

Hamilton County Tax Levy Review Committee
138 East Court Street
Cincinnati, Ohio 45202

Hon. Stephanie Summerow Dumas President
Hon. Alicia Reece, Vice President
Hon. Denise Driehaus

Re: Mid-cycle review of the Indigent Care Levy

Dear Commissioners:

The Hamilton County Tax Levy Review Committee (“TLRC”), chaired by Gwen McFarlin, has appointed a subcommittee to perform a mid-cycle review of the Health and Hospitalization - Indigent Care Levy (“the Levy”). From 2018 through 2022, the Levy has funded, or will fund, health and hospitalization services to the indigent population of Hamilton County through University of Cincinnati Medical Center (“UCMC”) and Cincinnati Children’s Hospital Medical Center (“CCHMC”), along with eight other organizations. The members of the subcommittee are Robert Furnier, chair, Gwen McFarlin, and Jeanette Hargreaves. Lisa Webb, Senior Policy Manager of the Office of Budget and Strategic Initiatives, also provided invaluable assistance with the review.

In place since May 1966, the Levy initially supported one hospital, University of Cincinnati Medical Center, then known as Cincinnati General Hospital, and in 1976 began supporting Cincinnati Children’s Hospital Medical Center. Currently, roughly half of the Levy revenue goes to UCMC and CCHMC. The other half of levy funding supports, in whole or part, programs operated by these entities:

- Hamilton County Sheriff (Inmate Medical Care)
- Hamilton County Juvenile Court (Inmate Medical Care)
- Mental Health and Recovery Services Board (Alcohol and Other Drug Addiction Services)
- Hamilton County Public Health (TB Control, Oral Care Coalition, Bloodborne Pathogen Program)
- Central Clinic (Alternative Interventions for Women)
- St. Vincent de Paul (Charitable Pharmacy)
- Strategies to End Homelessness (Homeless medical services)
- Hamilton County Probate Court (Civil Commitment)

As part of the mid-cycle review, the subcommittee met several times alone and then held ten online meetings on March 18 and March 23, 2021 with representatives of each organization receiving funding from the Levy. The subcommittee also reviewed reports from Health Management Associates, dated May 24, 2017 and June 1, 2017, evaluating each of these agencies. The Hamilton County Tax Levy Policy required these performance reviews for the Levy by a consultant prior to approval for the ballot on the November 7, 2017 General Election.

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Finally, the subcommittee reviewed the TLRC's recommendations to the Commission, dated July 29, 2017, regarding the Levy.

The subcommittee found that organizations receiving funding have complied with current levy agreements. Not only did the subcommittee find no waste of levy funds, but service providers also appear to be doing more with less to deliver healthcare services to the county's indigent population. In fact, during the greatest healthcare crisis in the last century, organizations receiving levy funds rose to the challenge to ensure that indigent residents received the treatment necessary to battle the coronavirus and other medical issues despite overburdened healthcare resources and personnel.

As you can see from the attached Five-Year Indigent Care Levy Financial Plan, revenues during the first three years of the Levy have exceeded expectations, but so, too, have expenditures. Because of rising expenses to meet anticipated healthcare needs, the plan indicates the levy will have used the majority of its fund balance in the final year of the Levy. Future funding shortfalls must be addressed as the Commission considers the Levy renewal.

In an era of extraordinary healthcare crises like the coronavirus and opioid epidemics, the medical needs of Hamilton County's indigent population may require more levy funding in the future. On the other hand, the subcommittee believes that the Commission may need to study what, if any impact, that the stability of the Affordable Care Act ("ACA") may have on any present unmet healthcare needs of the Levy's target population. While ongoing ACA funding is by no means guaranteed, the Act will likely survive through the current levy cycle and into the next one.

In addition to the ACA's impact on the Levy, the Commission may also wish to consider whether funding for some state-mandated services, like inmate medical care through the Hamilton County Sheriff's office, should be removed from the Levy into the county's general fund. Presently, the Indigent Care Levy cannot easily broaden the services it now funds, either by injecting novel approaches to indigent care through existing providers or adding additional services offered by new providers. Unless revenue in the next levy cycle is increased, or funds reallocated from the Levy to the general fund, the limited funding available will require reductions in current levels of services within levy programs, constraining healthcare services offered to indigent residents.

