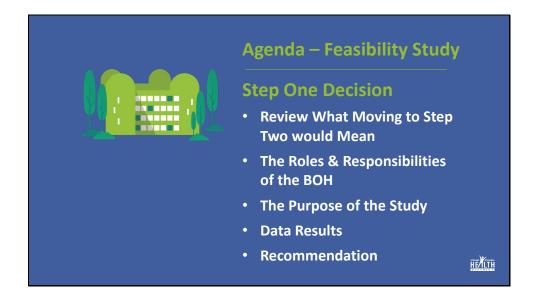


Good afternoon. Thank you all for being here today to learn more about what has been learned through Step One of the Feasibility Study.



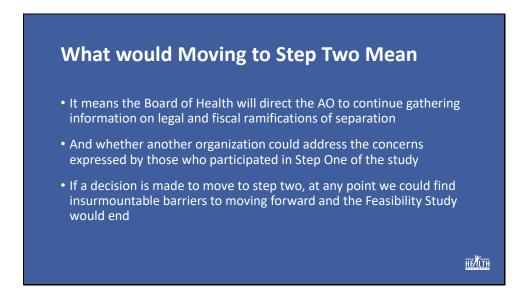
This is the agenda I will be following and I believe there are copies of presentation at the back of the room.





I want to start by reviewing what moving to step two would mean



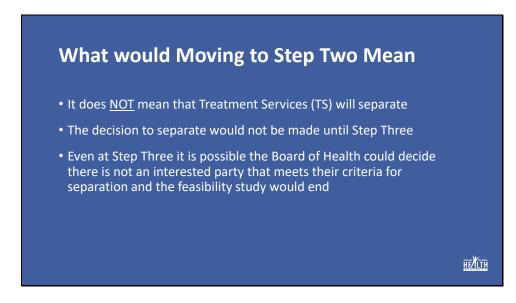


It means the Board of Health will direct the AO to continue gathering information on legal and fiscal ramifications of separation

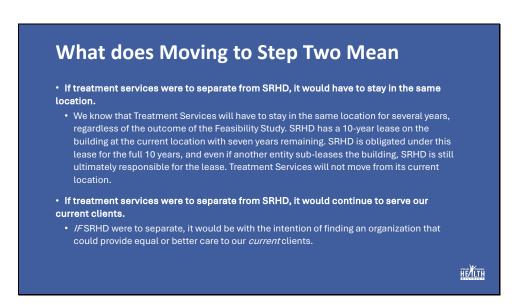
And whether another organization could address the concerns that have been expressed by those who participated in Step One of the study

If a decision is made to continue the study, at any point we could find insurmountable barriers to moving forward and the Study would end





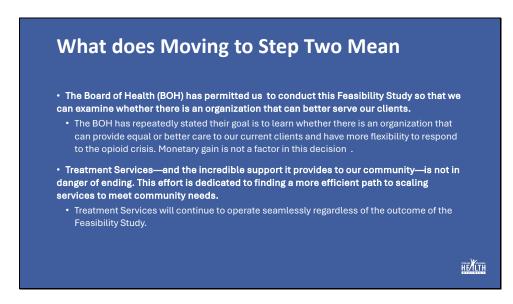
Should the Board of Health decide to continue to step two it DOES NOT mean that TS would separate from SRHD. That decision would not be made until Step 3 and even then, it is possible the BOH could decide there is not another organization that meets their criteria for separation and the feasibility study would end.



I also want to talk about a few things that we know regardless of whether the BOH decides to continue the study. If Treatment services were to separate from SRHD, it would have to stay in the same location. This is because we have a 10-year lease on the building with seven years remaining.

If treatment service were to separate, it would continue to serve our current clients without a gap in services.





