


Office of the City Manager

ACTION CALENDAR  
July 20, 2004

To: Honorable Mayor and  
Members of the City Council

From:  Phil Kamlarz, City Manager

Subject: Fees: Public Health Clinic

RECOMMENDATION

Conduct a Public Hearing and upon conclusion, adopt a Resolution approving an increase in fees at the Public Health Clinic including services for family planning and sexually transmitted infection, immunization for children and adults and tuberculosis skin testing, effective September 1, 2004; and rescinding Resolution No. 60,692-N.S.

SUMMARY

The current fees for service visits and procedures have been analyzed and re-calculated based on the average amount of time spent for an office visit and the complexity of the exam and/or procedure. The proposed changes for supplies and in-house laboratory tests and for immunization and tuberculosis skin tests are based on a 10% increase over the current rates, which were last raised September 1, 2000. As a result of rising medical care costs and annual cost of living increases for personnel, we have not kept pace with rising costs at the clinic. For FY 2004, the City expended \$398,043 to provide family planning and sexually transmitted infection, immunization, and tuberculosis services at the public health clinic. The revenues received for these services total \$35,594. The proposed fee adjustments will increase total revenues by approximately \$7,125. Payment for services is on a sliding scale. No one is denied services due to inability to pay.

FINANCIAL IMPACTS OF RECOMMENDATION

For family planning and sexually transmitted infection services, it is anticipated that the increase in fees will bring in an average of \$15 dollars per private pay client visit (at 275 visits per year) approximately \$4,125 annually. This annual amount will be used to help cover increased costs of medical supplies, office supplies and personnel at the public health clinic.

For immunization services, it is anticipated that the increase of fees will increase revenues by at least 10% for approximately \$1,450 annually. This annual amount will be used to help cover increased costs of medical supplies, office supplies and personnel at the public health clinic.

For tuberculosis skin testing, it is anticipated that the increase in fees will increase revenues by at least 10% for approximately \$1,550 annually. This annual amount will be used to help cover increased costs of medical supplies, office supplies and personnel at the public health clinic.

### CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley Department of Health and Human Services operates the Public Health Clinic at 830 University Avenue. The Public Health Clinic has offered free and low cost public health services since 1908.

The current fee schedule was last increased on September 1, 2000. The family planning and sexually transmitted infection clinical services are confidential and comprehensive for males and females. The immunization services offered by the public health clinic are recommended childhood immunizations including polio, tetanus, whooping cough (pertussis), measles, mumps, rubella, haemophilus influenzae type b (Hib), and hepatitis B; and recommended adult immunizations including tetanus. Measles, mumps, rubella, influenza and pneumovax are available on a limited basis for adults. The tuberculosis test services offered by the public health clinic are skin testing, X-ray referrals for diagnosing tuberculosis (TB) and information and education about TB.

While the fee schedule has not changed in four years, medical costs and personnel costs have continued to increase for the clinic operations. The fee schedule change will affect only private pay clients. Private pay clients are defined for this purpose as clients who are uninsured and do not have health insurance, or are underinsured and their health insurance does not cover medical office visits for immunizations and tuberculosis testing at the clinic. In addition, a reproductive and sexual health client does not qualify for Medi-Cal or the State (Family PACT) family planning and sexually transmitted infection health care coverage. An immunization or tuberculosis client does not qualify for Medi-Cal.

### BACKGROUND

#### Family planning and sexually transmitted infection clinical services

The proposed fee schedule, as does the current fee schedule, includes a Usual and Customary Fee and a Private Pay Cash Discount. All clients and third party payers are charged the Usual and Customary Fee. However, when private pay clients pay in cash for the services at the time of their visit, there is neither billing paperwork generated nor time spent on invoicing by the clinic staff. The resulting cost savings are passed on to the clients in the form of a cash discount (25%).

The proposed changes are based on a cost analysis, which determined the current costs in FY 2004 to average \$151 per visit to provide family planning, and sexually transmitted infection

services. This is a 9% increase since FY 2000. Attachment A provides a comparison of the proposed fee structure against the current fee structure for family planning and sexually transmitted disease services.

**PRIVATE PAY CASH DISCOUNTS:** A 25% discount (rounded to the nearest dollar) is available to clients paying with cash, checks or other direct payment methods at the time of service. Other payment arrangements may be made with the approval of a clinic supervisor. No one will be turned away due to inability to pay.

**LAB TESTS AND MEDICATIONS:** For all in-house laboratory tests and medications, clients will be charged actual cost of lab tests and medications plus a handling fee up to \$7. No cash discount will be given for lab tests and medications.

