

# 2025-2027 HRSA Service Area Competition (SAC) 3 Year Scope of Project Spending Plan

AUG 14, 2024

# Service Area Competition (SAC) Background

- Every 3 years, HCHN must re-apply to HRSA for our 330h grant. This grant is HCHN's foundation and provides the Department's FQHC status.
- The current HRSA grant ends on 12/31/2024. The SAC application is due in late August, we expect to hear the outcome by November, for the new grant to begin 1/1/2025.
- Period for the new grant is 1/1/2025 – 12/31/2027.
- HRSA will conduct an Operational Site Visit (OSV) midway through the period, around mid-2026. Last OSV completed in June 2023 had essentially no findings.
- Total available to apply for in the SAC remains flat at \$5,499,323.
- Other HRSA grants being sought at this time (Behavioral Health, Expanded Hours, New Access Point) may be added to this base funding if awarded.
- Funds are proposed to continue current activities, adjusting for contract changes from recent RFP process, and in alignment with the strategic priorities set by the GC in late 2023.

	2025	2026	2027
<b>REVENUE</b>			
PATIENT SERVICES INCOME	11,986,393	12,052,398	12,120,054
STATE GRANTS/FUNDING	1,069,517	1,069,517	1,069,517
LOCAL FUNDING	11,014,683	11,290,050	11,572,301
FEDERAL BPHC 330h GRANT	5,499,323	5,499,323	5,499,323
Other Federal	-	-	-
OTHER--Hospitals, Private Grants	1,581,688	1,621,230	1,661,761
<b>TOTAL REVENUE</b>	<b>31,151,604</b>	<b>31,532,518</b>	<b>31,922,956</b>
<b>EXPENSE</b>			
PERSONNEL & FRINGE	12,238,418	12,544,379	12,857,988
TRAVEL	193,049	193,049	193,049
EQUIPMENT	-	-	-
SUPPLIES	373,973	373,973	373,973
CONTRACTUAL	11,022,434	11,022,434	11,022,434
OTHER	4,325,560	4,325,560	4,325,560
<b>TOTAL DIRECT COSTS</b>	<b>28,153,433</b>	<b>28,459,394</b>	<b>28,773,003</b>
INDIRECT	2,998,171	3,073,125	3,149,953
<b>TOTAL EXPENSE</b>	<b>31,151,604</b>	<b>31,532,519</b>	<b>31,922,957</b>

Proposed  
2025-2027  
Draft Budget

	2023 Budget	2023 Actuals	2024 Budget	2025 Budget
<b>Revenue</b>				
PATIENT SERVICES INCOME	12,504,561	12,335,789	13,032,567	11,986,393
State Grants/Funding	311,517	483,853	811,517	1,069,517
Local Funding (City, County)	11,457,625	11,375,059	10,725,088	11,014,683
Other (Respite Hospitals, Private Grants)	1,198,087	1,368,260	1,268,260	5,499,323
Other Federal (SAMHSA, PCHP)	289,165	289,165	-	-
Federal BPHC 330h Grant	5,499,323	5,499,323	5,499,323	1,581,688
<b>Total</b>	<b>31,260,277</b>	<b>31,351,449</b>	<b>31,336,756</b>	<b>31,151,604</b>
<b>Expenses</b>				
Patient Services Personnel - PHSKC	11,578,131	11,860,906	12,180,233	12,238,418
Patient Services Other Costs - PHSKC	4,995,662	5,011,593	5,071,781	4,892,581
Patient Services - Contracts	11,599,689	11,230,195	10,984,265	11,022,434
Oversight Administration - PHSKC	3,086,795	3,248,755	3,100,477	2,998,171
<b>Total</b>	<b>31,260,277</b>	<b>31,351,449</b>	<b>31,336,756</b>	<b>31,151,604</b>

Comparison  
2023 Budget  
vs Actuals  
and 2024  
Budget &  
2025 Budget

# Overview of Budget Changes - 2024 to 2025

Revenue	2024 Budget	% of Total	2025 Budget	% of Total	
PHSKC Patient Services Income	\$12,532,567	39.99%	11,986,393	38.48%	Best estimate based on current patient trends
State Grants/Funding	\$1,311,517	4.19%	1,069,517	3.43%	
Local Funding (City, County)	\$10,725,088	34.23%	11,014,683	35.36%	
Other (Respite Hospitals, Private Grants)	\$1,268,260	4.05%	5,499,323	17.65%	Respite hospital contract changes
Other Federal		0.00%	-	0.00%	SAMHSA grant ended in November 2023
Federal 330h Homeless Grant	\$5,499,323	17.55%	1,581,688	5.08%	PCHP award added to base
<b>Total</b>	<b>\$31,336,756</b>		<b>31,151,604</b>		
Expenses	2024 Budget	% of Total	2025 Budget	% of Total	
Patient Services Personnel - PHSKC	\$12,180,233	38.87%	12,238,418	39.29%	Cost of Living Adjustment
Patient Services Other Costs - PHSKC	\$5,071,781	16.18%	4,892,581	15.71%	
Patient Services - Contracts	\$10,984,265	35.05%	11,022,434	35.38%	Pass on anticipated increases in local funding
Oversight Administration - PHSKC	\$3,100,477	9.89%	2,998,171	9.62%	Decrease in allowable rate
<b>Total</b>	<b>\$ 31,336,756</b>		<b>31,151,604</b>		

# Highlights of Revenue Changes - 2024 to 2025

## CHANGES IN FUNDING FOR HCHN PROGRAMS AND SERVICES

- \$1 million in new state-level investment in our Street Medicine Program. The state legislature and Governor have created a new street medicine program for five Washington areas, with Public Health as the King County recipient to create a new Seattle-focused street medicine team beginning fall 2024. Additional recipients include Spokane, Tacoma, Everett, and Kitsap County.
- The Veterans, Seniors and Human Services Levy renewal for 2024 included a reduction of \$622,000 to strategies supporting HCHN services. Bridge funding was identified by DCHS to fill this gap for 2024 but will not continue in 2025. As a result, HCHN has reduced the funds it will contract out for 2025-2027 by this amount.