency has continued its efforts to provide access to physician and public health services in the communities where people live. Over 475,000 patients and clients are now served annually by HSA staff.

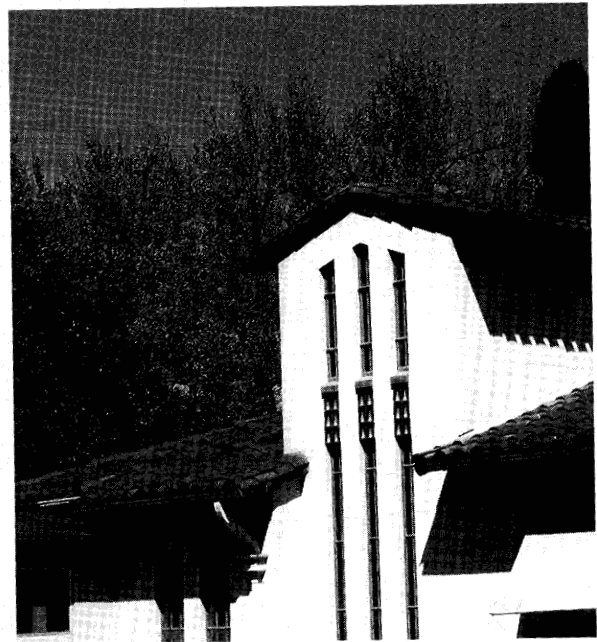
Each program or service site is designed to meet the individual community's needs. We have partnered with other agencies and community service providers to enhance services in each location. Our success can be measured by the new partnerships we have created, the scope of services and/or programs available and the increase in the number of patients receiving services.

The Agency continues its efforts to eliminate the \$8.2 million deficit created by the loss of State and Federal Funding accompanying the closure of Stanislaus Medical Center in 1997.

Through a combination of increased productivity by providers and staff, reduction in costs and improved collection of revenues, we have achieved a reduction in the loss by \$3.6 million.

Our efforts continue. Agency staff will be presenting a Strategic Action Plan to the Board of Supervisors in September that will provide several options to eliminate the

deficit. The Plan will itemize the strategies in terms of the impact on the health of the communities, access to prevention and medical treatment, the impact on County employees, and the financial costs/savings to be realized. The success of the Agency's efforts



to reduce the financial deficit is outlined in more detail in this report.

The transition to an ambulatory system has demanded major changes in the entire system: appointments, registration, clinical services and billing.

This transition has been made more difficult by the rapid changes in the health care industry, the low reimbursement from government programs and the rapidly increasing number of uninsured citizens in the County.

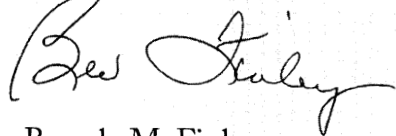
The Agency leads a countywide outreach task force to enroll county residents in the Medi-Cal and Healthy Families insurance programs. Membership includes each of the four hospitals, United Way, Golden Valley, Center for Human Resources and Parent Resource Center. The Agency is collaborating with the United Way in an outreach grant to get small businesses to enroll their eligible employees.

Some families remain reluctant to apply for these governmental programs. Others start the application but do not complete it. Through the Task Force and outreach efforts the number of Healthy Family members has doubled during the past several months. Enrollment in an insurance program provides access to a health care services without going to a hospital emergency department.

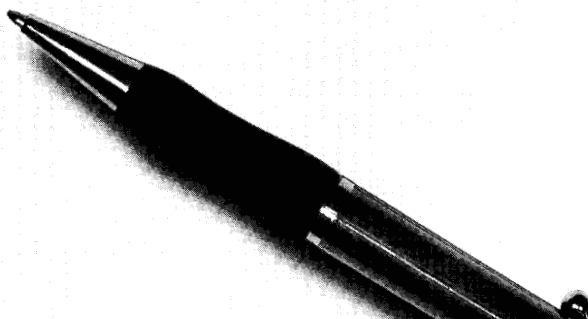
Success is achieved by teams that share the same values and goals. The Agency is supported by its staff, the Faculty Group and community physicians, the Volunteers and the H.S.A. Foundation. We appreciate the leadership and support of the Board of Supervisors and the Chief Executive Office during the past year.