Respectfully submitted,

Robert Furnier, Chair
Gwen McFarlin.
Jeanette Hargreaves

**The Health and Hospitalization (HHIC) Levy
Five-Year Financial Plan**

	Year 1	Year 2	Year 3	Year 4	Year 5
LEVY PLAN	2018	2019	2020	2021	2022
Beginning carryover	2,275,840	2,843,294	2,833,826	2,451,525	2,119,087
REVENUES (Total)	38,983,314	38,306,392	37,933,559	37,983,422	38,151,891
Tax Levy	38,983,314	38,306,392	37,933,559	37,983,422	38,151,891
Other	-	-	-	-	-
EXPENDITURES (Total)	38,415,860	38,315,860	38,315,860	38,315,860	38,415,860
University Hospital	13,410,000	13,410,000	13,410,000	13,410,000	13,410,000
Childrens Hospital	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000
Sheriff - Inmate Health Care Contract	6,507,000	6,507,000	6,507,000	6,507,000	6,507,000
Sheriff - Inmate Health Care Staffing	5,458,000	5,458,000	5,458,000	5,458,000	5,458,000
Juvenile Court Medical	1,273,860	1,273,860	1,273,860	1,273,860	1,273,860
Mental Health and Recovery Services Board	2,361,000	2,361,000	2,361,000	2,361,000	2,361,000
Public Health - TB Control	836,000	836,000	836,000	836,000	836,000
Public Health - Bloodborne Program	150,000	150,000	150,000	150,000	150,000
Public Health - Oral Care Initiative	115,000	115,000	115,000	115,000	115,000
Probation - Alternative Interventions for Women	425,000	425,000	425,000	425,000	425,000
Charitable Pharmacy	150,000	150,000	150,000	150,000	150,000
Homeless Medical Facility Coordination	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Off the Streets	65,000	65,000	65,000	65,000	65,000
Probate Court Medical	650,000	650,000	650,000	650,000	650,000
Heroin Coalition Treatment Services	180,000	180,000	180,000	180,000	180,000
Auditor and Treasurer Fees	625,000	625,000	625,000	625,000	625,000
Administration and Indirect Cost	180,000	80,000	80,000	80,000	180,000
Ending Carryover	2,843,294	2,833,826	2,451,525	2,119,087	1,855,118
	Year 1	Year 2	Year 3	Year 4	Year 5
ACTUALS	2018 Act	2019 Act	2020 Bud	2021 Bud	2022 Proj
Beginning carryover	5,298,502	9,185,229	8,294,810	4,141,049	2,594,466
REVENUES (Total)	41,262,650	39,260,509	40,541,171	39,606,284	38,533,891
Tax Levy	40,239,175	39,157,070	40,159,171	38,915,010	38,151,891
Sheriff Revenue		103,439	382,000	691,274	382,000
Transfer from GF (Sheriff)	1,023,475	-	-	-	-
EXPENDITURES (Total)	37,375,924	40,150,927	41,030,420	41,152,867	40,114,826
University Hospital	13,410,000	13,410,000	13,410,000	13,410,000	13,410,000
Childrens Hospital	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000
Sheriff - Inmate Health Care Contract	6,566,494	8,042,816	7,800,000	8,376,500	8,669,678
Sheriff - Inmate Health Care Staffing	5,676,680	6,251,932	6,493,900	6,429,209	5,000,000
Juvenile Court Medical	1,254,831	1,402,770	1,273,860	1,273,860	1,273,860
Mental Health and Recovery Services Board	1,003,343	1,910,093	2,363,119	2,361,289	2,361,289
Public Health - TB Control	785,000	885,000	885,000	885,000	885,000
Public Health - Bloodborne Program	150,000	150,000	150,000	150,000	150,000
Public Health - Oral Care Initiative	115,000	115,000	115,000	115,000	115,000
Probation - Alternative Interventions for Women	476,847	409,320	425,000	425,000	425,000
Charitable Pharmacy	150,000	150,000	150,000	150,000	150,000
Homeless Medical Facility Coordination	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Off the Streets	68,799	56,069	65,000	65,000	65,000
Probate Court Medical	650,000	650,000	650,000	650,000	650,000
Heroin Coalition Treatment Services	180,000	180,000	180,000	180,000	180,000
Cradle Cincinnati	-	-	100,000	-	-
Auditor and Treasurer Fees	483,613	476,570	550,000	550,000	550,000
Administration and Indirect Cost	375,318	31,358	389,542	102,009	200,000
Ending Carryover	9,185,229	8,294,810	7,805,561	2,594,466	1,013,531