



Questions/Comments – EH Fee Schedule Changes **Board of Health Presentation on September 26, 2019**

Disease Investigations:

Internal SNHD policy has changed on disease investigations. Two inspectors are being sent to restaurants based on one member of the public saying that they got sick.

SNHD responds to a single case of illness only when the individual has a lab-confirmed diagnosis of a foodborne illness by a medical professional and that individual ate at a restaurant during the incubation period. There is a list of specific reportable illnesses that the Health Authority is required to investigate per Nevada Revised Statutes (NRS).

SNHD has used two inspectors on disease investigations since 2000. The assigned Food Operations inspector has knowledge of the facility's history and a relationship with the Person in Charge. The investigating inspector has the knowledge of the suspected outbreak, in depth knowledge of the pathogen and how it spreads, and the risk factors to be addressed.

How is EH going to determine who gets charged for disease investigations?

When ongoing transmission is identified or environmental sampling is required, SNHD may charge fees for investigative time and lab testing. The facility may not be charged when grant money is available.

Downgrades/Closures:

Downgrades are issued subjectively so it's very easy for facilities to get B Downgrades.

Violations are assigned according to Regulation standards.

B Downgrades are not an immediate or substantial risk to public health and can be quickly mitigated.

Any critical or major violation can have a significant impact on food safety.



It is not guaranteed that an inspector will have time to complete another inspection within a year after a downgrade; therefore, “future charging” should not be allowed.

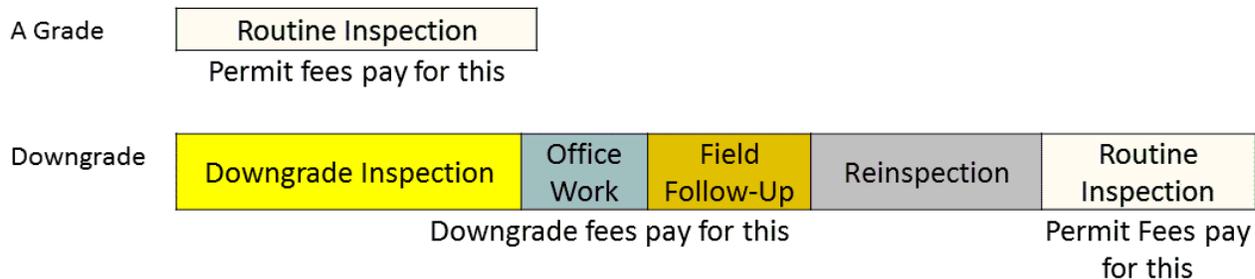
Unannounced inspections on previous downgrades are prioritized over repeat annual routine inspections.

Why is the first inspection, that is paid for by the annual permit fee, included in the calculations for downgrades?

Downgrade inspections require additional time that is not expected under a routine A grade inspection. The facility, at a later time, will receive an additional unannounced routine inspection which is paid for by their annual permit fee.

Can SNHD provide accurate accounting of the downgrade reinspection time?

B Downgrade inspections take more time and require an additional inspection within one year.



Fees:

Why are new fees not previously discussed at the Environmental Health Fee Committee meetings being proposed? Can written definitions be provided?

Upon receipt of EH Fee Committee recommendations, the Board of Health (BOH) directed that fees should be charged for services provided. Proposed fee changes 2, 7, 8, 12, and 14 are fees for services provided. All other proposed fee changes were discussed at the EH Fee Committee meetings.



- 2. Increase the hourly rate to \$143.00. (Impacts hourly based research projects such as Hazard Analysis and Critical Control Point reviews and waiver reviews)
- 7. New fee of \$715.00 for Contingency Plan Reviews conducted by Food Operations
- 8. New fee of \$715.00 for Consolidated Grade Card Approvals
- 12. New permit fee of \$239.00 annually for Juvenile and Penal Institutions
- 14. New fee of \$143.00 per hour for cost recovery on Disease Investigations

SNHD permits are already 2-3 times higher than other areas because we split permits.

Splitting permits is optional for a facility. SNHD will recommend splitting permits if areas are functionally or geographically separate.

Permit fees already pay for more inspector time than facilities receive.

Permit fees are based on average inspection times using 2009 dollars.

Are Food permit holders paying for other EH departments?

No because total Food Operations and related activities are operating at a deficit.

Item #2 of NRS 446.885 has never been used in the increase of permit fees.

2. The health authority shall make as many additional inspections and reinspections as are necessary for the enforcement of this chapter.

The BOH has directed Environmental Health (EH) to recover costs for services provided.

How will the \$143 hourly fee be applied?

The fee will be applied to hourly service charges for services such as, but not limited to, waiver and label reviews.



Why is Food Operations proposing a Contingency Plan fee when it can be required for a variety of items and inspectors can indiscriminately require them?