We are on track for "leading the way to a healthy community." We too are "Striving to be the Best."

Sincerely,



Beverly M. Finley  
Managing Director



# Medical Offices & Ancillary Services

contract with the Oak Valley Hospital District (OVHD) this year to operate the Oakdale Prenatal Clinic due to changes in federal rules surrounding reimbursement. Happily, these services continue to be provided to the community by OVHD.

HSA staff worked collaboratively with the Community Services Agency to expand family planning services to reduce teen pregnancies in high risk communities and among TANF recipients. We also worked collaboratively with Behavioral Health and Recovery Services to create linkages at the Ceres Medical Office, linking health care services to recovery services once the Ceres Recovery Center opens in FY 2002.

Our continued efforts at financial improvement help to control costs, improve collections and billing and maintain and improve provider productivity. These improvements help us to provide better health care services to our patients.



This fiscal year, there have been over 246,000 visits to HSA medical offices.

## Medical Offices

HSA operates nine family practice medical offices located strategically throughout Stanislaus County plus a pediatrics clinic, OB/GYN clinic, and dental clinic. A mobile health clinic, the MOMobile, rotates services at five sites weekly. Specialty clinics provide access to 13 medical and surgical subspecialties such as orthopedics.

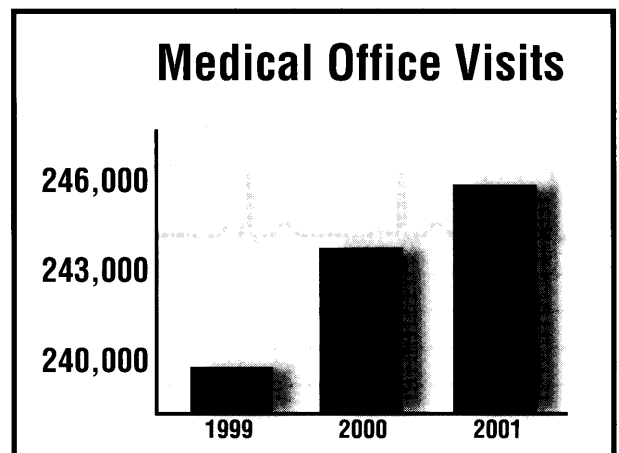
The new West Modesto Medical Office is scheduled to open in February 2002. The building also includes space for WIC services and for co-located human service delivery from six county and community based organizations. Residents of West Modesto will be able to

enroll in programs and receive services from many of those programs in the same facility.

The Urgent Care Center was remodeled this year and we added injury treatment services for the County's Worker's Compensation Program.

Telemedicine services at the Hughson Medical Office are the busiest in the Blue Cross system. Over 188 patients were seen during the first 11 months of operation, helping patients avoid long-distance travel.

We terminated our



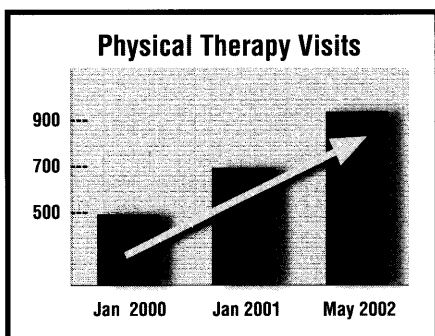


## Ancillary Services

HSA's Ancillary Services include lab, x-ray, rehab and outpatient pharmacy services. In 2000, we provided 172,000 lab procedures; 29,000 x-rays; 8,700 rehab visits; and filled 131,000 prescriptions.

Also this year, HSA participated in the first of three years of the Pharmaceuticals in Care program. This program provides over \$190,000 per year in selected free medication for prescription to indigent patients.

Patient use of physical therapy services increased by 21% this



year compared to last year, resulting in approximately \$300,000 of additional gross revenue that HSA funneled into expanded patient services. By recruiting a new audiologist, we were able to increase audiology services (primarily to children) by more than 70%.

