

Walla Walla Trends Newsletter

A publication sponsored by the Port of Walla Walla

www.wallawallatrends.com
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Trend News

Online tools available to help measure accountability and performance

Government Management Accountability and Performance (GMAP) is a toolset used by Washington State agencies to help measure and improve their performance. GMAP also helps state agencies be accountable to citizens for the “quality, efficiency, and effectiveness of the services Washington State government provides.”

On the GMAP website, “how to” guides are published as resources for employees who are starting to use performance measurement and management principles within state agencies (click [here](#) to access the guides). One of the guides instructs users on how to create a dashboard, or scorecard, that can be used as a quick reference of summary information for leaders, managers, and other decision makers. Dashboards often serve as a reflection of current priorities. Many data elements, or measures, are collected and included in dashboards for easy reference and then ranked with a score or status. Which measures to include depends on who is using the dashboard and what they’re using it for.



Walla Walla Trends can be a helpful tool for people wanting to create their own dashboard. Users can include measures from the Trends site for use in their dashboards, using data for Walla Walla County and the Washington State benchmark.

National report available on trended health statistics



Health, United States, an annual report from the National Center for Health Statistics, was released earlier this year with 2010 data in partnership with the US Department of Health and Human Services and the Centers for Disease Control & Prevention (CDC). The report publishes trends in health statistics to provide an overall updated picture of the health of the nation, and includes 148 detailed trend tables and 41 charts. Some of the general categories with trended data include life expectancy and mortality, morbidity and risk factors, and healthcare utilization. A special feature on death and dying includes additional charts and information on the topic.

The *Health, United States* page on the CDC’s website also includes the charts as PowerPoint slides and the trend tables in Excel format so interested parties may easily include this information in presentations and reports. To see the report, and all supplemental information, point your browser to <http://www.cdc.gov/nchs/hus.htm>.

Community Council selects 2011-2012 study topic

Community Council has selected its fourth citizen-driven community study: effective communication between citizens and government. According to Community Council, the focus will be to explore how effective communication and cooperation between government entities and citizens can help to ensure that regional and community challenges are understood and addressed. Study committee meetings will begin this fall, and the committee’s recommendations for

action on this issue will be followed by a two-year effort to implement the recommendations.

Community Council for the greater Walla Walla region was established to be a neutral convener around issues that the public has identified as important to the community as a whole. A grassroots organization that serves Walla Walla County, Columbia County, and the northeast corner of Umatilla County (inclusive of Milton-Freewater), Community Council takes citizen-driven suggestions and completes studies with recommendations for creating change. Other study topics have included enhancing educational attainment, value-added agriculture, and reducing gang membership through prevention.



For more information, including the findings and actions of the Community Council's recent studies, visit <http://www.wcommunitycouncil.org>.

Featured Trends

Local labor force rate increases, surpasses the state

More people in Walla Walla over age 16 are employed or actively seeking employment than recent years according to recent data. The gap that had widened between the county's rate and the state's in the middle part of the last decade has reversed, and the county is now slightly ahead of the state for this measure. An important indicator of the workforce capacity of the local economy, total civilian labor force size and participation rate is explored further in Trend 2.6.

The rate is measured as the ratio of the total labor force divided by the total population over age 16. Average annual labor force data come from the Labor Market and Economic Analysis Branch of the Washington State Employment Security Department, and are calculated using current and historical data from various

population surveys and employment/unemployment statistics. Population data come from the Washington State Office of Financial Management. *Note: Walla Walla State Penitentiary's inmate population is not included in this calculation.*

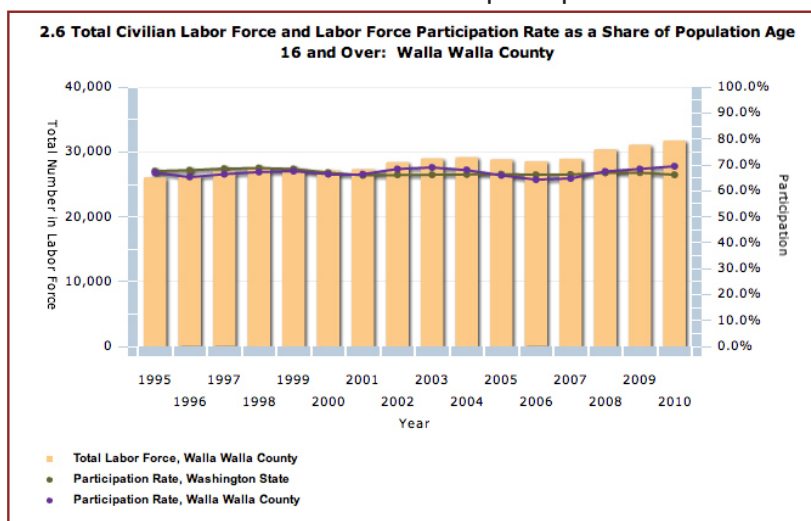
In 2010, Walla Walla County's average total labor force stood at 31,750. This represents an increase of 22% since 1995 when the total was 26,050. As for the state, their total average annual labor force stood at just over 3.5 million people in 2010, which was an increase of 26% since 1995. Much of this growth is likely attributed to increased population growth (profiled in Trend 1.1).