Contingency Plans are not required by SNHD and are done at the request of the operator. Facilities have the option of closing until the hazards are mitigated.

Why is a fee being charged for Consolidated Grade cards when that saves SNHD time and money since it is an automated form that is emailed to the facility?

The fee is only for the work associated with the initial intake. This is an optional service for facilities.

Why are the bulk of the fee changes in Food Operations, when staff are needed in Food and Pool Plan Review?

All programs need additional staffing. These proposed changes are intended to reduce the current budget shortfall but do not address staffing needs. The EH Fee Committee requested that additional information regarding timekeeping and services provided be collected over the course of the next year. The BOH requested that the EH Fee Committee's recommendation to change fees in Food Operations be presented at public workshops this year, so that additional fees might be collected prior to the completion of the timekeeping study.

Are we going to do a fee study with other counties to determine how much more Clark County charges for permits?

There are no current plans to do a fee study. Each jurisdiction has their own funding mechanisms, cost structures, and cost recovery.

Financials:

Why has the financial information shared with the public been different and based on unaudited and/or outdated information?

The EH Fee Committee has requested numerous variations of financial information all showing the same totals. The most current information was presented from historical and approved budget financial statements.



There was no deficit in Food Operations until the Training Program was also included. Why is the Training Program included with Food Operations since they do inspections that are not food based and training is done in all EH departments?

The vast majority of Training Office activities are related to Food Operations. In accordance with the direction of the BOH, staff are charging time for activities to the appropriate program.

A correct line item budget for all EH departments is requested prior to fee increases.

SNHD has provided numerous, detailed breakdowns of historical and budgeted costs to the EH Fee Committee as requested.

Where is the proof that EH is not self-sufficient?

Historic and current financials, as well as, the BOH Approved FY20 Budget

What money is being saved with vacant positions?

Any funds resulting from position vacancies are forecasted to apply to the specific program which contains the vacant position(s). The effect of any anticipated savings from vacancies are accurately reflected in the expenses comprising the BOH Approved FY20 Budget.

Does the \$1.7 million-dollar deficit include Vector Control?

Yes. The BOH directed that Vector Control program costs should be funded with general tax revenue starting in FY21.

Why is staff requesting fee raises when the actuals are not available yet?

The request for an increase in fees was to meet two goals: the first goal was to meet the shortfall identified in the BOH Approved FY20 Budget and the second goal was to meet the increased demands requested by Industry with additional staff.

Grants:

Can SNHD provide an explanation of grants being written and performed by



inspectors?

The minimal grant dollars received supplement ongoing Food Operations activities and community outreach.

Are grant activities being coded to timecards?

Yes, as grant expenses allocated by the grant budget.

How much regular inspector time is being spent on grants?

A small number of staff code a small number of hours against grants.

Miscellaneous:

Can SNHD provide the actual inspection requirements for SNHD?

The BOH adopted the Food Regulations Governing the Sanitation of Food Establishments and EH also has approved internal policies dictating inspection frequency based on FDA best practices and comparable resort jurisdictions.

NRS 446.885 Inspection of food establishment.

1. At least once every year, the health authority shall inspect each food establishment located in the State.
2. The health authority shall make as many additional inspections and reinspections as are necessary for the enforcement of this chapter.
3. It is unlawful for any person to interfere with the health authority in the performance of his or her duties.

(Added to NRS by 1963, 755; A 1969, 812)

Why are public workshop comments limited to five minutes?

Five minutes is the traditional guideline recognized by SNHD for public comments and is compliant with NRS 241.020(2)(d)(7), as long as it's noticed on the agenda.



What areas can SNHD cut internally to help with the deficit?

EH has had the same funding structure for the last ten years. Staff have had to do more service with less funding. EH has reduced overtime, services, and expected inspection frequencies.

How have services been impacted?

Consumer Health: Lack of funding limits hiring. Additional staff are needed to adequately cover plan review demands imposed by increased construction activities. Additionally, the number of schools and body art facilities has increased by 15% since 2009. Because schools and body art facilities require two inspections per year, this equates to a 30% increase in the number of required routine inspections. The number of inspectors assigned to these facilities has remained at 5, which results in inadequate follow-up for non-compliant facilities.

Food Operations: This section has many value-added services that are included at no additional cost to the operator. While the majority of these services have not been interrupted, a lack of funding will impact these services moving forward. Most tangibly, our responses to illegal vending have been notably impacted, to the point that concerned citizens have complained directly to the BOH. Also, per our inspection frequency policy, there should have been approximately 26,460 inspections done in FY18, but Food Operations staff was only able to complete approximately 22,654 inspections.

Solid Waste: Illegal Dumping Program complaints have seen 15% and 25% increases for FY18 and FY19, in comparison to FY17. Manpower distribution has been affected, causing first-time shortfalls in mandated inspections for the Restricted Waste Management Program.