The installation of the new Picker MX Twin spiral CT scanner has allowed faster and more detailed scanning procedures. The new equipment features a powerful computer

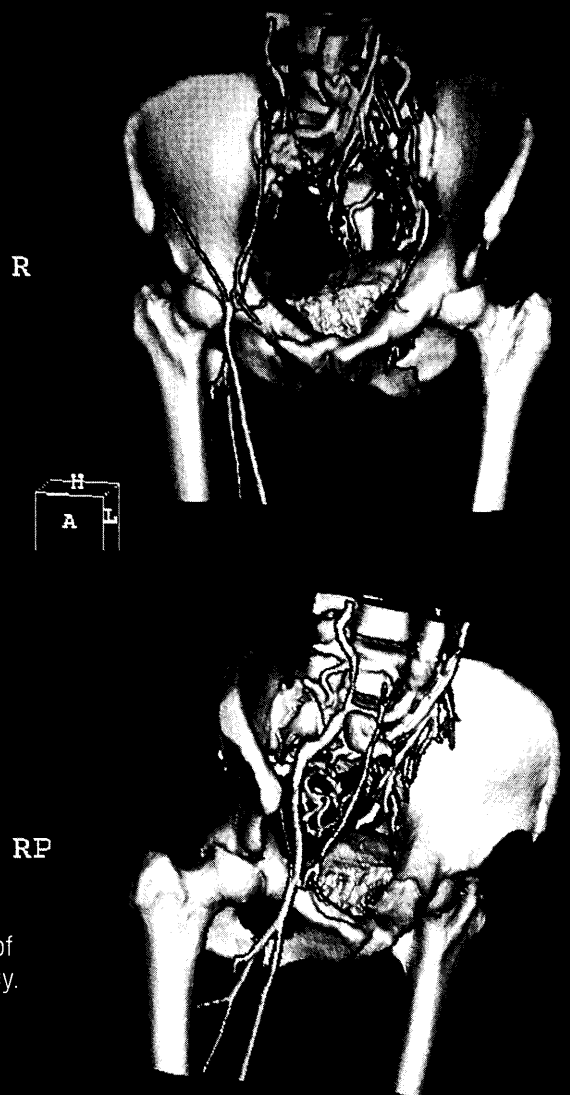
processor allowing for amazing three-dimensional, color pictures of the body. Providers now have a much clearer and accurate diagnostic tool to examine bones, tumors, joints, blood flow and various body organs.

In the summer of 2000, the Public Health Lab changed the testing for Chlamydia and Gonorrhea (sexually transmitted diseases) from a swab to a urine sample. This methodology provides greater ease of testing and improved patient

acceptance. Chlamydia is the most commonly reported STD in Stanislaus County and this improved method of testing will serve approximately 10,000 patients this year.

We are projecting an overall 10 percent increase in the volume of our clinical and ancillary services next year. This increase is largely due to the opening of the West Modesto Medical Office, performing Stat lab work for Kaiser, and general increases in the use of laboratory testing.

The new spiral CT Scanner provides 3-dimensional views of what is going on inside the body.



# Public Health Services

This year saw a huge increase in Refugee Services at the Public Health Division. Volumes were up by 39% from 156 patients in 1999 to 404 patients in 2000.

The Public Health Division joined with San Joaquin County in 2000 to regionalize our Immunization (IZ) Registry. Currently, ten years of Stanislaus County public health immunization records

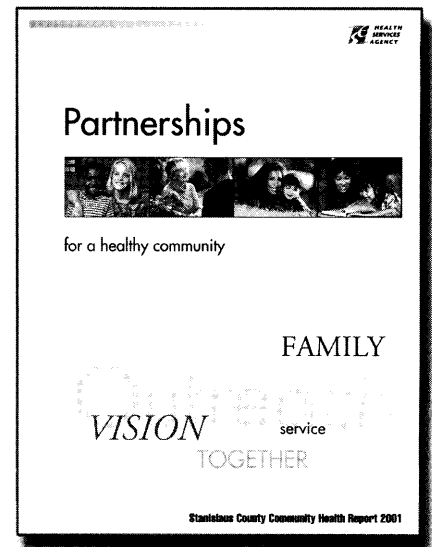
of service for immunizations to include noon hours as well as extended afternoon hours.