Immunization Services for Children and Adults\*

The proposed changes are based on an approximate 10% increase over the current rates. Personnel costs alone have risen over 4% per year for the past 4 years. Overall expenses for the program have risen 3.3% per year for the past 4 years. No one is denied services due to inability to pay. The proposed fee structure differs from the current fee structure for immunization services for children and adults are as follows:

Poverty Level **	Current Fees	Proposed Fees
Below 101%	\$15	\$16
101%-125%	\$22	24
126%-150%	\$30	32
151%-200%	\$37	40
201%-250%	\$45	50
Over 250%	\$50	60

\* A 25% discount will be given per client, if two or more members of the same household receive immunization or tuberculosis services during the same visit.

\*\* Federal poverty level, which is based on family size and income

Tuberculosis (TB) Skin Test\*

The proposed changes are based on an approximate 10% increase over the current rates. Personnel costs alone have risen over 4% per year for the past four years. Overall expenses for the program have risen 3.3% per year for the past four years. No one is denied services due to inability to pay. The proposed fee structure differs from the current fee structure for tuberculosis skin testing services for children and adults are as follows:

Poverty Level	Current Fees	Proposed Fees
Below 101%	\$ 7	\$8
101%-125%	\$11	12

126%-150%	\$15	16
151%-200%	\$19	20
201%-250%	\$22	25
Over 250%	\$26	30

- \* A 25% discount will be given per client, if two or more members of the same household receive immunization or tuberculosis services during the same visit.
- \*\* Federal poverty level, which is based on family size and income

RATIONALE FOR RECOMMENDATION

The proposed changes are based on a cost analysis, which determined that it currently costs in FY 2004 an average of \$151 per visit to provide family planning, and sexually transmitted infection services. This is a 9% increase since FY 2000. As a result of rising medical care costs and annual cost of living increases for personnel, we have not kept pace with rising costs at the clinic.

The current fees for service visits and procedures have been analyzed and re-calculated based on the average amount of time spent for an office visit and the complexity of the exam and/or procedure. The proposed changes for supplies and in-house laboratory tests and for immunization and tuberculosis skin tests are based on a 10% increase over the current rates, which were last raised September 1, 2000.

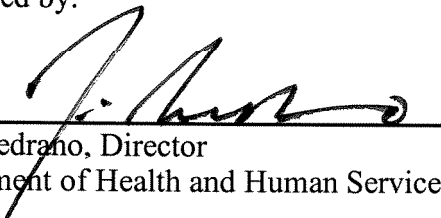
ALTERNATIVE ACTIONS CONSIDERED

Alternative actions that were considered are not to increase the fees at this time. If left unchanged, next fiscal year it is estimated that revenues from private pay clients will be 10-12% below actual costs.

CONTACT PERSON

Verdie L. Thompson R.N., M.S.N., Manager for Health Promotion/Director of Nurses, 981-5359  
Fern J. Kaukonen, M.P.H., Director, Public Health Clinic, 981-5399

Approved by:

  
\_\_\_\_\_  
Fred Medrano, Director  
Department of Health and Human Services

**ATTACHMENT A  
SCHEDULE OF CURRENT & PROPOSED FEES**

**Family Planning and Sexually Transmitted Infection Services**

<b>EVALUATION AND MANAGEMENT (OFFICE VISIT):</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
New Patient – Brief Exam (CPT# 99201)	\$ 42	\$42
New Patient - Limited Exam (99202)	78	78
New Patient - Intermediate Exam (99203)	114	114
New Patient - Comprehensive Exam (99204)	126	147
New Patient - Complex Exam (99205)	145	187
Established Patient- Minimal Exam (99211)	30	30
Est. Patient- Brief Exam (99212)	42	42
Est. Patient- Limited Exam (99213)	54	54
Est. Patient- Intermediate Exam (99214)	78	82
Est. Patient- Comprehensive Exam (99215)	90	131

<b>PROCEDURES:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Colposcopy with biopsy	\$150	\$150
Colposcopy without biopsy	92	92
Cryosurgery/cryocautery of cervix	66	88
Cervical biopsy	45	50
Endometrial sampling	80	92
Depo Provera injection	36	41
Diaphragm or cervical cap fitting	42	53
IUD insertion	92	92
IUD removal	76	76
Implant removal	76	133
Destruction of Lesions (chemical)	36	46

<b>SUPPLIES:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Colposcopy supplies	\$24	\$26
Cryosurgery supplies	18	20
Cervical biopsy supplies	5	6
Implant removal supplies	24	26
IUD insertion supplies	24	26
IUD removal supplies	6	9
Destruction of lesions supplies	6	9

<b>IN-HOUSE LABORATORY TESTS:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Urine Pregnancy Test	\$11	\$11
Hemoglobin	16	16
Urine Dipstick with Microscopy	19	20
Urine Dip Stick	11	11
Urine Spindown/Microscopy (Micro only)	5	6
Wet mount	24	24
Collection and Handling of blood specimen (when only service)	25	25
Collection and Handling of blood specimen (when other services)	14	15

RESOLUTION NO.            N.S.

