

Virginia Department of Health (VDH)
HB 888 Draft Hardship Guidelines Stakeholder Meeting Summary

Date: December 14, 2018
Time: 1:30 pm to 3:30 pm
Location: Montclair Community Library
5049 Waterway Drive, Dumfries, Virginia 22025

Attendees

Lance Gregory	George Khan	Angela Morelock	Lynn Jones
Steffeney Edmonds	Bob Marshall	Jim Slusser	Adrian Joye
Greg Garber	Josh Anderson	Patrick Jones	Kevin Wastler
Marty Shannon			

1. Welcome and Introductions

Mr. Gregory welcomed attendees to the meeting and discussed that the purpose of the meeting was get feedback on the first draft of the hardship guidelines to assist in revisions for a second draft.

2. Background – House Bill 888

Mr. Gregory provided a brief background on House Bill 888 which directs VDH to transition onsite sewage system and private well evaluations and designs to the private sector. As part of the transition, VDH is directed to develop hardship guidelines where property owners can receive evaluation and design services as a provider of last resort.

3. Presentation on Draft Hardship Guidelines

Mr. Gregory walked through the attached presentation regarding the first draft hardship guidelines.

4. Open Discussion – Comments and Suggestions

Attendees provided comments and suggestions for improving the hardship guidelines throughout the presentation. Comments and suggestions included:

- What is meant by available?
- Does VDH expect the owner to call every service provider to determine availability?
- With repair, owners may have a hard time finding service providers.
- Should refer people to local health departments to get on local list of service providers, rather than having a statewide list.
- Need a way to get people taken off the service provider list.

- Two different issues, a repair is a health threat, where a new system is a perceived threat. Repair still might result in pump and haul if needs the owner needs an alternative onsite sewage systems. Need some consistency in getting sewage off the ground.
- House Bill 888 does not clearly state that VDH can still do statutory/regulatory inspection (i.e. complaint investigations and discharge inspections).
- Not clear in House Bill 888 that courtesy reviews can still be done by VDH.
- Do you need to have a license to design a well? VDH staff are allowed to design without a license.
- Is disciplinary actions really a problem? Only know of two designers that have had actions taken against them.
- Owners should not be forced to use VDH staff with disciplinary actions either.
- If you are really trying to protect the consumer, need to link to failure rates.
- How would survey of cost be any different from the owner calling five designers on their own?
- Cost has not gone up since the House Bill 558 Report, which included information on cost. What is the public health rational for surveying owners regarding cost of services?
- The Hardship Guidelines only propose surveying cost for designers. What about well drillers, installers, real estate agents, etc? If it's helping VDH run a better program, then collect data on every professional involved.
- Using the median number of designs per designer might help; using the average doesn't seem right.
- Threshold for Medicare is 138% of federal poverty guidelines, but we are talking about 400% and 200% for evaluation and design services.
- Don't see how this meets public health goals. I understand a gradual transition with means testing, but don't understand hardships and how they are public health goal.
- Would a means tested application transfer to a new property owner? People will work the system and get someone that meets the means testing and then transfer it to someone that wouldn't meet means testing.
- If the owner provides their income information, is that information protected? Is just checking the means testing box protected information that we cannot share? If so, what portions of the application would need to be redacted?
- What income information do I have to provide to get Women, Infants, and Children services from VDH?
- If someone is in debt set off with the Commonwealth, how would that work for eligibility?
- What would be the appeal process if someone is denied VDH services?

5. Next Steps – Future Opportunities for Stakeholder Input

Mr. Gregory commented that VDH plans to publish a second draft of the hardship guidelines in January which will be posted on the www.townhall.virginia.gov website. VDH may also hold additional stakeholder meetings or a webinar to allow for further input.

Adjourn

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Agenda

1. Welcome and Introductions
2. Background – House Bill 888
3. Presentation on Draft Hardship Guidelines
4. Open Discussion – Comments and Suggestions
5. Next Steps – Future Opportunities for Stakeholder Input

A copy of the draft hardship guidelines can be found at
<http://www.vdh.virginia.gov/environmental-health/onsite-sewage-water-services-updated/news-of-interest/>

House Bill 888: Draft Hardship Guidelines

Lance Gregory

Director

Division of Onsite Sewage and Water Services,
Environmental Engineering, and Marina Program

Background

- By July 1, 2019, establish guidelines to maintain the Department as a provider of last resort for:
 - Evaluation and design services associated with a building permit or the repair of a failing sewage system that is for a principal place of residence.
 - Guidelines shall include considerations for hardships based on (i) the availability of properly licensed service providers working within a locality or region, (ii) the disciplinary history of private sector providers, and (iii) the cost of private sector services.

