

# Public Health – Seattle & King County Financial Update

Dr. Sandra Valenciano, Director and Health Officer, PHSKC  
Aaron Rubardt, Chief Budget Officer

September 23, 2026  
Budget and Fiscal Management Committee  
King County Council



# CHS Public Health Center programs available by location\*

*\*Prevention Div. TB and  
Sexual Health clinics  
located on Harborview  
campus*

*\*Street Medicine at 13  
anchor sites and  
encampments*

*\*School-Based Health  
Centers at 3 Seattle high  
schools*

| <u>Site/Program</u>                 | Parent Child Health programs |                                  |                                                        |                                                      | Sexual &<br>Reprod.<br>Health | Primary<br>Care | Dental |
|-------------------------------------|------------------------------|----------------------------------|--------------------------------------------------------|------------------------------------------------------|-------------------------------|-----------------|--------|
|                                     | WIC                          | First<br>Steps<br>(MSS &<br>ICM) | CSHCN -<br>County-<br>wide<br>Home<br>Visit<br>Program | NFP –<br>County-<br>wide<br>Home<br>Visit<br>Program |                               |                 |        |
| Auburn                              | ◆                            | ◆                                |                                                        |                                                      | ◆                             |                 |        |
| Columbia City                       | ◆                            | ◆                                |                                                        | ◆                                                    |                               |                 | ◆      |
| Downtown                            | ◆                            | ◆                                |                                                        | ◆                                                    |                               | ◆               | ◆      |
| Eastgate                            | ◆                            | ◆                                |                                                        |                                                      | ◆                             | ◆               | ◆      |
| Federal Way                         | ◆                            | ◆                                |                                                        |                                                      | ◆                             |                 |        |
| Kent                                | ◆                            | ◆                                | ◆                                                      | ◆                                                    | ◆                             |                 |        |
| Midway                              | ◆                            | ◆                                |                                                        |                                                      |                               |                 |        |
| North (Meridian)                    | ◆                            | ◆                                |                                                        |                                                      |                               |                 | ◆      |
| Northshore                          | ◆                            | ◆                                |                                                        |                                                      |                               |                 |        |
| Renton                              | ◆                            | ◆                                | ◆                                                      |                                                      |                               |                 | ◆      |
| Regional Teams (14 part-time sites) | ◆                            | ◆                                |                                                        |                                                      |                               |                 |        |
| White Center/Greenbridge            | ◆                            | ◆                                |                                                        |                                                      |                               |                 |        |

# Direct services is 14 programs woven together

by shared populations, similar program eligibility, operations and finances

| Direct Services (Programs) in 2025                                    | Clients* |
|-----------------------------------------------------------------------|----------|
| WIC Nutrition Program (25 sites)                                      | 35,000   |
| First Steps (Maternity Support Services, Infant Case Mgmt) (25 sites) | 3,500    |
| Nurse Family Partnership                                              | 1,100    |
| Children with Special Health Care Needs                               | 200      |
| Kids Plus                                                             | 500      |
| Primary Care (w/ Behavioral Health & Pharmacy) (2 sites)              | 6,700    |
| Dental (5 sites)                                                      | 14,300   |
| Sexual & Reproductive Health (4 sites)                                | 5,300    |
| School Based Health Centers (3 sites)                                 | 1,200    |
| Street Medicine for PEH                                               | 1,500    |
| Pathways for Opioid Use Disorder Clinic (1 site)                      | 700      |
| Refugee Screening (1 site)                                            | 1,900    |
| Tuberculosis Clinic (1 site)                                          | 600      |
| Sexual Health (HIV, STI) Clinic (1 site)                              | 6,200    |

\* Clients may participate in more than one program (client totals are unduplicated by program, but may duplicate across system)