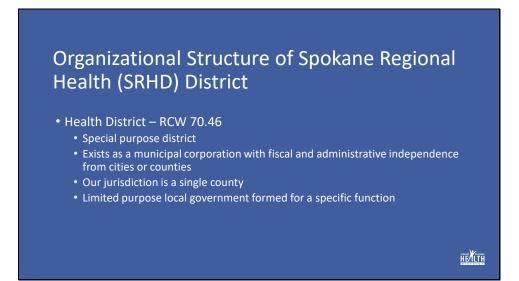
The BOH wants to examine whether there is an organization that can better serve our clients. They have repeatedly stated their goal is to learn whether there is an organization that can provide equal or better care to our current clients and have more flexibility to respond to the opioid crisis. Monetary gain is not a factor in this decision

Lastly Treatment Services and the incredible support it provides to our community, is not in danger of ending. TS will continue to operate seamlessly regardless of the outcome of the feasibility study.









For those attending today who are from the public or watching online, I wanted to review some critical information regarding the roles & responsibilities of the Board of Health. In order to do that it is important to understand that the Spokane Regional Health District is a special purpose district. We are independent from the cities in Spokane County and from Spokane County itself. Our purpose and special function is to provide for the public's health. Our Board of Health is responsible for ensuring we stay within our purpose and function.





The Board of Health also has to operate under specific sources of authority. I am going to focus on the BOH Bylaws and Resolutions.

SRHD Bylaws July, 2024

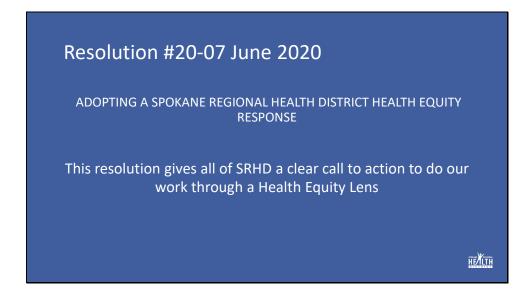
•ARTICLE II •PURPOSE

•The primary purpose of the Board of Health is (1) to serve as the governing body of the Spokane Regional Health District, hereafter referred to as "Health District"; (2) to unite the community in a cooperative effort to supervise all matters pertaining to the preservation of the life and health of the citizens within its jurisdiction; (3) to comply fully with the requirements of all applicable chapters of Title 70, Revised Code of Washington; (4) to create and promote prudent public health policy within the District; and (5) to make possible and invite the active participation of all professions, persons and organizations interested in public health.

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Questions have come up regarding why we have involved so many people as part of conducting Step One of the Treatment Services Feasibility study. It was 100% intentional and it is because of the two highlighted portions of the by-laws, especially the fifth bullet. We have done everything we can to make possible and invite the active participation of anyone who is currently interested in this issue. The Board of Health is well aware of the opioid crisis in Spokane County. They are aware of the great need we have to offer treatment. They are also aware of the challenges of operating an Opioid Treatment Program from within a Special Purpose District. Their desire as I understand it is to figure out if our current structure is meeting the communities needs and if a different structure could do better and make a greater difference in the current Opioid Crisis.

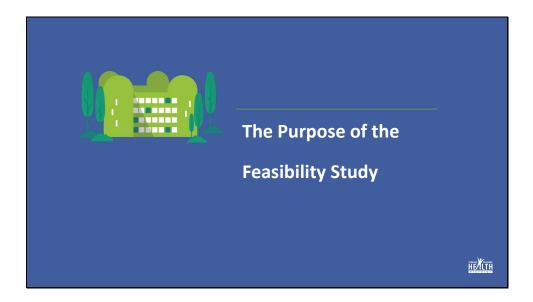




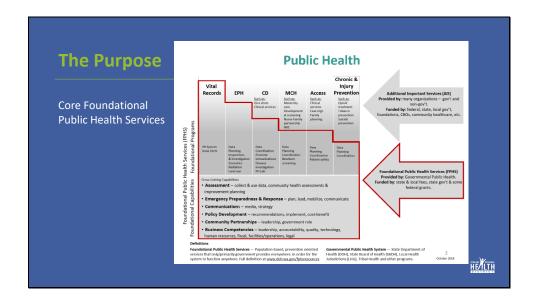
In addition, the Board of Health passed a resolution in June of 2020 that gives all of SRHD a clear call to action to do our work through a Health Equity Lens. We know we are having to turn people away from being assessed at TS because we do not have the capacity to provide these services to everyone who wants them. Since July 1st we have been unable to assess approximately 120 people who wanted to enroll in our program. As a special purpose district, we have to follow the accounting and operational principles of government. We are unable to establish an enterprise fund that would allow us to operate TS like a business within government. These factors hinder our ability to be truly equitable in the services we provide.