FY 2018: Private Sector Participation

- 252 OSEs/PEs submitting at least 1 app in FY 2018.
- Submitted 8,205 total designs in FY 2018; 32.56 per OSE/PE.
- 7,185 Bare application in FY 2018.
- 28.5 additional bare apps per OSE/PE to cover; 88% increase in workload.
- 105 OSE/PEs do 90% of the work; average 70.33 designs each.
- 62 OSE/PE account for 75% of the work (99.2 per); and top 29 do 50% of the work (141 per).
- 146 OSEs/PEs do less than 20 designs per year.

Means Testing and Hardship Guidelines

- Develop hardship guidelines.
- First draft: November 1, 2018.
- RedCap Survey
- Second draft: proposed January 4, 2018.
- Public comment period.
- Final due July 1, 2019.
- Tentative – regional meetings to discuss.

Exclusions

- The following services are excluded from means testing and hardship guidelines.
 - Voluntary upgrades
 - Certification letters
 - Subdivision evaluations
 - New onsite sewage systems not for a principal place of residence
 - Non-residential onsite sewage systems
 - Onsite sewage systems that will use over 1,000 gallons per day
 - Alternative onsite sewage systems
 - Alternative discharging sewage systems
 - Onsite sewage system designs that require a professional engineer

Means Testing Starting 7/1/19

Family Size	400% FPG 7/1/19 to 6/30/20	300% FPG 7/1/20 to 6/30/21	200% FPG 7/1/21 to 6/30/22	100% FPG 7/1/22 to 6/30/23
1	\$48,560	\$36,420	\$24,280	\$12,140
2	\$65,840	\$49,380	\$32,920	\$16,460
3	\$83,120	\$62,340	\$41,560	\$20,780
4	\$100,400	\$75,300	\$50,200	\$25,100
5	\$117,680	\$88,260	\$58,840	\$29,420
6	\$134,960	\$101,220	\$67,480	\$33,740
7	\$152,240	\$114,180	\$76,120	\$38,060
8	\$169,520	\$127,140	\$84,760	\$42,380

Ongoing Income Eligibility

- Owners eligible to receive a fee waiver pursuant to 12VAC5-620-80.A.
- Owners with income below 200 percent of the federal poverty guidelines for a pit privy or for a repair of a failing onsite sewage system.
- Determination of eligibility for a hardship based on income follows the same procedure as the determination of income eligibility for fee waivers (see GMP 2016-02).

Wells

- Replacement wells.
- Well abandonments.



Number of Private Sector Service Providers

$$(P \times A)1.25 - W = X$$

P = Number of private sector providers that submitted at least five evaluations and designs within the locality over the previous fiscal year.

A = Average number of evaluations and designs per private sector provider submitted within the region over the previous fiscal year. (A map showing the specific regions is provided below; Map 1.)

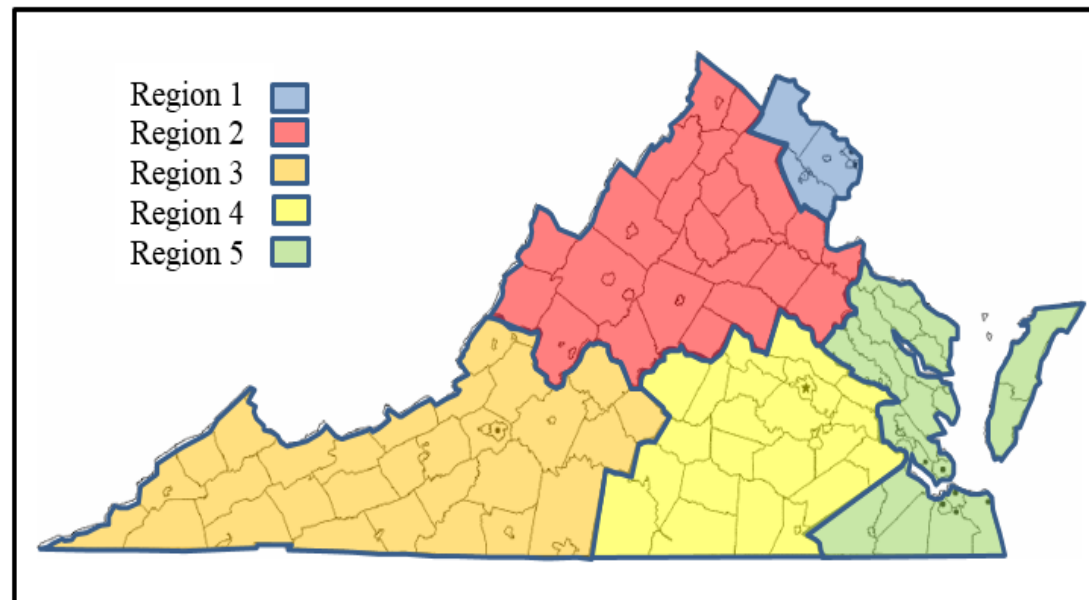
1.25 = Private sector growth factor.