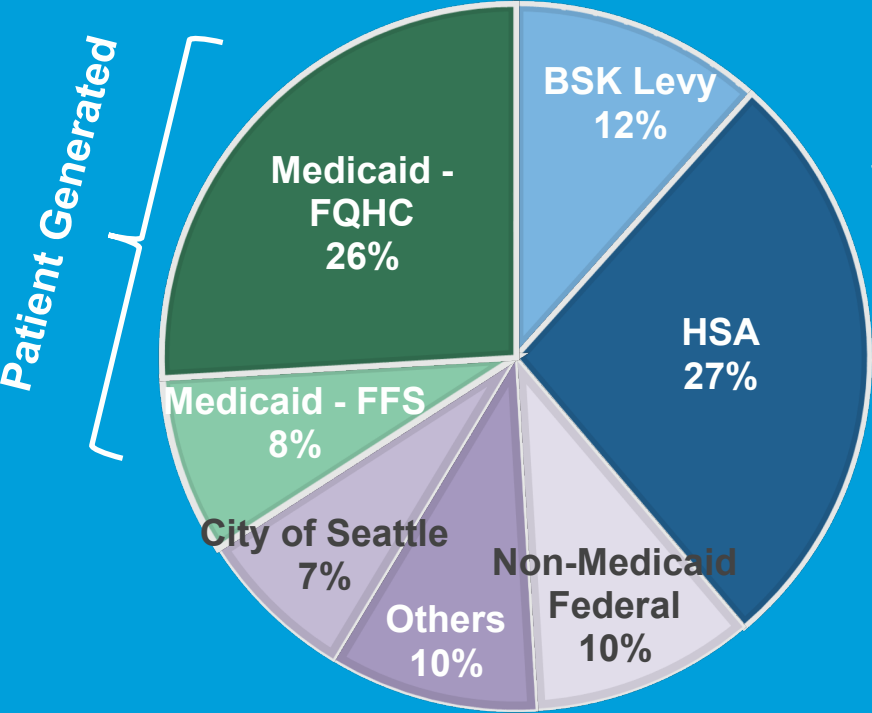
# PH Clinics Revenues & Expenses

| Year | Projected Revenues | Projected Expenditures | Operating Surplus / (Gap) |
|------|--------------------|------------------------|---------------------------|
| 2026 | 116.4M             | 120.6M                 | (4.2M)                    |
| 2027 | 117.0M             | 122.5M                 | (5.5M)                    |
| 2028 | 88.5M              | 127.2M                 | (38.7M)                   |
| 2029 | 90.1M              | 131.9M                 | (41.8M)                   |
| 2030 | 91.8M              | 136.9M                 | (45.1M)                   |
| 2031 | 93.6M              | 142.0M                 | (48.4M)                   |

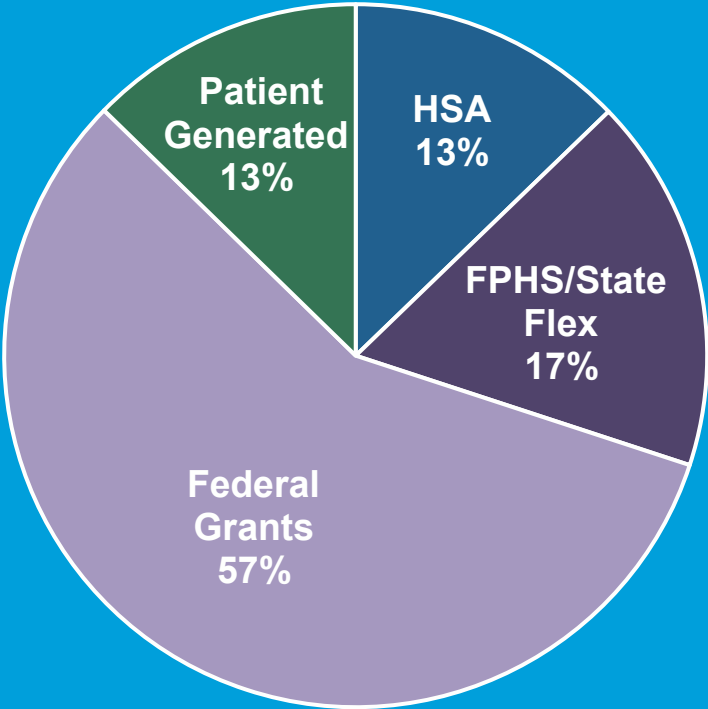
# Public Health Clinics Structural Deficit

- Structural Gap
  - On average, expenses increase by 3.8%
    - Salary costs in 2026-27 will increase ~5.5% (blended impact of GWI + step increases)
  - Revenue grows 1% annually on average
    - BSK revenue grows 5.6% over the biennium
    - Visit reimbursement rate increase is 2.7% in 2026
    - Some revenues are flat (0% growth)
- Federal Uncertainty
  - Impact of Medicaid work requirements
    - HCA estimates 30% of adult Medicaid expansion clients would become uninsured
  - Grant funding