Why? We need to expand hours, and we need to hire additional staff. A business is able to do this quickly. As a governmental entity we do not have the same agility to respond to the need.

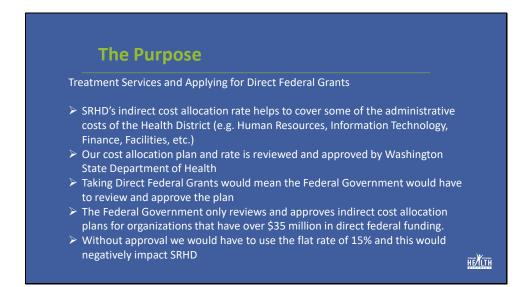




With that I want to move on and go over the main reasons why the decision was made to conduct the feasibility study.

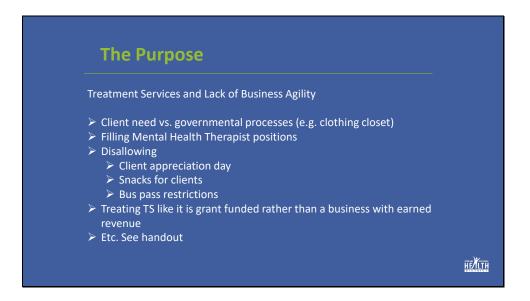


One of the first reasons was because of how we are organized as a Special Purpose District with our purpose being providing for the Public's Health. In Washington State, legislation was passed that defines the core foundational public health services. These are the services within the red line. The core services are what everyone living in Spokane County can expect from the Health District. Above the red line are additional important services that can be offered by the Health District, and Treatment Services is one of these. Out of 34 local health jurisdictions in Washington State there are only two that offer Opioid Treatment Programs; The Health District and Tacoma-Pierce Health Department. With multiple Opioid Treatment Programs now providing these services in Spokane County, we need to look at whether SRHD is best to continue providing these services.



The next reason was our inability to apply for Direct Federal Grants and the concern that TS could miss funding opportunities. I am not going to read each of these bullets in the slide but give a high-level overview of what they mean.

Currently, the Health District covers some of its administrative cost through a Cost Allocation Plan. Washington State Department of Health reviews and approves our plan, and the rate that is applied to programs, which is currently 23%. If we received a direct federal grant, then the Federal Government would be required to approve the plan. The problem is the federal government only reviews plans for organizations that receive more than 35 million dollars and it is unlikely we would ever achieve this amount. So if we accepted a direct federal grant for a lower amount, we would then have to use the flat rate of 15% and this would negatively impact SRHD.

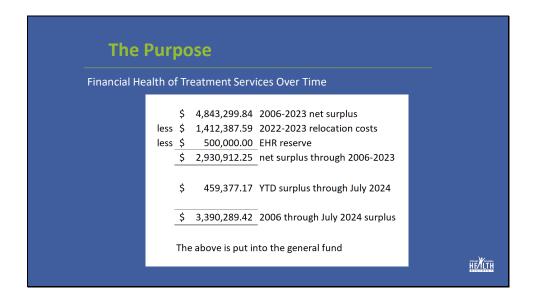


A third reason for doing the study was mentioned earlier; it is the lack of business agility within government. This isn't a problem for public health programs. However, It does not work well for a business with earned income like Treatment Services. I listed a few examples on this slide but have also included a handout in the packet that covers even more challenges.