W = Total number of private sector evaluations and designs submitted within the locality over the previous fiscal year.

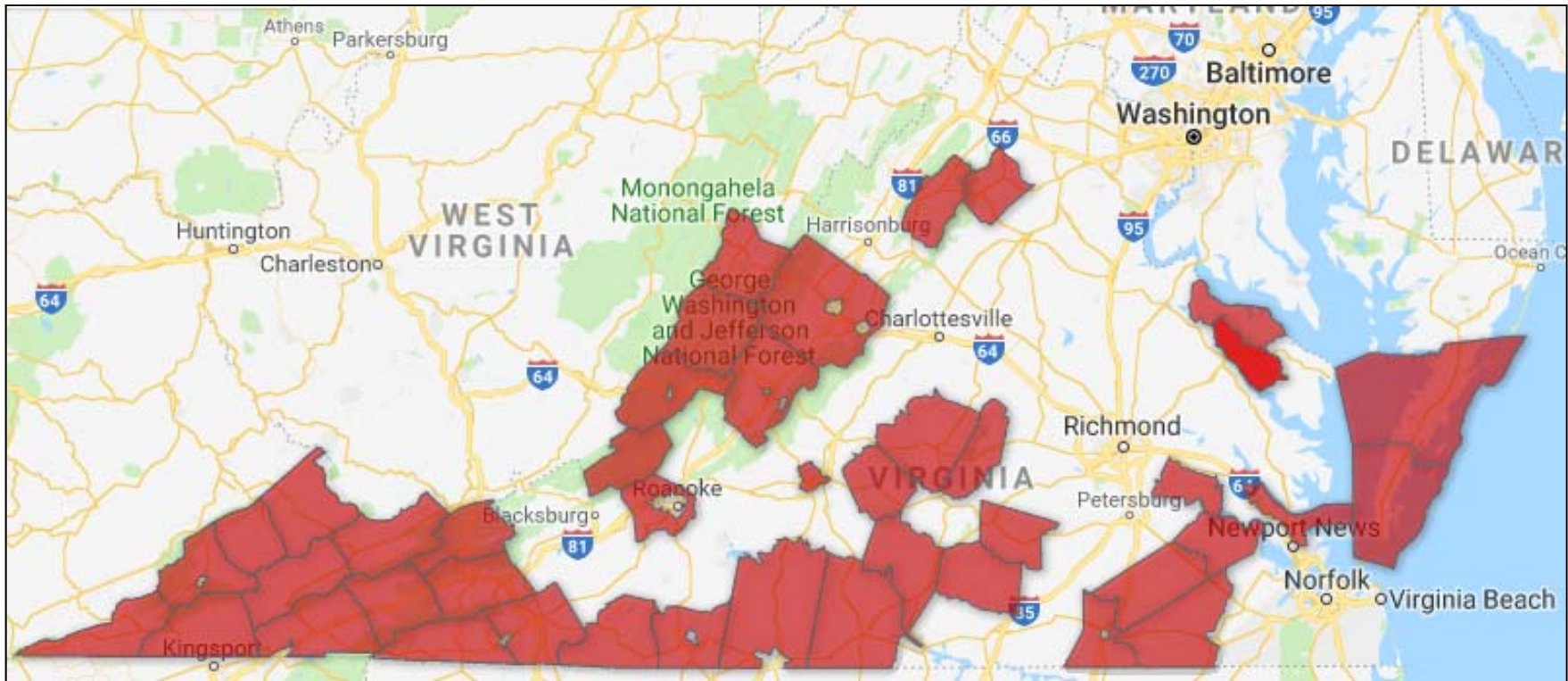
X = Estimated number of additional evaluations and designs that could be provided by the private sector.

Number of Private Sector Service Providers

- Locality with fewer than two private sector providers determined to have an insufficient number of private sector providers.
- Localities receiving 10 or fewer total applications.



