COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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Second District

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Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

DATE: May 5, 2026 and May 19, 2026 **10**

TO: Board of Supervisors

SUBJECT

APPROVE AN ORDINANCE ADDING AND AMENDING PROVISIONS IN ARTICLE XV-B OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE RELATING TO HEALTH AND HUMAN SERVICES AGENCY AND BEHAVIORAL HEALTH SERVICES FEES AND CHARGES (DISTRICTS: ALL)

OVERVIEW

The County of San Diego (County) Health and Human Services Agency (HHSA) is an integrated health, housing, and social service organization with a robust service network that spans across the San Diego County region and contributes to making people's lives healthier, safer, and self-sufficient. Services provided by HHSA provide vital resources and care to some of the most vulnerable San Diego County residents. Today's action requests the San Diego County Board of Supervisors (Board) approve amendments to Article XV-B of the San Diego County Administrative Code related to fees and rates established for services delivered in two HHSA departments, Public Health Services and Behavioral Health Services. The Board last approved revisions to HHSA fees and rates on May 6, 2025 (12).

The proposed ordinance represents a comprehensive package that seeks to support the cost of providing services, while maintaining fees that are fair and reasonable for customers and the public. In accordance with Board Policy B-29 (Fees, Grants, and Revenue Contracts – Department Responsibility for Cost Recovery), HHSA recently conducted a review of HHSA fees and rates in order to ensure costs are fully recovered for services provided to agencies or individuals. A total of 132 HHSA fees and associated costs were reviewed, resulting in proposed additions, adjustments, and determinations to maintain existing fees.

Today's action requires two steps. On May 5, 2026, it is requested that the Board consider an ordinance, amending sections of the San Diego County Administrative Code related to HHSA fees. If the Board takes the action as recommended, then on May 19, 2026, the proposed ordinance will be brought back to the Board for consideration and adoption.

This item supports the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished by ensuring that the County has optimized its health and social services delivery system to ensure efficiency, integration and innovation while maintaining fiscal stability.

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RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER
On May 5, 2026:

Approve the introduction of the ordinance (first reading):

AN ORDINANCE ADDING AND AMENDING PROVISIONS IN ARTICLE XV-B OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE RELATING TO HEALTH AND HUMAN SERVICES AGENCY AND BEHAVIORAL HEALTH SERVICES FEES AND CHARGES

If on May 5, 2026, the San Diego County Board of Supervisors takes action as recommended, then on May 19, 2026

Consider and adopt (second reading):

AN ORDINANCE ADDING AND AMENDING PROVISIONS IN ARTICLE XV-B OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE RELATING TO HEALTH AND HUMAN SERVICES AGENCY AND BEHAVIORAL HEALTH SERVICES FEES AND CHARGES

EQUITY IMPACT STATEMENT
To develop the cost recovery proposal, the County of San Diego (County) Health and Human Services Agency (HHSA) performed an analysis of all services provided to customers to examine the tasks and functions performed, including the direct and indirect costs of performing those tasks in relation to the specific services. Criteria were established to determine fair and reasonable fees for direct services provided.

The proposed ordinance represents a comprehensive package that seeks to support the cost of providing HHSA services, while maintaining fees that are fair and reasonable for customers and the public. Updates include County Public Health Services, Public Health Laboratory fees that are either tied to environmental testing, such as testing of drinking water or foodborne illness investigations, or clinical fees such as tests for communicable disease outbreaks, among others. The proposed ordinance will also include a revised rate for the Edgemoor Skilled Nursing Facility to align with updated full cost recovery information.

Today's action would update fees for services provided by the County that help to promote health and safety and have an impact on the lives of Black, Indigenous, People of Color, women, people with disabilities, immigrants, youth, the LGBTQ+ community, and other underserved groups.