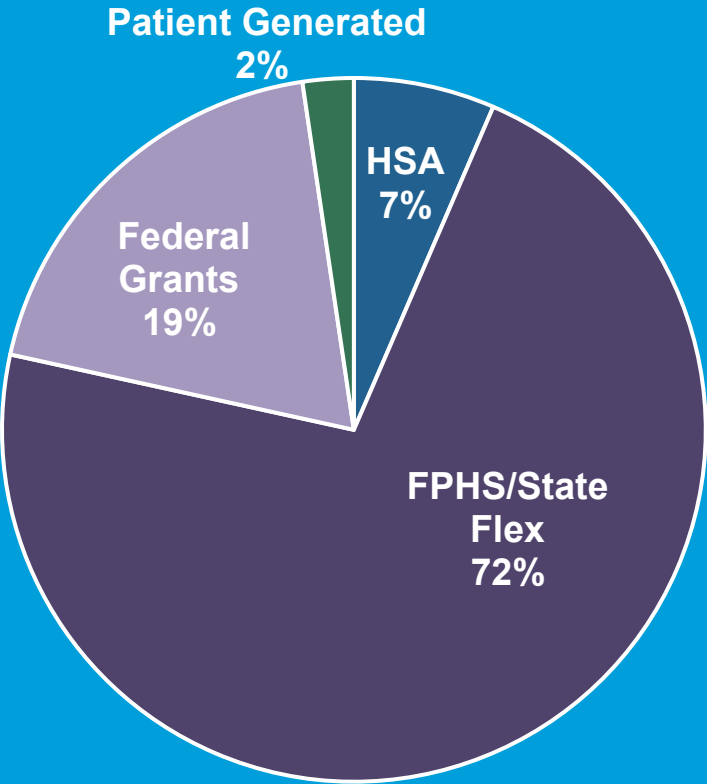
# CHS Clinics 2026 Budgeted Revenue (\$95.3m)



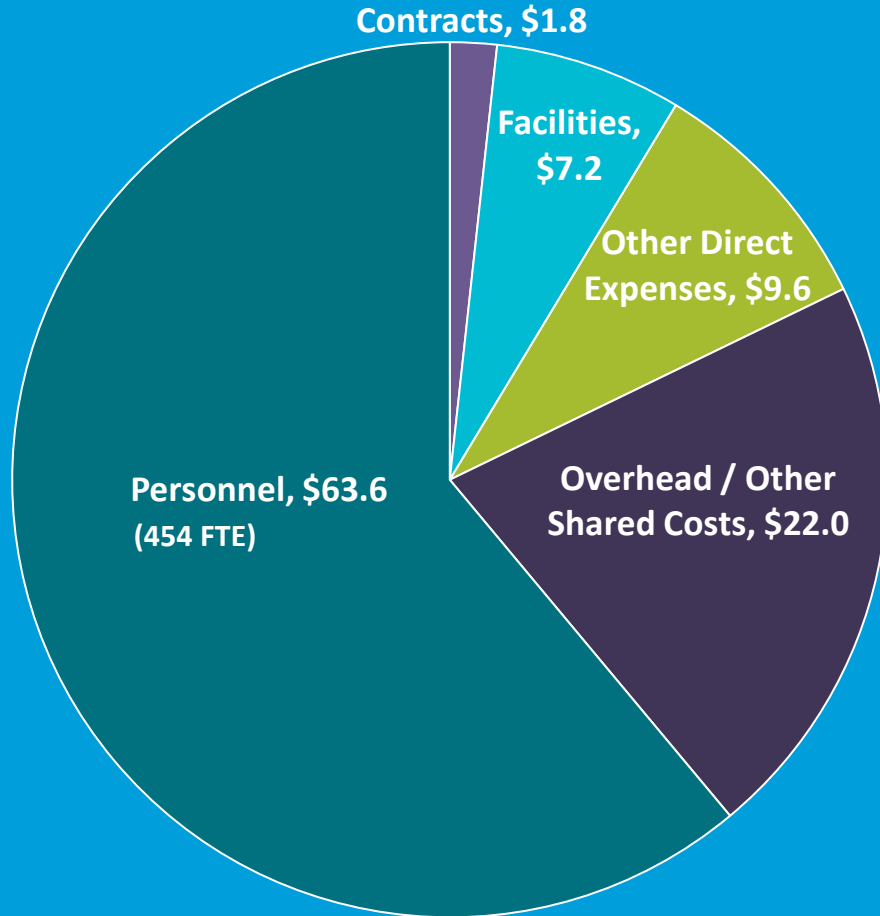
# Sexual Health 2026 Budgeted Revenue (\$11.7M)