Hardship Map: As Drafted



Availability of Private Sector Service Providers

- 15 business days for:
 - New onsite sewage systems serving.
 - New private wells.
 - SAPs
- 5 business days fore repairs.
- Owners must contact at least two private sector providers and provide the names.

Further Considerations

- May petition the District Health Director for further consideration.
- The District Health Director may delegate to the District Environmental Health Manager.
- Reviewed on a case-by-case basis.

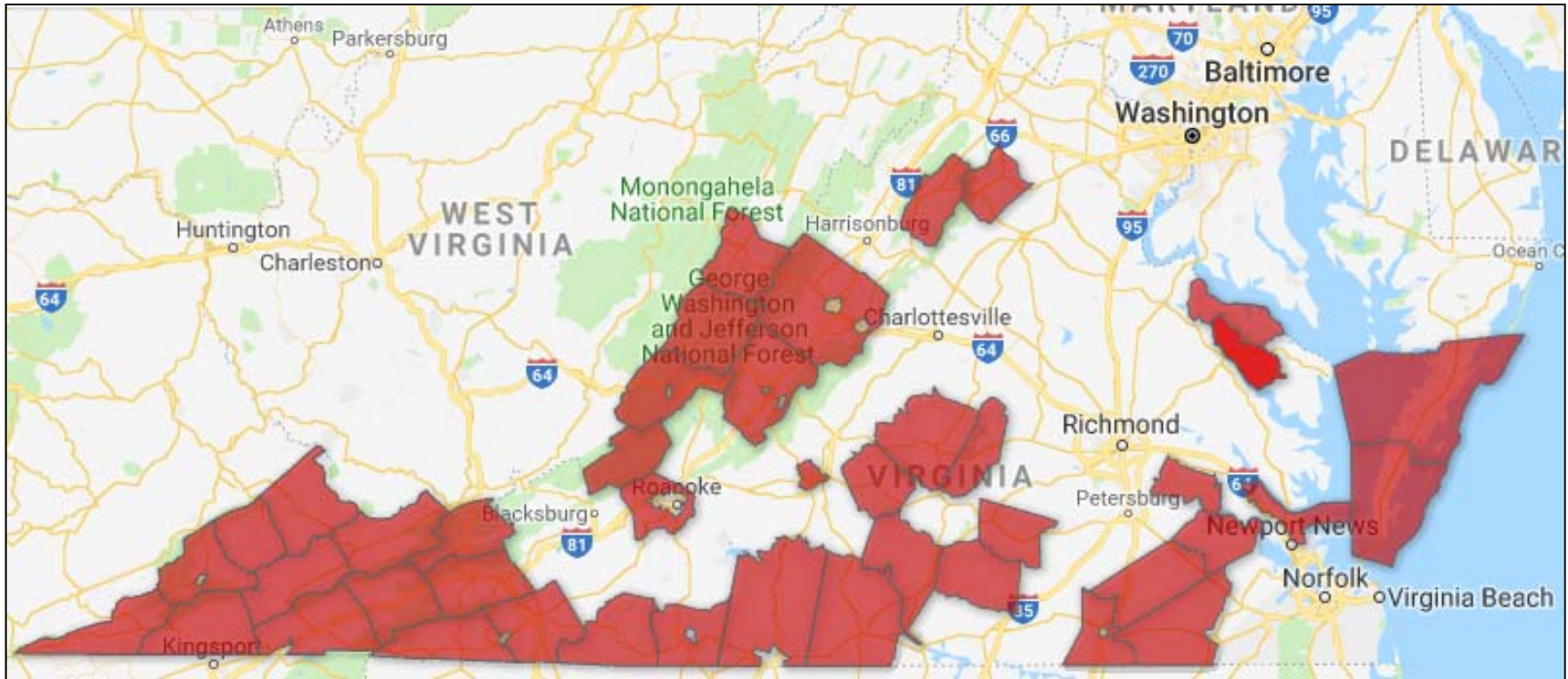
Annual Review

- Recommendations from SHADAC and stakeholders.
- Analysis of requests for income eligibility criteria.
- Analysis of the estimated number of additional evaluations and designs that could be provided by the private sector.
- Analysis of “further considerations”.
- Analysis of the percent AOSS and COSS designs.
- Surveys regarding the cost of private sector services.