Outreach to the community continues to be a critical role of Public Health. Our dedicated staff develop bonds with community members. For example, one staff member this year helped a client negotiate the Medi-Cal enrollment process along with several other service programs. The client was so appreciative that she had 14 of her friends call HSA for help with services.

Another Public Health staff member provided outreach at a video store only to find the owner in great need of services herself. Her husband had left her with two children and she nowhere to turn. Staff helped the woman and her children sign up for Medi-Cal. This grateful store owner now allows Public Health staff to provide outreach at her Asian video store every Wednesday when many potentially uninsured and underinsured community members frequent the store.

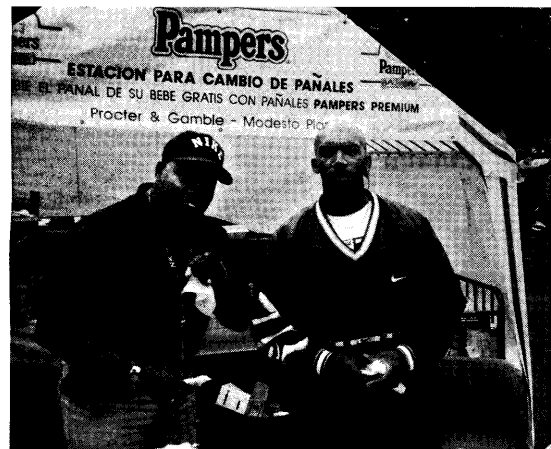
This year's Community Health Report featured good news regarding the health status of Stanislaus County residents. The report card

also identified areas of challenge including the sexually transmitted disease Chlamydia and a high incidence of low-birth-weight babies to African American women. HSA is



developing collaborations and strategies for addressing these and other challenges identified in the report.

Public Health revenues increased from \$14 million in FY 1999 to \$17 million in 2000. This was due primarily to new grants, partnerships and federal matching fund programs associated with the work of the Public Health Nurses.



Community members are vital to the success of neighborhood collaborative groups.

are in the registry with a database of 100,000 client records. Stanislaus County's Public Health staff assisted training in Amador and Tuolumne counties in the immunization registry process during this past year.

We partner with a variety of community groups including schools, community organizations and local businesses to ensure children get the immunizations they need.

Our customer service was improved by expanding hours

Partnership means to understand and appreciate one another.



# Health Promotion & Employee Wellness

The Nutrition Network Program conducted a survey measuring local eating and physical activity behaviors and knowledge, results of which are used for activities development. Staff conducted numerous nutrition and fitness presentations, classes, exhibits, and food demonstrations reaching over 10,000 county residents.

HSA received a \$300,000 grant to enhance youth coalition efforts for tobacco prevention. There has been a 38% increase in compliance with the smoke free bar law, due to educational efforts and collaboration with the Department of Environmental Resources.

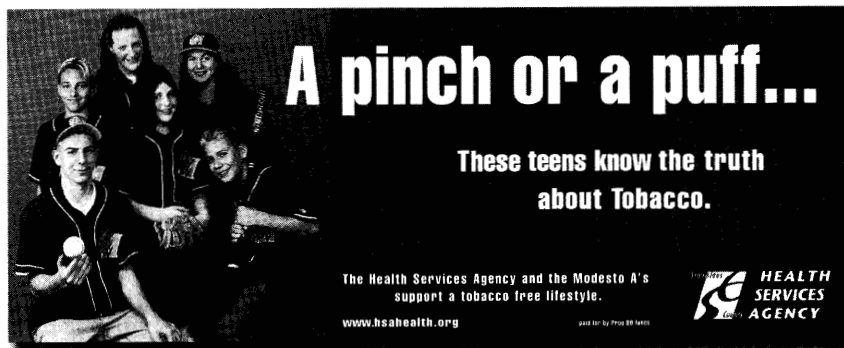
This year, HSA adopted an internal policy that prohibits smoking within 20 feet of all entrances. Currently a comprehensive media campaign is being conducted in theaters in Modesto, Turlock and Riverbank, in the interiors of MAX buses, and on Cable TV.

The California Department of Health Services awarded HSA a \$40,000 planning grant to initiate the Safe Communities Project. A community-wide coalition has been established to review and gather motor vehicle injury data which will be used to develop a strategic plan for

injury prevention.