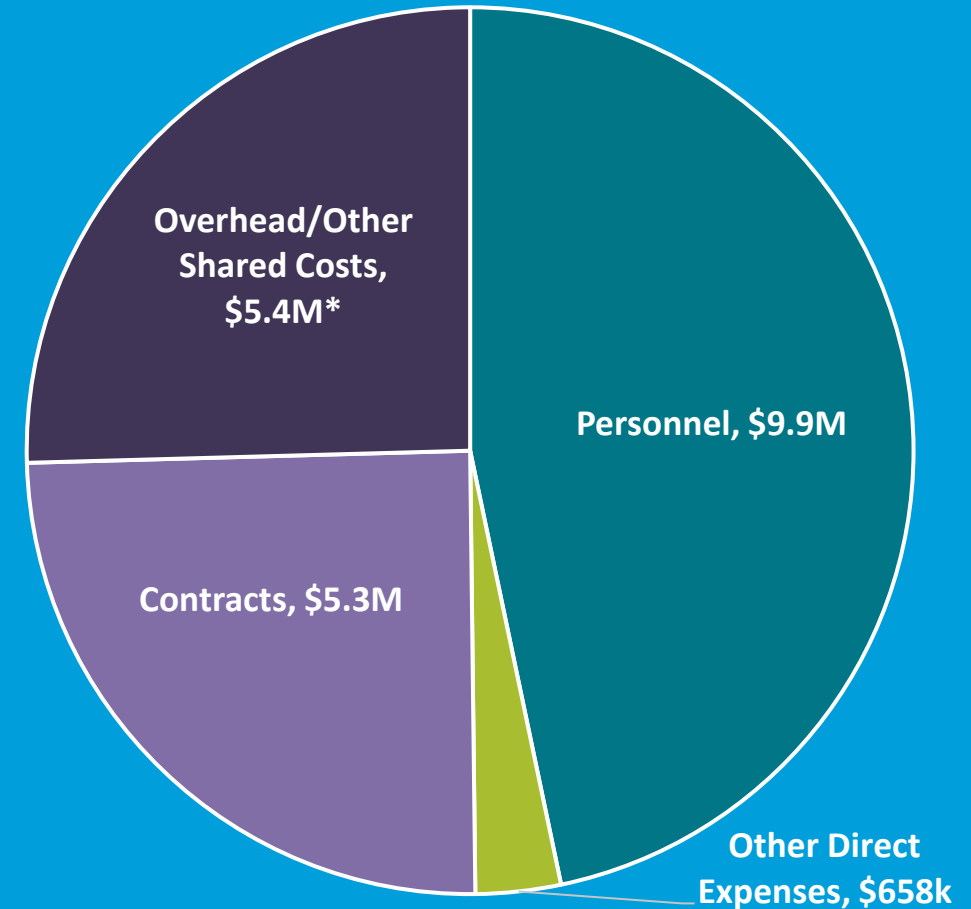
# TB 2026 Anticipated Revenue (\$7.7M)



