



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
August 17, 2021

TOPIC: Feasibility and Fiscal Evaluation for a Municipal Public Health Agency

AGENDA TITLE:

Approve an Agreement with Health Management Associates to Provide Feasibility and Fiscal Evaluation Services for a Municipal Public Health Agency in an Amount not to Exceed \$180,830 for a One-Year Term (**Revive Santa Ana Program**)

RECOMMENDED ACTION

1. Authorize the City Manager to execute an agreement with Health Management Associates, Inc. to provide feasibility and fiscal evaluation services for a municipal public health agency for a one-year term beginning on August 18, 2021 and expiring on August 18, 2022, in an amount not to exceed \$180,830, which includes a \$10,000 contingency, subject to non-substantive changes approved by the City Manager and City Attorney.
2. Approve the Project Cost for a total estimated cost of \$200,000, which includes \$19,170 for contract administration and legal services and a \$10,000 project contingency for any additional services as directed by the City.

DISCUSSION

The COVID-19 pandemic and its aftermath have raised community and public awareness of the importance of public health agencies. This unprecedented pandemic has also raised the expectations for public health departments to address substantial local health inequities amongst jurisdictions in Orange County.

The City of Santa Ana, like many other California jurisdictions, is considering whether the current public health delivery structure is meeting the needs of its residents and requested proposals from qualified firms to perform a feasibility and fiscal evaluation of creating its own municipal public health agency. Currently, the County of Orange provides all public health services to County residents, including Santa Ana.

Under California law, municipalities have responsibilities for public health functions; they can transfer this authority to counties. Most communities have chosen to do this due to the extent of duty, required infrastructure, and associated expenses.

Four cities in the State of California have their own health departments: Pasadena (established in 1892), Long Beach (established in 1906), Vernon (established in 1986), and Berkeley (established in 1880).

On April 13, 2021, the City released a Request for Proposals (RFP) for feasibility and fiscal evaluation services for a municipal public health agency for Santa Ana. A total of 191 professional consultants were notified. Health Management Associates (HMA) was the sole respondent to the RFP.

Upon an internal review of the HMA proposal and an interview, staff determined that this firm is qualified to respond effectively to the proposed scope of services:

- Identify the full range of specific public health services the Orange County Health Care Agency (OCHCA) provides to Santa Ana residents and businesses and their legally required mandates.
- Identify OCHCA current service levels in comparing to local needs in each of the mandated services.
- Identify any OCHCA services above and beyond mandated services, and the service levels they provide in each to Santa Ana residents.
- Identify all funding sources for operation of the OCHCA.
- Identify all state and federal mandates and statutes for the operation of a municipal public health agency.
- Review public health regulations (Health and Safety Code, California statutes and orders of the California Department of Public health, etc.) and identify a strategy to qualify for funding for the creation of a public health agency.
- Provide a statistically valid evaluation of the current health assessment for Santa Ana residents and a narrative of the specific health issues facing the Santa Ana residents, leading to the identification of public health priorities for the City of Santa Ana.

Identify and evaluate service areas required to create and operate a municipal health care agency. Develop three models: full-service municipal health agency, basic limited municipal health agency (which could include limited services provided by the City and remaining services provided by the County of Orange), and regional health model. Each model should identify recommended staffing and facilities, certification requirements, the process to form each agency, challenges and opportunities, as well as funding sources available.

- Assist in the development of recommendations of public health policies and plans necessary to operate a public health agency in the City of Santa Ana.
- Identify the pros and cons of creating our own public health agency.
- Assist in the development of public health programs for the City of Santa Ana.
- Map out the transition plan and timing for transition.
- Provide a final document analyzing the feasibility and specific steps for the creation of a public health agency for the City of Santa Ana, including a realistic timeline.

- Required to attend City Council meetings to give updates and present findings of the evaluation.

The feasibility and fiscal evaluation for a municipal health agency for the City of Santa Ana will be completed in approximately eight months. It will include a final evaluation and options report, and a presentation to City Council.

Contract Administration and Contingency

It is anticipated that this project will require staff support and legal research and advice regarding public health code, statutes, and the laws required to form a municipal health agency. Therefore, staff is requesting \$19,170 for those efforts, as well as a contract contingency of \$10,000 for any unexpected consultant requests like attending additional meetings with City staff or stakeholder interviews regarding the formation of a public health agency.

Project Item	Total
HMA Contract	\$170,830
Contract Admin and Legal Services	\$19,170
Contingencies	\$10,000
TOTAL DELIVERY COST FOR PROJECT	\$200,000

FISCAL IMPACT

Funds will be available upon carry forward of the American Rescue Plan Act (ARPA) grant funds from FY 20-21 to FY 21-22 for estimated expenditures as follows:

Fiscal Year	Accounting Unit-Account	Fund Description	Accounting Unit, Account Description	Amount
FY 21-22 (Aug.-June)	18103013-various	American Rescue Plan Act (ARPA)	ARPA - CMO, Various	\$195,140
FY 22-23 (July-Aug.)	18103013-various	American Rescue Plan Act (ARPA)	ARPA - CMO, Various	\$ 4,860
Total				\$200,000

EXHIBIT(S)

1. HMA Proposal
2. Agreement with HMA

Submitted By: Steven Mendoza, Assistant City Manager

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Approved By: Kristine Ridge, City Manager