HSA staff participated in 38 health fairs, including the annual County Fair and the Safety and Wellness Fair. Educational materials were given to approximately 17,000 county residents.

The Women, Infants and Children (WIC) Program caseload increased to 15,600 clients per month. Over 185,000 packets of food coupons, worth \$13,698,000 were distributed to WIC participants. The main WIC site will be relocated with



**A pinch or a puff...**

These teens know the truth about Tobacco.

The Health Services Agency and the Modesto A's support a tobacco free lifestyle.

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HEALTH SERVICES AGENCY

the new West Modesto Medical Office, providing participants with more convenient access to other health care and social programs.



The work of the HEART Coalition reached hundreds of people during the Heart Information Fair.

HSA implemented both internal and external customer satisfaction surveys. Action plans for process improvement were developed based on input from employees and patients. The Agency is conducting these surveys on a regular basis for continuous improvement.

# Partnerships

As the Health Services Agency has decentralized its clinical services and programs, it has opened new opportunities to partner with other agencies and community based organizations.

Agency staff have taken the leadership role in creating two new community wide partnerships.

Through a grant from the **Nutrition Network Program**, HSA has established the Nutrition & Fitness Council. The council consists of individual community members and organization representatives with a goal of promoting better nutrition and

increased physical activity in the local school system.

The **HEART Coalition** was developed to coordinate cardiovascular disease prevention. Members have participated in the American Heart Walk, Diabetes Information Fair, and sponsored its own Heart Information Fair. A website is being developed.

The California State Department of Health Services provided a special 18-month planning grant for the HSA to establish a Safe Communities Coalition. The coalition was created for vehicle injury prevention. Members are gathering and

reviewing existing injury data in order to develop an injury prevention strategy.

Other partnerships include: Airport Neighbors United,

**Partnerships reveal our philosophy of caring**

Ceres Partnership for Healthy Children, West Modesto King Kennedy Collaborative, Immunization Coalition, Breastfeeding Coalition, Tobacco Coalition, California State University, Stanislaus, and other County agencies.



# Managed Care

The HSA partnership with Blue Cross of California for Medi-Cal HMO services remains strong. Over 25,000 Stanislaus County residents are enrolled in this insurance program which offers an alternative to traditional Medi-Cal insurance coverage. Benefits of the HMO plan include access to a resource nurse 24-hours a day.

One of the charges of the Managed Care Division is to promote outreach and enrollment to the uninsured and underinsured residents of Stanislaus County who may be eligible for enrollment in public or private health insurance programs. Recent reports estimate there are as many as 17% of county residents ages 0-64 who may be uninsured in Stanislaus County.

The newest public health insurance program is the Healthy Families Program. HSA estimates there are 12,000 children in Stanislaus County eligible for the Healthy Families Program. Healthy



income guidelines.

HSA fulfilled its role in 2000 as a health leader in the community by facilitating a collaborative grassroots campaign for the Healthy Families Program. Examples of activities include:

- Facilitating the formation of the county-wide Healthy Families Task Force,
- Identifying the need for and training assistants in Spanish. We now have a cadre of 36 trained Spanish-speaking assistants able to serve the Spanish-speaking community.

·Forming partnerships with the Stanislaus County Office of Education, Modesto City School District, Stanislaus County

Payroll, the Modesto City Council and United Way to distribute flyers and applications to small business owners and parents through school lunch applications, utility bills, and payroll envelopes.

Healthy Families enrollment of previously uninsured children has consequently increased more than 20% during the past year.

The Managed Care Indigent Health Care Division (IHCP) Division also documented \$200,000 of new funding streams by implementing a new Medi-Cal eligibility verification process on all Children's Health and Disability Prevention and Treatment (CHDP-T) cases.



Families is a state and federal funded health coverage program for children with family incomes above the level eligible for no cost Medi-Cal and below 250% of the federal

# Residency Program



The residency homeless programs allows physicians to help those in need.