## CHS Clinics 2026 Budgeted Expenses (\$104.1 million)

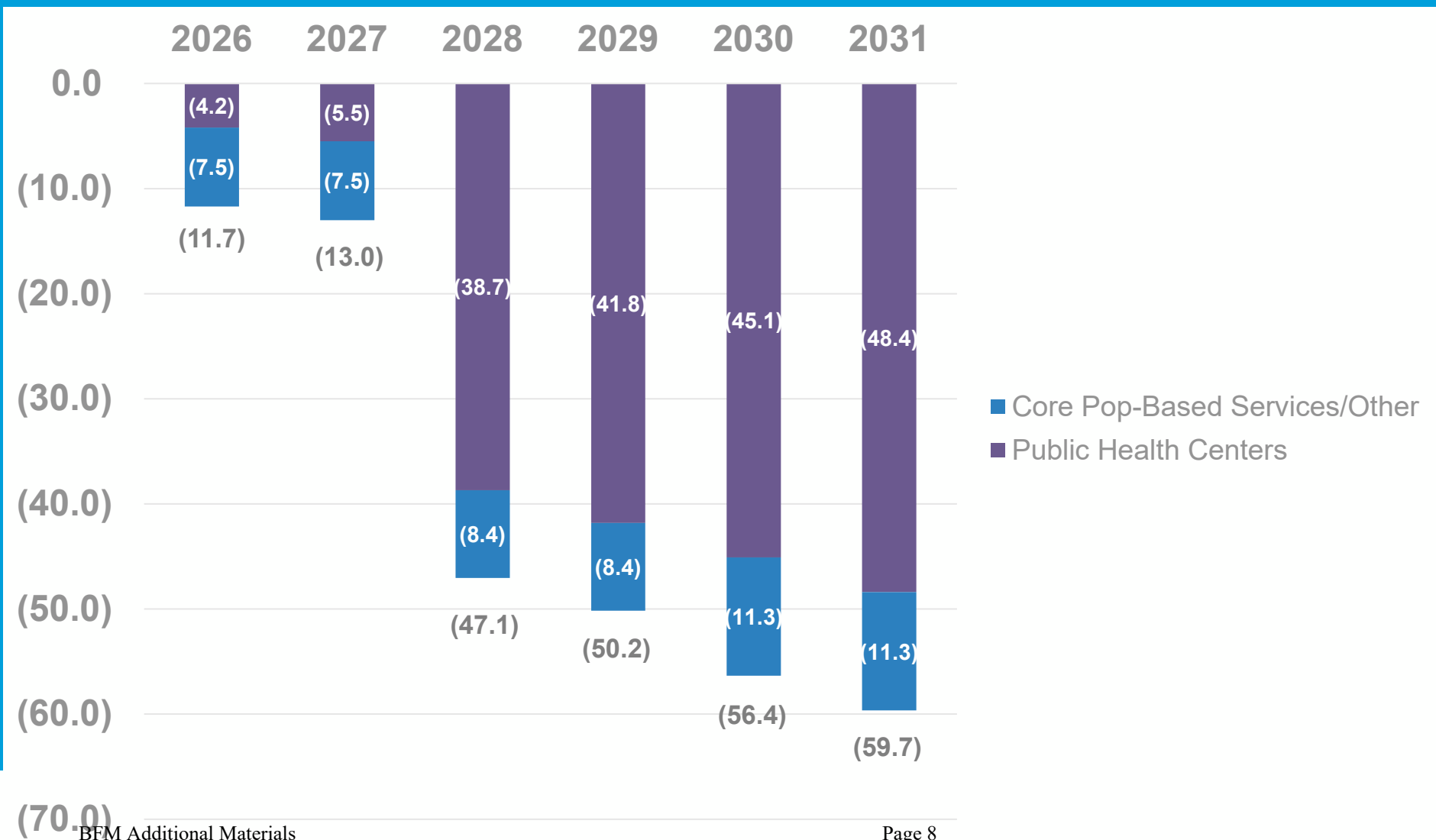


## Prevention Clinics 2026 Budgeted Expenses (\$21.2 million)



\*Includes facilities

# PH Fund Operating Gap



## Notes

- HSA funding expires at end of 2027
- Assumes continued BSK funding at current level
- To estimate annual amount for Core Pop-Based Services, biennial gap was divided by two.



# PH Clinics Operating Gap

| Year | Current State Operating Gap | Max Clinic Tax Revenue |
|------|-----------------------------|------------------------|
| 2028 | 38.7M                       | 46.5M                  |
| 2029 | 41.8M                       | 47.5M                  |
| 2030 | 45.1M                       | 48.4M                  |
| 2031 | 48.4M                       | 49.4M                  |
| 2032 | <b>51.9M</b>                | 50.4M                  |
| 2033 | <b>55.4M</b>                | 51.5M                  |

- HSA funding expires at end of 2027
- Assumes continued BSK funding at current level
- Federal/state funding uncertainty continues
- PH Fund Balance at end of 2024 was \$194M; Expected to decrease to \$169M by end of 2026-2027 biennium

# Optimizing Public Health Clinic Operations

---

Ensure we are responsive to demand for services

---

Continue efforts to improve programs and visit volumes

---

Identify potential efficiencies and savings

---

Medicaid enrollment efforts

---

Prepare for impact from changes to Medicaid (e.g., work requirements, lower enrollment)

---

Respond to federal actions that threaten grant funding and to state funding reductions

---