SUSTAINABILITY IMPACT STATEMENT
Today's proposed action supports the County of San Diego (County) Sustainability Goal #2 to provide just and equitable access by aligning available County resources with services to maintain fiscal stability and ensure long term solvency.

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FISCAL IMPACT
Funds for this request are not included in the Fiscal Year (FY) 2026-27 CAO Recommended Operational Plan in the Health and Human Services Agency. If approved, this request will result in no additional costs and an estimated decrease in revenue of $12,164 in FY 2026-27. There is no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT
N/A

ADVISORY BOARD STATEMENT
This item was presented to the Health Services Advisory Board as an informational item on April 7, 2026.

BACKGROUND
The County of San Diego (County) Health and Human Services Agency (HHSA) is an integrated health, housing, and social service organization with a robust service network that spans across the San Diego County region and contributes to making people's lives healthier, safer, and self-sufficient. HHSA remains committed to providing the highest quality work product and customer service, while maintaining, and whenever possible, reducing costs. Efforts to streamline and improve processes, especially using new technology as it becomes available, are continuously evaluated and operationalized when possible. Continued increases in the cost of doing business necessitate the regular evaluation of fees to align with current costs. The San Diego County Board of Supervisors (Board) last approved revisions to HHSA fees and rates on May 6, 2025 (12).

To prepare the Fiscal Year (FY) 2026-27 fee package, HHSA reviewed 132 fees and associated costs to reassess the fee level. Of the total 132 fees, 78 fees and rates were either 1) already under County Administrative Code XV-B, Section 239, which sets the fee as the lower of the published Medi-Cal rate or the calculated County costs, 2) was previously approved by the Board at less than full-cost recovery, or 3) had no proposed changes at this time. For the remaining 54 fees and rates charged for services by County Public Health Services and Behavioral Health Services, HHSA is proposing updated fees effective FY 2026-27 and amendment of various sections within the County Administrative Code Article XV-B to support proposed fee adjustments and additions (Attachment A). The overall analysis of the 54 fees resulted in the following recommended actions (Attachment D).

Action	Number of Fees and Rates	Division Impact
Increases	24	Public Health Services (24)
Decreases	11	Public Health Services (10) Behavioral Health Services (1)
New	7	Public Health Services (7)
Delete	12	Public Health Services (12)
Total	**54**	

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Board Policy B-29 (Fees, Grants, and Revenue Contracts – Department Responsibility for Cost Recovery) requires departments to ensure costs are fully recovered for services provided to agencies or individuals. Based on cost increases, a cost recovery proposal is being proposed that includes a fee adjustment to ensure full cost recovery for services when possible (Attachment A).

To develop the cost recovery proposal, HHSA performed an analysis of all services provided to examine the tasks and functions performed, including the direct and indirect costs of performing those tasks in relation to the specific services. The analysis focused on services that directly benefit an individual, group, or the general public. Criteria were established to determine fair and reasonable fees for direct services provided.

The County Auditor and Controller has reviewed and approved the supporting documentation and the methodology for establishing the fees in this proposal for FY 2026-27. The following Proposed Fee Package provides an overview of the fee adjustments, by department.

Proposed Fee Package

Public Health Services Fees

The County Public Health Services (PHS) is the local health department in San Diego County. PHS works to prevent epidemics and the spread of disease, protect against environmental hazards, prevent injuries, promote and encourage healthy behaviors, respond to disasters and assist communities in recovery, and assure the quality and accessibility of health services throughout the county. The proposed ordinance supports the cost recovery related to the PHS, Public Health Laboratory (PHL) and a new Vital Records fee.

Public Health Laboratory Fees

PHL works in conjunction with public health clinics, local hospitals and healthcare providers, and the County Department of Environmental Health and Quality and Department of Public Works. By analyzing clinical and environmental samples, PHL participates in the core activities of surveillance, assessment, and assurance. A total of 52 PHL fees were reviewed. Of those, 46 existing testing fees require updating for PHL, which include 24 proposed increases, 10 proposed decreases, and 12 deletions to reflect updated business processes.