If Food Operations needs more staff, why are facilities being inspected 2-4 times a year and inspectors are saying they have completed their work for the year already.

As of August 30, 2019, Food Operations had 20.4% uninspected facilities, as well as, not keeping pace with our inspection frequency schedule.



Reinspections and follow-up unannounced inspections are frequently required for facilities with compliance issues.

If Food Operations needs more staff, why are 20 inspectors doing YouTube videos?
Training videos provide the community with educational resources to promote food safety and lead to successful business practices. Additional training has been requested at Industry Partnership meetings.

If EH needs more staff and money, why were so many inspectors sent to the national conference?

EH paid for 1.5 people to attend the national conference. All other attendees were funded by scholarships, grant money, partial grant money, other agencies, or the employee. SNHD pays for travel and registration expenses for staff who are presenting at conferences. Conferences provide Continuing Education Units (CEUs) which are required for Registered Environmental Health Specialist (REHS) certification.

Is there an anonymous way we can collect Industry feedback?
Feedback can be submitted anonymously via US mail.

Can EH recoup costs from complainants of invalid complaints?
EH does not have a mechanism to bill the general public and SNHD does not want to discourage reporting.

Can marijuana money be used to recoup costs?
At this time, marijuana sales are regulated by the State of Nevada and are not allocated to SNHD.

Overhead:

Is the high cost of overhead, with no line items to breakdown costs, a way to take money from EH to use as general revenue?
As we have illustrated to the EH Fee Committee, per Federal guidelines, the District employs an independent 3rd party audit agency to calculate an annual District-wide cost allocation rate. At the EH Fee Committee meetings,



we have reviewed the detailed results, applications, and methodologies used in this calculation.

Why is overhead so high when SNHD owns their main building?

SNHD has provided detailed information as to the elements and calculation of applied overhead. Overhead has been reduced annually since FY17.

Is an additional \$650K in overhead going to Administration, in addition to the \$1.5 million?

As illustrated to the EH Fee Committee, a Cost Allocation of approximately \$650K of the total District Administration costs are applied to EH.

Why is overhead calculated using 2CFR 200 when EH is a fee driven department, not grant driven?

Since before 2011, SNHD has consistently applied a district-wide methodology to recover reasonable overhead costs based in part on guidance provided by 2CFR 200. Like similar government health entities, SNHD manages multiple Federally funded projects which are guided by Federal regulations. The methodology as applied has been reviewed and audited by independent industry professionals and determined to be an appropriate approach to cost recovery.

Why does it cost more in overhead for an EHS II that's been employed ten years, than an EHS II that's been employed two years?

It's based on the assignment of a percentage of a person's salary.

What is the line item breakdown of overhead costs?

This information was provided to the EH Fee Committee meeting on May 7, 2019.

What is the breakdown of the \$1.3 million dollars in overhead going to IT? How much goes to salary?

The auditors do not provide a corresponding cost list which shows how EH's overhead allocation is distributed.



<i>Departments</i>	<i>EH Overhead Amount</i>
Administration	\$654,949
Information Technology	\$1,341,725
Finance	\$459,852
Legal	\$158,537
Office of Communications	\$229,602
Facilities	\$564,592
Building & Equipment Usage	\$123,441
Human Resources	\$384,026
Total	\$3,916,724

Swing Shift:

Why is EH using five Swing Shift inspectors to inspect temporary events when fees for these already include an allowance for \$100K in overtime?

SNHD is not aware of a \$100K allowance in overtime. More clarification is needed.

Shouldn't Swing Shift inspectors be doing regular inspection work?

Swing Shift inspectors are assigned regular work.

Why are facilities required to pay afterhours fees when there is a Swing Shift?

Afterhours work is considered to be additional services provided, not included in Swing Shift's standard work day.

Timing:

Can we have a four-week extension of time to make comments?

Leadership determined that an extension of time was not feasible with the current budget shortfall.

Can an extension of time be granted so fee changes can be based on actual numbers from the Comprehensive Annual Financial Report (CAFR) since that will



be available soon?

Leadership determined that an extension of time was not feasible with the current budget shortfall.

Can the Resort Association participate in a working session with SNHD staff for a more robust dialogue?

The Resort Association had an appointed member on the EH Fee Committee. EH is open to meeting with interested stakeholders.

An effective date of November 1, 2019, does not give Industry enough time to learn, train, and communicate the Fee Schedule changes to their teams. Can the effective date be changed to the start of a quarterly cycle?

There have been no Regulation changes that would require training. SNHD will communicate Fee Schedule changes once approved. Leadership has determined that an extension is not feasible with the current budget shortfall.

When are the questions and answers going to be brought back to the public?

Questions will be answered when the Business Impact Statement is published.