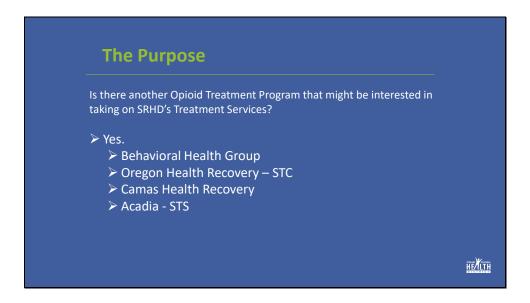
т	he Purpose	
Treatm	ent Services 2023 \$673,000 Shortfall	
	Treatment Services 2006 thru 2023 Revenues/Expenses	
	10,000,000.00	
	8,000,000.00	
	6,000,000.00	
	2,000,000.00	
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		HEALTH

A significant concern when the Feasibility Study was started is that TS ended 2023 in the red. However, 2023 was an anomaly. The orange line shows that most years TS collected excess revenue.





The above table shows that Treatment Services over time regularly earns more income than it spends. The 2006 thru 2023 net surplus at the very top includes the \$673,000 shortfall in 2023. Even when you subtract the cost of moving to 8th Avenue and the \$500,000 that is in reserves for a new Electronic Health Record, Treatment Services is doing well fiscally. The challenge for TS is that every year the net surplus is put into the Health District's general fund rather than a designated TS Reserve. This is a very normal and an expected process for PH programs, but as we have already discussed TS is not a PH program.

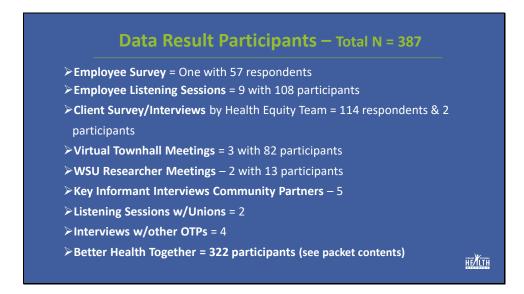


At the beginning of the study, we did not know if there were other OTPs that might be interested in taking on SRHD's Treatment Services. Now we know there are at least four and they are listed here.

With that we will move on to the results of Step One's data collection.



As I go through the next slides, I will not be reading from them. I will be giving high a level overview of the findings. Again, A hard copy of this presentation is on the materials table, so you have the actual presentation.



Per the purpose of the Board of Health we have done everything we can to "make possible and invite the active participation" of anyone who is interested in this issue. In total SRHD received comments and feedback from 387 individuals. You can see each of our efforts listed here and the total number of participant for each effort.

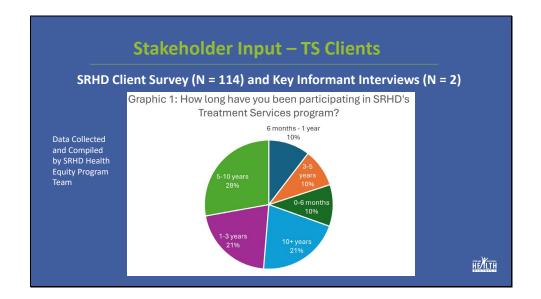
Better Health Together offered to contract with an independent evaluator to gather additional community input, their process was independent from SRHDs efforts. And from their report they gathered information from an additional 322 individuals.

Between the two efforts to collect information, It is highly likely the numbers of respondents and participants include the same persons more than once.



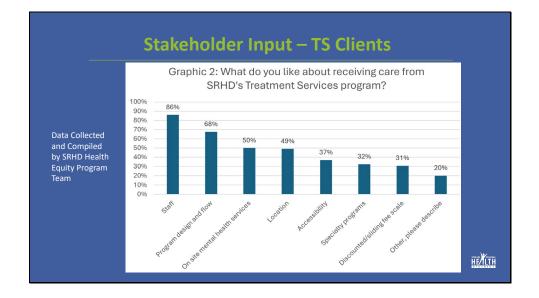
The employee concerns are around the benefits of working for a public agency. As public employees they have a great benefit package and are part of the Washington State Public Employee Retirement System. Losing their benefits as public employees is a very large concern for the more than 65 employees who work in Treatment Services. They were also concerned about productivity metrics that can be imposed by private Opioid Treatment programs. This concern leads right into the long list of concerns our employees expressed for our clients. This is because higher productivity requirements can decrease the quality of care that can be provided to clients. This thread of concern regarding the quality of care will be seen throughout all of the data collected. Employees were also very concerned about losing the culture we have of addressing not only the client's opioid addiction but connecting clients to resources that address the Social Determinants of Health.