In addition, a total of six new PHL fees are proposed related to clinical and fees for other tests performed. The two fees will be added under Section 244, and four fees will be added in Section 239. Section 244 is the portion of the ordinance that refers to water testing fees and other clinical laboratory fees not tied to Medi-Cal rates, and Section 239 is the portion of the ordinance that is tied to Medi-Cal rates. The new fees are for tests currently being performed by PHL, which will provide future opportunities to recover costs when possible. PHL fees are primarily established for those circumstances in which costs are claimable to federal, State, and other jurisdictions.

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Office of Vital Records Non-Contagious Disease Letter Fee
The Office of Vital Records is proposing to add a new fee for issuing the Non-Contagious Disease Letter (NCDL) as the NCDL clarifies cause of death and public health risk factors for the receiving authority (e.g. local Consulate, United States state representative) to assess transport of human remains into their borders. NCDL can also be referred to as a "transit letter," "body shipment" letter, or Port of Entry (POE) Letter.

Funeral Homes may request, on behalf of the families, and the funeral home would pay the fee. If the customer requests at the front counter, the customer will pay the fee to the Office of Vital Records directly.

An NCDL is required for burial transit primarily under the following circumstances: When transporting a body across state lines within the United States or sending human remains internationally, many authorities, airlines, and destination countries require documentation confirming cause of death and to note public health risk factors.

The letter is needed before the receiving local health department or registrar can issue a Burial Transit Permit or Disposition Permit to allow lawful movement of the remains. For international shipping, customs, consulates, and airlines routinely require an NCDL alongside the death certificate, disposition permit, and embalming certificate to comply with public health regulations and safe transport. In some cases, local agencies may require a request for the letter to be submitted in advance, and for some countries, embassies or consulates will not allow shipment without this certification.

The Office of Vital Records has been issuing the NCDL and is not charging for it. Most other large jurisdictions like Los Angeles, Riverside, and San Bernardino, charge a fee for this service.

Behavioral Health Services Rate
Behavioral Health Services (BHS) provides a continuum of mental health and substance use services to San Diego County residents of all ages who are Medi-Cal eligible. Services are provided through a coordinated system of County-operated and contracted community-based providers. BHS also operates two hospitals, including the San Diego County Psychiatric Hospital and Edgemoor Distinct Part Skilled Nursing Facility (DPSNF), that provide inpatient care to the region's most vulnerable adults.

Most BHS fees are aligned with Medi-Cal rates under Administrative Code XV-B, Section 239. There is a private pay rate for Edgemoor DPSNF in which a decrease is proposed to align with updated full cost recovery information (Attachment A).

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action supports the Sustainability (Economy), Equity (Health), and Empower (Transparency and Accountability) Initiatives in the County of San Diego's (County) 2026-2031 Strategic Plan. Periodically reviewing Health and Human Services Agency services and related fees ensures that the County of San Diego has optimized its health and social services delivery system to ensure efficiency, integration and innovation while maintaining fiscal stability.

Respectfully submitted,

Elizabeth A. Hernandez PhD

FOR

EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT(S)

Attachment A: Summary Comparison of Current and Proposed Fees
Attachment B: AN ORDINANCE ADDING AND AMENDING PROVISIONS IN ARTICLE XV-B OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE RELATING TO HEALTH AND HUMAN SERVICES AGENCY AND BEHAVIORAL HEALTH SERVICES FEES AND CHARGES (Clean Copy)
Attachment C: AN ORDINANCE ADDING AND AMENDING PROVISIONS IN ARTICLE XV-B OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE RELATING TO HEALTH AND HUMAN SERVICES AGENCY AND BEHAVIORAL HEALTH SERVICES FEES AND CHARGES (Informational Only)
Attachment D: Summary of Cost Recovery Proposal Actions and Alignment of Fees to Section 239