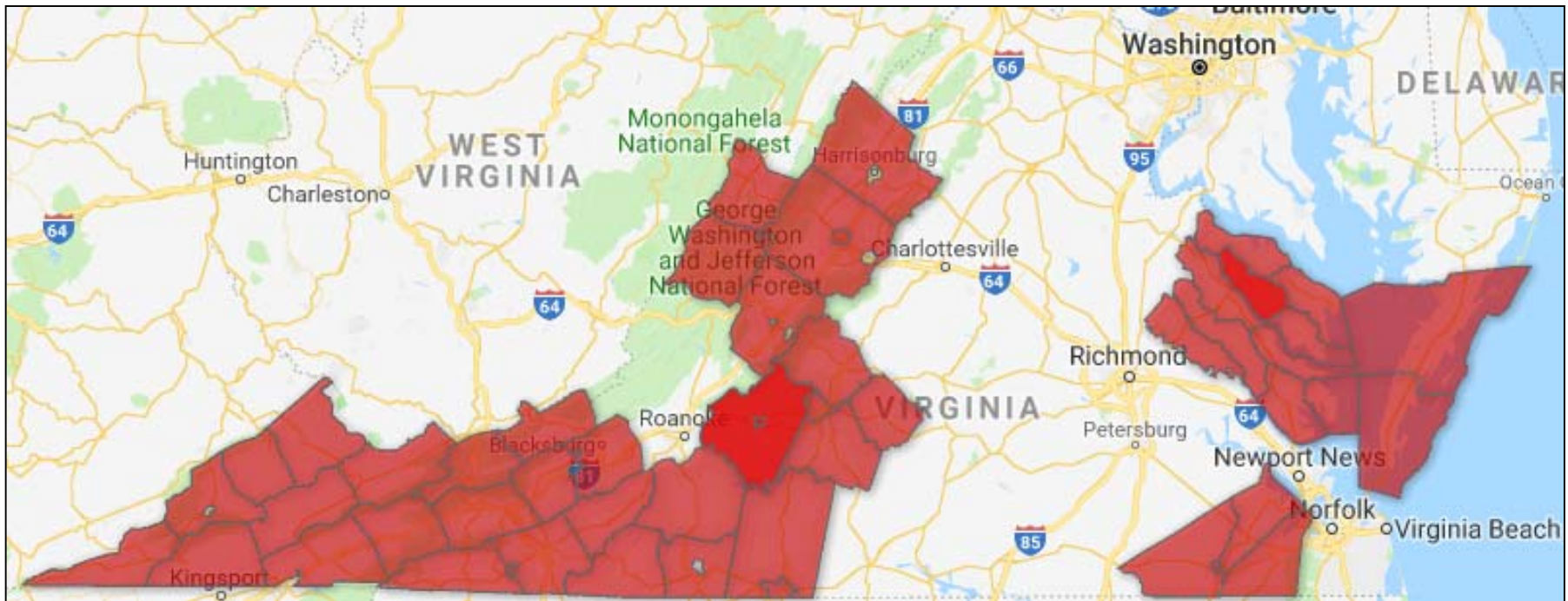
New Fees Starting 7/1/19

- Current fees stay the same (new construction, etc.).
- Repairs - \$425 bare app; \$225 with OSE/PE.
 - For less than 1,000 gpd.
 - Fee waived for anyone below 200% of FPG.
 - \$1,400 for designs more than 1,000 gpd.
- Voluntary Upgrades - \$225 with OSE/PE (no bare apps).
 - For less than 1,000 gpd.
 - Fee waived for anyone below 200% FPG.
 - \$1,400 for designs more than 1,000 gpd.
- SAP - \$150 bare app; \$100 with private work.
 - See §32.1-165 for list of private sector providers.

Hardship Map: As Drafted



Hardship Map: Calculated By District



Increasing Growth Factor to 1.5

- Adds 587 new application, 4303 total (59.89% of bare) .
- Add: Alleghany, Augusta, Charles City, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, Surry, Sussex

Increasing Growth Factor to 1.75

- 652 additional; 4368 total (60.79% of bare).
- Adds: Alleghany, Augusta, Charles City, **Grayson**, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, **Richmond**, Surry, Sussex.

Increasing Growth Factor to 2.0

- 771 additional; 4487 total (62.45% of bare)
- Adds: Alleghany, Augusta, Charles City, Grayson, Greensville, Lunenburg, Northampton, Nottoway, Page, Rappahannock, Richmond, **Rockbridge**, **Scott**, Surry, Sussex.

Hardship Map: 1+ Design



Questions?

Thank you all for signing up for the VDH service provider website. If you haven't done so, I would encourage you to do so.