PEBB - Public Employee Benefits Board; PERS - Public Employee Retirement System



Reaching out to clients for their input was a difficult decision to make. We know that uncertainty for our clients can be very uncomfortable and is not beneficial to their recovery. But hearing from them was a critical component to understanding their concerns. The full report from the Health Equity Team is included in the BOH Packet. What I want to point out with this slide is that well over half of the clients who took the survey had used our services for (59%) 3 or more years

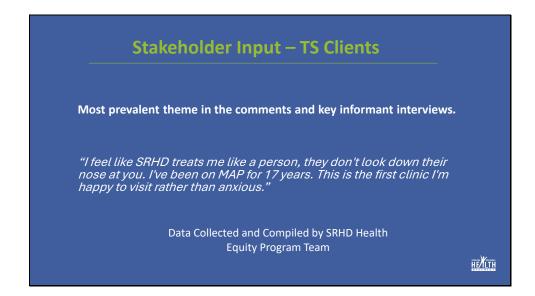
Ten % 3 to 5 years 28% 5 to 10 years 21% >10 years



Clients of Treatment Services reported they most liked our staff, our program design and flow, having on site mental health services and the location.

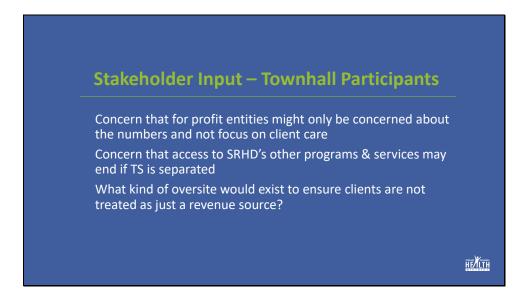


The greatest concerns for clients if TS was run by another organization were potential changes to the program, the potential of staff leaving, the possibility they would be treated differently, funding changes, and closure. The issue of being treated differently generated 37 comments.



The quote here reflects the theme of those 37 comments. The culture at Treatment Services of treating clients like people was also mentioned by the WSU researchers as something they had noticed.



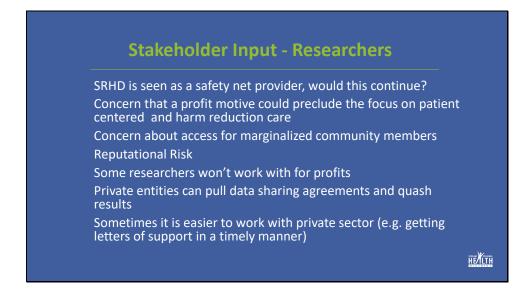


Three Townhalls the major themes that came out of them were;

Concern that for profit entities might only be concerned about the numbers and not focus on client care

Concern that access to SRHD's other programs & services may end if TS is separated

What kind of oversite would exist to ensure clients are not treated as just a revenue source?



The WSU Researchers voiced concerns that SRHD is seen as a safety net provider, would this continue?

Concern that a profit motive could preclude the focus on patient centered and harm reduction care

Concern about access for marginalized community members

Reputational Risk to SRHD

Some researchers won't work with for profits

Private entities can pull data sharing agreements and quash results they disagree with

Sometimes it is easier to work with private sector (e.g. getting letters of support in a timely manner)



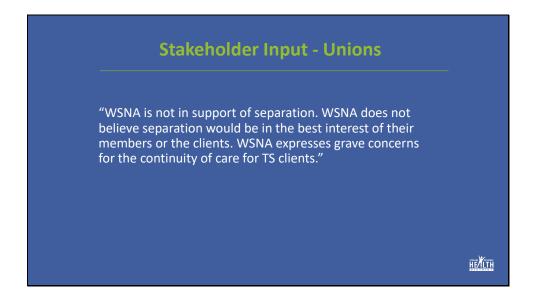
In talking with community partners, they voiced concerns about;

A Continued path of SRHD decreasing services to the community

➢Negative impact on community perception

>Other community healthcare providers have stepped in to fill gaps left when SRHD stops providing services, but they aren't sure that is their role

Services need to continue providing services without a gap in care



"WSNA wanted to go on record and say they are not in support of separation. WSNA does not believe separation would be in the best interest of their members or the clients. WSNA expresses grave concerns for the continuity of care for TS clients."

