

MILWAUKEE COUNTY FISCAL NOTE FORM

File 22-571

DATE: April 22, 2022

Original Fiscal Note ☒Substitute Fiscal Note ☐

SUBJECT: Request for authorization to remove the annual cap of \$160,000 approved under File 22-157 for the comprehensive occupational health services agreement with Aurora Health Care; to provide payment for occupational health services received and billed in fiscal year 2021 under the expired contract with Aurora Health Care; and to provide payment for occupational health and drug screening services received and billed in fiscal year 2022 prior to the 2022 – 2024 contract with Aurora Health Care being executed.

FISCAL EFFECT:

- ☐ No Direct County Fiscal Impact
- ☐ Existing Staff Time Required
- ☒ Increase Operating Expenditures
(If checked, check one of two boxes below)
- ☒ Absorbed Within Agency's Budget
- ☐ Not Absorbed Within Agency's Budget
- ☐ Decrease Operating Expenditures
- ☐ Increase Operating Revenues
- ☐ Decrease Operating Revenues
- ☐ Increase Capital Expenditures
- ☐ Decrease Capital Expenditures
- ☐ Increase Capital Revenues
- ☐ Decrease Capital Revenues
- ☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

| | Expenditure or Revenue Category | Current Year | Subsequent Year |
|-----------------------------------|---------------------------------|--------------|-----------------|
| Operating Budget | Expenditure | \$100,000 | \$100,000 |
| | Revenue | \$0 | \$0 |
| | Net Cost | \$100,000 | \$100,000 |
| Capital Improvement Budget | Expenditure | \$0 | \$0 |
| | Revenue | \$0 | \$0 |
| | Net Cost | \$0 | \$0 |

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. **Authorization:** This resolution would authorize the following:

- a. Remove the annual cap of \$160,000 approved under File 22-157 for the 2022 – 2024 comprehensive occupational health services and drug screening agreement with Aurora Health Care so that the County can receive comprehensive services under the same contract including pre-employment screenings under the Bloodborne Pathogens program, Hearing Conservation Program, and Respiratory Protection program and so that Risk Management can conduct annual testing for current employees under the Hearing Conservation program and Respiratory Protection program.
- b. Payment for occupational health services received in 2021 and billed under the expired occupational health services agreement with Aurora Health Care in the approximate amount of \$12,000.
- c. Payment for occupational health and pre-employment drug screens received in 2022 prior to execution of the 2022 – 2024 occupational health services and drug screening agreement with Aurora Health Care.

B. **Direct Financial Impact:** The total estimated cost of all services provided under the comprehensive occupational health services agreement is expected to be \$420,000.

- a. General pre-employment screening: the Department of Human Resources anticipates annual expenditures of \$160,000 based on prior years history.
- b. Annual Hearing Conservation and Respiratory Protection program testing: the Department of Administrative Services – Risk Management Division anticipates annual expenditures of \$160,000.
- c. Expanded pre-employment screenings under the Bloodborne Pathogens program, Hearing Conservation Program, and Respiratory Protection program: the additional expenditures are estimated to be \$100,000.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

- C. **Budgetary Impact:** The 2022 Adopted Budget contains \$320,000 in funding related to services expected to be provided under the comprehensive occupational health services and drug screening agreement. Additional budgetary authority may be required to fund the expanded pre-employment screenings under the Bloodborne Pathogens program, Hearing Conservation Program, and Respiratory Protection program
- The Department of Human Resources 2022 Adopted Budget contains approximately \$160,000 in expenditure authority for general pre-employment screening.
 - The Department of Administrative Services – Risk Management Division 2022 Adopted Budget contains \$160,000 in expenditure authority for annual hearing conservation and respiratory protection screenings.
 - No funding currently exists for the expanded pre-employment screenings under the Bloodborne Pathogens program, Hearing Conservation Program, and Respiratory Protection program. Expected costs for the additional services are \$100,000 depending on number of employees hired into certain positions and screenings necessary. Additional funding may be requested in the future if the Department of Human Resources is unable to absorb the anticipated costs within its budget.
- D. **Assumptions:** This fiscal estimate assumes the following:
- That the amounts approved in the 2022 Adopted Budget are sufficient to provide the services as originally budgeted for.
 - Certain turnover rates for positions requiring pre-employment occupational screenings. Should these rates differ dramatically from those estimated, costs could be greater than or less than what is estimated here.

Department/Prepared By Cynthia J Pahl

Authorized Signature

Cynthia J Pahl



Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CBDP Review?² ☐ Yes ☐ No ☒ Not Required