Through the residency program, we train doctors who continue to practice in Stanislaus County. Seventy-five of 161 graduates of the program have practiced in Stanislaus County for at least part of their careers. Sixty-three percent of these are still practicing here. Twenty of the 35 graduates (57%) in the last four years are still practicing here. Last year, the State of California Health Manpower Policy Commission ranked our program as tied for first place among all the residency programs in California in placing graduates in areas of need.

The residency provides direct patient care to nearly

19,000 patients annually in HSA's Family Practice Center. Our residents admit and care for more than 4,000 patients per year at Doctors Medical Center, accounting for 24% of all DMC's total admissions.

The residency draws other care providers into the HSA care system. Community specialists and physicians from the Scenic Faculty Medical Group cite their teaching role in the residency program as their highest incentive for working with HSA.



The residency continues to build on its strong reputation with new services and

community involvement. The geriatric clinics now provide ongoing care as well as consultation, and have increased operation from just one to three full half days per week. DMC hospitalist participation in internal medicine training has enhanced the education and service.

The Resident's Run For Health has become a community tradition, attracting over 100 runners annually. Channels 3 and 19 News, as well as El Sol and the Modesto Bee highlighted our residents giving service to homeless persons in Moose Park.

# Volunteers & Foundation

## Volunteer Services

HSA Volunteer Services consists of between 150-200 volunteers, including high school and college students. Volunteers assist in medical offices, Public Health, Gift Shop, information desk and numerous other areas of need.

Each year volunteer services donate approximately 23,000 hours of service to the Agency. This amounts to savings of approximately \$345,000 in salaries alone.

This past year, Volunteer Services donated \$27,475 to the HSA. The Medical Arts Building received \$20,000 to assist in purchasing an xray machine, \$4,000 for eight new wheelchairs, and \$3,475 for Marketing and Development to purchase a digital camera and complete website development.

The Gift Shop, which is Volunteer Services' only ongoing fundraiser, had a

record year of \$20,000 which was a 60% increase.

Volunteer Services is proud to be a part of HSA. We continue to grow. The volunteers remain dedicated and committed to the staff and the community we serve.

## HSA Foundation

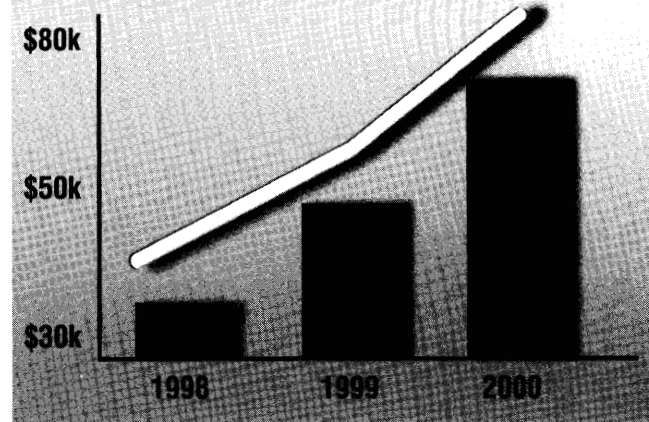
The Foundation has enjoyed a strong period of financial growth, primarily through its special events.

Special event net income has increased more than 100% over the past three fiscal years to over \$75,000 through the FORE HSA! Charity Golf Classic and the String of Pearls Charity Ball.

The Foundation has grown to include 24 volunteer board members who direct all work of the organization.

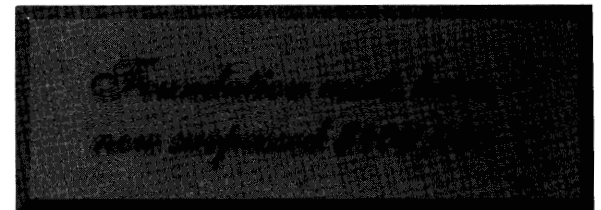
The Husband Trust, a restricted fund to benefit HSA resident physicians and nursing staff, has increased to over \$200,000 in assets, while total assets for the Foundation have

## Foundation Event Net Income



reached over \$400,000.

Many HSA programs and services are now supported by the Foundation. The Sibling Pregnancy Prevention Program,



immunizations for children, dental equipment, medical hardware, audiology equipment and facility renovations of the Urgent Care Center and Audiology Services are just some of the services touched by the Foundation.