Stakeholder Input - Unions

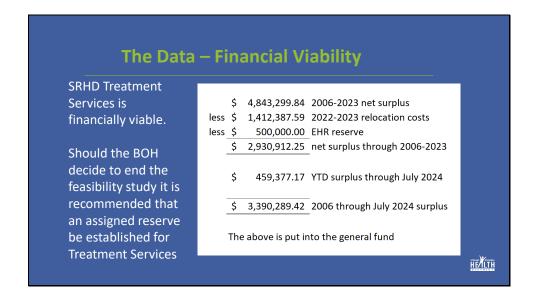
"PROTEC17 strongly supports Treatment Services to maintain the incredible work combating the opioid crisis in our community through Spokane Regional Health District, and opposes any privatization or separation of these vital services. We have heard from an overwhelming number of staff who choose to work at SRHD because of the human-centered approach and wraparound support services that have shown to be effective and successful. The system is working and it is saving lives. We urge the Board of Health to end to the feasibility study now and instead invest time, resources, and energy into making an already effective program even better."

HEALTH

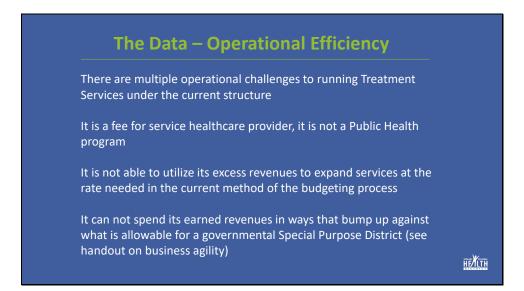
PROTEC17 submitted their statement which says they strongly supports Treatment Services to maintain the incredible work combating the opioid crisis in our community through Spokane Regional Health District, and opposes any privatization or separation of these vital services. We have heard from an overwhelming number of staff who choose to work at SRHD because of the human-centered approach and wraparound support services that have shown to be effective and successful. The system is working and it is saving lives. We urge the Board of Health to end to the feasibility study now and instead invest time, resources, and energy into making an already effective program even better.



We are grateful for the partnership with Better Health Together and their offer to collect additional information from the community. The PowerPoint of findings is included in the packet at the table of materials. The findings of hadley morrow consulting are consistent with the concerns expressed in the feedback that SRHD was able to collect. Adding the additional 322 voices to our findings and the consistency between the two indicates we were able to accomplish the goal of making it possible and inviting the active participation of anyone who is actively interested in this issue.

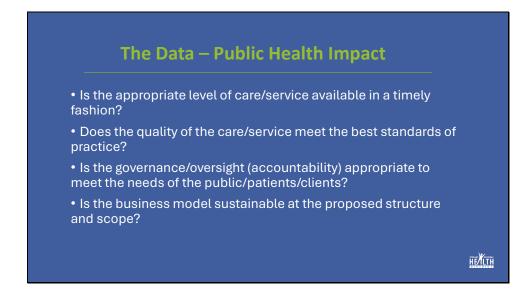


The next area that was part of the Feasibility Study was to look deeper into its financial viability. This table was shown previously, and it shows that Treatment Services is financially viable and in fact has been contributing to SRHD's general fund regularly over the years. Should the BOH decide to end the feasibility study it will be important for us to explore whether the surplus revenues generated by Treatment Services can be put into a dedicated fund for their use.



Another area that we needed to look at was the operational efficiency of the Treatment Services program. We discovered there are multiple challenges. In the previous slide you were shown that the program regularly contributes its excess revenues to the Health District's general fund. This is a normal process within a governmental organization. In a business those excess revenues could be used to expand services or to address other needs of the business.