APPROVING AN INCREASE IN FEES AT THE PUBLIC HEALTH CLINIC INCLUDING SERVICES FOR FAMILY PLANNING AND SEXUALLY TRANSMITTED INFECTION, IMMUNIZATION FOR CHILDREN AND ADULTS AND TUBERCULOSIS SKIN TESTING, EFFECTIVE SEPTEMBER 1, 2004; AND RESCINDING RESOLUTION NO. 60,692-N.S.

WHEREAS, fee increases are necessary to ensure that the Public Health Clinic continues to offer family planning, sexually transmitted infection, immunization and tuberculosis services at the same high quality level that patients have come to expect since 1908; and

WHEREAS, there has not been a fee increase at the Public Health Clinic since 2000; and

WHEREAS, cost of living and medical costs continue to rise each year; and

WHEREAS, the fee increase will allow the City of Berkeley's Public Health Clinic to continue to meet all Federal, State and County health and safety requirements while providing comprehensive and confidential family planning, sexually transmitted infection, immunization and tuberculosis services.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the following rates and charges are hereby fixed and established for the family planning, sexually transmitted infection, immunization and tuberculosis services operated by the City of Berkeley's Department of Health and Human Services, Public Health Division.

**Family Planning and Sexually Transmitted Infection Services**

<b>EVALUATION AND MANAGEMENT (OFFICE VISIT):</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
New Patient - Brief Exam (CPT# 99201)	\$ 42	\$42
New Patient - Limited Exam (99202)	78	78
New Patient - Intermediate Exam (99203)	114	114
New Patient - Comprehensive Exam (99204)	126	147
New Patient - Complex Exam (99205)	145	187
Established Patient- Minimal Exam (99211)	30	30
Est. Patient- Brief Exam (99212)	42	42
Est. Patient- Limited Exam (99213)	54	54
Est. Patient- Intermediate Exam (99214)	78	82
Est. Patient- Comprehensive Exam (99215)	90	131

<b>PROCEDURES:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Colposcopy with biopsy	\$150	\$150
Colposcopy without biopsy	92	92
Cryosurgery/cryocautery of cervix	66	88
Cervical biopsy	45	50
Endometrial sampling	80	92
Depo Provera injection	36	41
Diaphragm or cervical cap fitting	42	53
IUD insertion	92	92
IUD removal	76	76
Implant removal	76	133
Destruction of Lesions (chemical)	36	46

<b>SUPPLIES:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Colposcopy supplies	\$24	\$26
Cryosurgery supplies	18	20
Cervical biopsy supplies	5	6
Implant removal supplies	24	26
IUD insertion supplies	24	26
IUD removal supplies	6	9
Destruction of lesions supplies	6	9

<b>IN-HOUSE LABORATORY TESTS:</b>	<b>CURRENT USUAL &amp; CUSTOMARY FEES</b>	<b>PROPOSED USUAL &amp; CUSTOMARY FEES</b>
Urine Pregnancy Test	\$11	\$11
Hemoglobin	16	16
Urine Dipstick with Microscopy	19	20
Urine Dip Stick	11	11
Urine Spindown/Microscopy (Micro only)	5	6
Wet mount	24	24
Collection and Handling of blood specimen (when only service)	25	25
Collection and Handling of blood specimen (when other services)	14	15

**PRIVATE PAY CASH DISCOUNTS:** A 25% discount (rounded to the nearest dollar) is available to clients paying with cash, checks or other direct payment methods at the time of service. Other payment arrangements may be made with the approval of a clinic supervisor. No one will be turned away due to inability to pay.

**LAB TESTS AND MEDICATIONS:** For all in-house laboratory tests and medications, clients will be charged actual cost of lab tests and medications plus up to a \$7.00 handling fee. No cash discount will be given for lab tests and medications.

**Immunization Services for Children and Adults\***

<b>Poverty Level</b>	<b>Current Fees</b>	<b>Proposed Fees</b>
Below 101%	\$15	\$16
101%-125%	\$22	24
126%-150%	\$30	32
151%-200%	\$37	40
201%-250%	\$45	50
Over 250%	\$50	60

**Tuberculosis Skin Test\***

<b>Poverty Level</b>	<b>Current Fees</b>	<b>Proposed Fees</b>
Below 101%	\$ 7	\$8
101%-125%	\$11	12
126%-150%	\$15	16
151%-200%	\$19	20
201%-250%	\$22	25
Over 250%	\$26	30

\* A 25% discount will be given per client, if two or more members of the same household receive immunization or tuberculosis services during the same visit.

BE IT FURTHER RESOLVED, that Resolution No. 60,692-N.S. is hereby rescinded.