Staff of the HSA receive benefits from the Foundation through the Quartertime Club - an employee fundraising arm of the Foundation - as well as by supporting events such as Employee Appreciation Week.



# Financial Division

## Finance

The funds HSA uses to deliver programs and services come from a mix of federal, state and county mandated and non-mandated funds, reimbursements from patients, public and private insurance fees and grants. HSA's operating budget in FY 2000 was over \$71 million.

The Finance Division has made great progress toward balancing HSA's operating budget. Twelve of the thirteen budget indices are in balance.

Grant funds have increased from \$7 million in June 2000 to \$9.5 million in Jun 2001. The Maternal Child Health (MCH) program and Women's Infants and Children's Program (WIC) account for the majority of these increases.

In FY 2000, we continued progress in the assessment, reorganization and revision of our billing processes, policies and procedures.

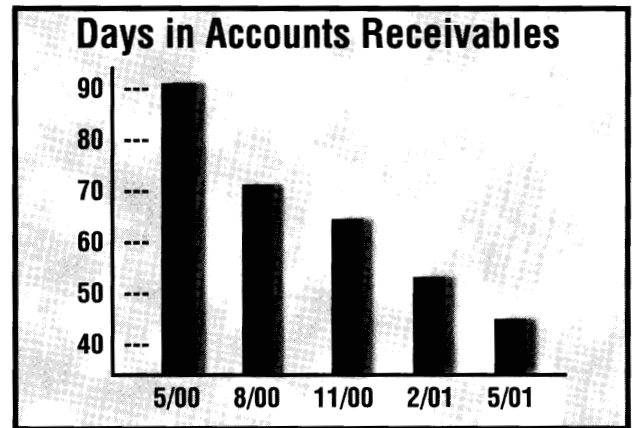
We redesigned workflow and accountability of many areas

and provided ongoing training to ensure more efficient and effective collection efforts. We reviewed claims and write-offs for re-billing and error reduction in registration and charge entry at the clinic and ancillary division levels.

These efforts have resulted in a reduction in days in accounts receivable from 90 days to 46 days by year end - an increase in billings by 10.6% and a reduction in contractual allowances by 2.6%

Efforts of the Patient Finance Department along with clinic, ancillary staff and physicians continue to enhance revenue and improve cash flow.

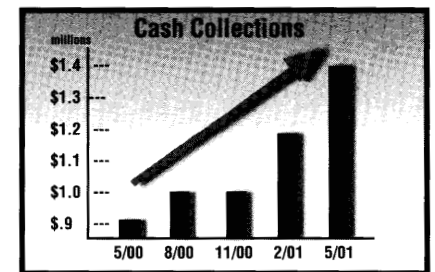
Cash collections are now consistently over \$1 million per month. May 2001 collections hit a record at \$1.4 million. Improved collections



Lower days in A/R means better cash flow for the agency.

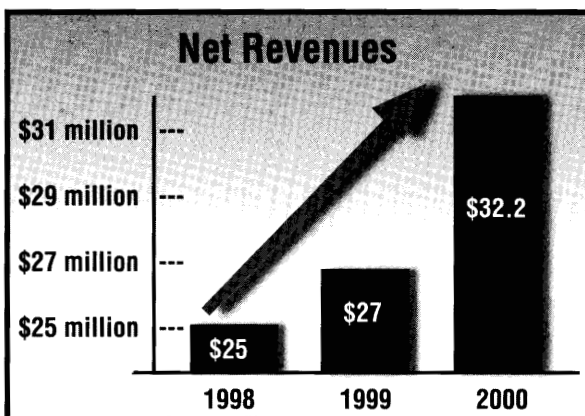
is a product of increased revenues, decreased expenses, an increase in programs and greater cash collection.

The above mentioned increase in collections has allowed us to adjust our revenue deductions by 1.8% for fiscal



year 2001/2002. This translates to \$2,184,674 of additional net revenue to the Agency. Cost savings to HSA allow us to redirect funds to those programs and services most needed by our patients. The Clinic and Ancillary Unit is most affected by this revenue increase.