Another challenge is that as a special purpose district, we can only use the earned income in ways that align with the governmental guidelines. Also included in the packet is a handout I mentioned previously on business agility that identifies the challenges to operational efficiency under our current structure.

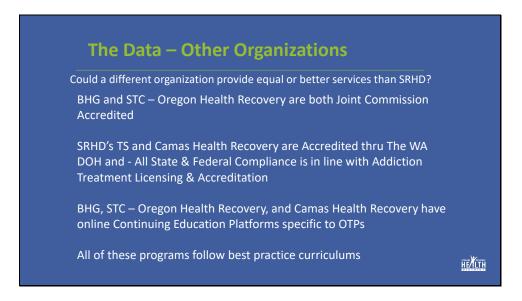


When we looked into the potential public health impact of separating Treatment Services, the data center was unable to find any research specific to a Public Opioid Treatment program separating and becoming private. The research has been primarily conducted on public hospitals becoming private. What we learned is that the above questions and addressing them are what would have the most positive public health impact on our Treatment Program regardless of whether it is public or private.

Is there an organization that could provide equal or better services than SRH					
	Payor Mix				
Organization Name	Medicaid	Medicare	Sliding Fee Scale	Com- mercial Self Pay	
Spokane Regional Health District	69.5%	14.5%	5.0%	11.0%	
Oregon Health Recovery (STC)	84.4%	5.1%	Yes	10.5%	
Behavioral Health Group (BHG)	53.0%	11.0%	3.0%	35.0%	

When our program started in 1990 as a "Methadone Clinic" there were no other Medication Assisted Treatment providers in the community. Now there are many organizations providing Opioid Treatment. I have talked to four organizations that could potentially be interested in taking on our program should the BOH decide to continue all the way through Step 3.

However, we did not know whether any of them provided care to similar populations as SRHD. This table shows the payor mix for our Opioid Treatment program compared to Behavioral Health Group and STC – Oregon Health Recovery. You can see that STC provides care to an even greater percentage of clients on Medicaid than does SRHD. Camas Health Recovery just opened their Airway Heights Clinic, so they did not have this information. Acadia did not provide data.



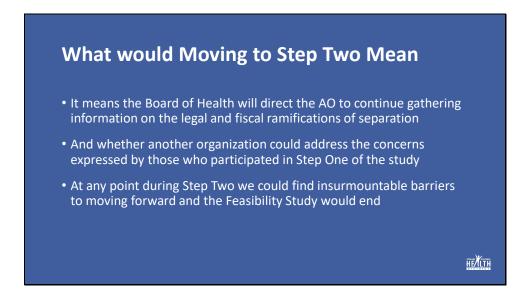
Other information I was able to collect about whether a different organization could provide equal or better services includes that both BHG and STC-Oregon Health recovery are Joint Commission Accredited this status goes above and beyond the required accreditation through WA DOH.

BHG, STC, and Camas Health Recovery all have online Continuing Education platforms for their staff that are specific to OTPs and all of the program's report using best practice curriculums.

With that I want to move on to a reminder and my recommendations to the Board.



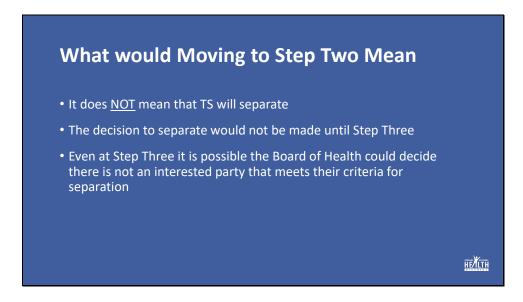




So again, a decision to continue the study means the Board will direct me to continue gathering information on the legal and fiscal ramifications of separation

And whether another organization could address the concerns expressed by those who participated in Step One of this study

At any point during Step Two we could find insurmountable barriers to moving forward and the Feasibility Study would end



Continuing the study does <u>NOT</u> mean that TS will separate The decision to separate would not be made until Step Three Even at Step Three it is possible the Board of Health could decide there is not an interested party that meets their criteria for separation