HSA has also hired a grant proposal writer to bring



Net revenues have dramatically increased because of process improvement teams.



additional funds to the agency. Staff are projecting \$500,000 in additional grant revenue during this next fiscal year.

The calculated financial and economic impact of the HSA on the community is significant. With a salaries and benefits budget of \$26 million, that translates into nearly \$63 million of economic benefit for the community using a standard multiplier of 2.5.

## Information Services

The Information Services (IS) staff of the HSA now manage more than 600 personal computers (PCs) and 100 additional terminals in multiple office locations throughout the county.

Management of the PC network is vital for efficiency of operations. Over this past year, the number of file servers for the HSA has been doubled to twelve servers. These additions mean more storage capacity for system users, better file security and more efficient report processing.

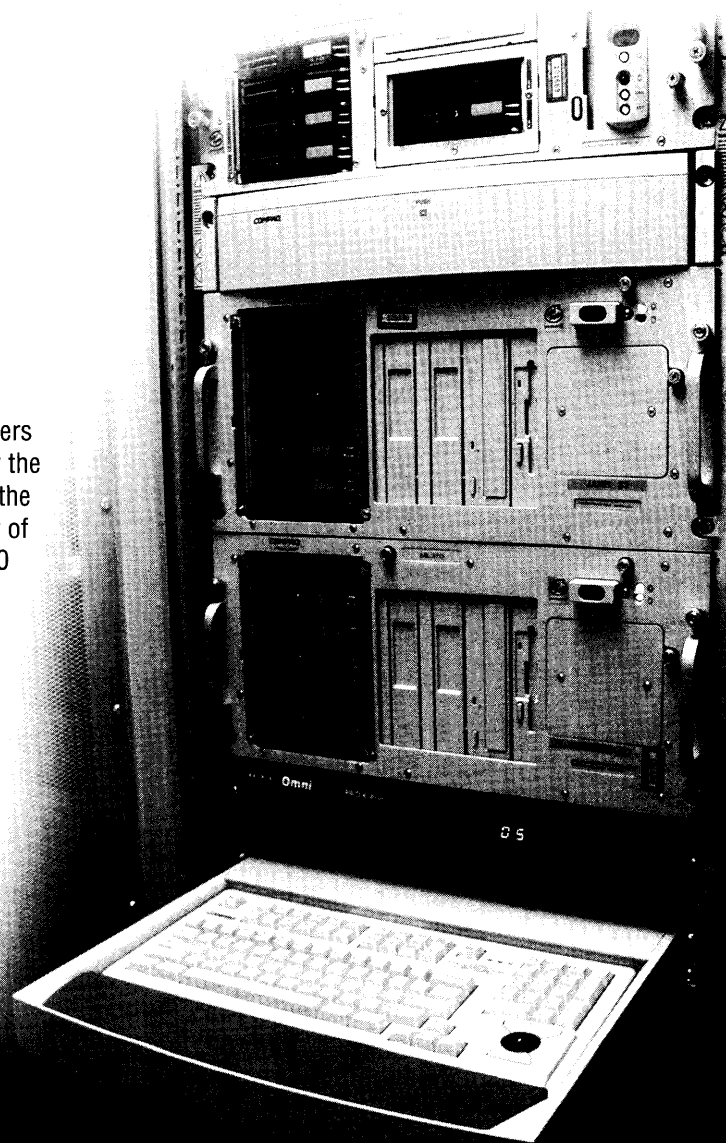
Most of the remaining ISDN lines used in outlying medical office locations were converted to T1 lines. This means faster and more reliable computer transactions for these locations. Transactions are used for billing, registration and medical information management.

The Physician Practice Module (PPM) was installed, tested and brought on-line by IS staff. This program is a Meditech module for billing and accounts receivable which will save time and money for the agency.

Staff also configured the SQL server during this fiscal year to accommodate in-house growth and to develop a data repository that will be used into the future.

IS personnel have been significantly involved in agency process improvement teams. IS provides the data and statistical backbone for work teams and projects impacting such diverse areas as billing, receivables, the charge description master, special reports, credentialing and licensure.

Over 12 file servers are now used by the HSA to manage the information flow of 600 PCs and 100 terminals.





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