The labor force participation rate in the county was 69.5% in 2010, meaning 69.5% of the total population over age 16 were either employed or looking for work. This represents a 4% overall increase from 1995 when the participation rate stood at 67.0%. In comparison,

the state's labor force participation rate was 66.2% in 2010, or a 2% decrease from the 1995 rate of 67.2%. Walla Walla's rate has been higher than the state's since 2008, but has shown variation over the life of the series.

"The trend is interesting, showing the positive overall difference between the county and the state as

a whole in terms of economic impact," says Arum Kone, Walla Walla County's regional labor economist with the Washington State Employment Security Department. The increase in the labor force participation rate partially demonstrates that Walla Walla doesn't respond to the



recession in the same way as other areas. “It certainly indicates that there’s been a steady development and diversification in Walla Walla’s economy over time and this is reflected in terms of higher levels of participation.” While participation rates are currently stronger than the state’s, and job growth has slightly outpaced population growth, Kone adds that Walla Walla lags in income growth compared to the state.

If Walla Walla County’s trends behave like the national trends, 2008 US Bureau of Labor Statistics data show that older individuals, particularly those over the age of 55, are working longer into their lives than they had prior to 1988.

Additionally, slightly more women over the age of 55 joined the labor force between 1988 and 2008 than men. Conversely, the participation rate of those under age 24 has declined since 1988.

Recent research suggests that higher numbers of older Americans may be staying in the workforce longer,

or re-entering the workforce after retirement, due to the recent economic recession. Losses in retirement plans may be forcing some to defer retirement while for others job loss may prompt early retirement and a reliance on early, reduced Social Security benefits when job prospects are bleak. While national trends indeed show more older Americans in the workforce than earlier years, it’s hard to determine whether or not this may actually be a result of the recession without more recent national data. Walla Walla’s population of residents over age 65 has consistently been higher than the state’s.

Walla Walla County share of cancer deaths lower than the state

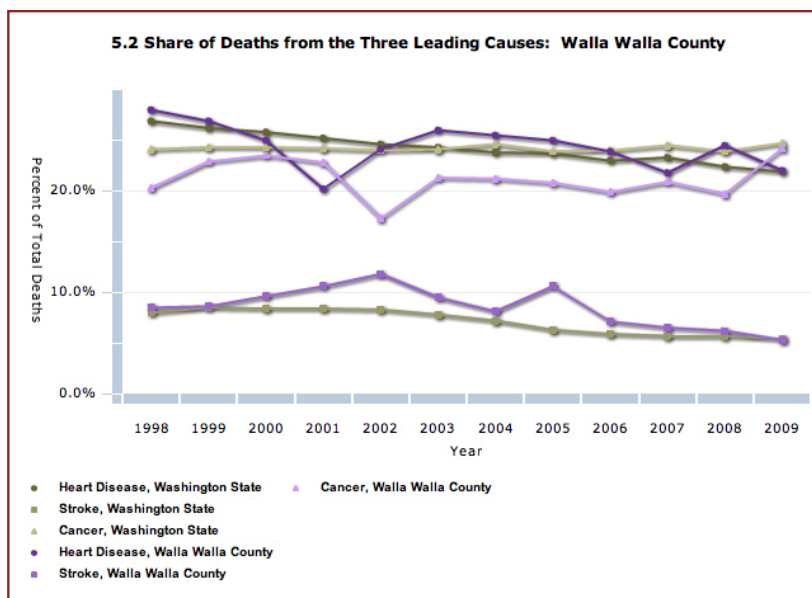
Chronic conditions make up the three leading causes of death locally, statewide, and nationally: heart disease, cancer, and stroke. Chances are, most people know someone personally who has been affected by one of these. Locally, though still one of the leading causes of death, cancer deaths make up a smaller share of overall deaths in the county than the state. Trend 5.2 expands

on this measure.

This trend measures the top three leading causes of deaths of people of any age in Walla Walla County as a share of total deaths. This measure comes from the Washington State Department of Health’s Center for Health Statistics. Their Death Certificate System maintains information about each death that occurs in the state. Cause of death information is usually provided by a certifying physician, medical examiner, or coroner. Data for the State of Washington is offered as a benchmark.

By and large, with the exception of 2001 and 2009, heart

disease has been the number one leading cause of death in the county since 1998. Cancer is typically a close second, and stroke ranks third. In 2009, cancer caused the majority, or 24.2%, of deaths in the county. This trend has seen some variance over the years, but 2009’s share is 19% higher overall than 1998’s share. Heart disease caused 22.0% of deaths in 2009 – an overall 21% decrease since 1998.



Finally, stroke caused 5.3% of deaths in 2009 – a 38% overall decrease since 1998.

Some differences are apparent when comparing Walla Walla County with the state. First, the county’s share of deaths caused by cancer has been consistently much lower than the state’s rates. Over the life of the series, the state’s share has ranged from 23.9% to 24.7%, while the county’s has ranged from 17.3% to 24.2%. Additionally, cancer has been the leading cause of death in the state since 2004, as the gap between heart disease and cancer grows larger (this same trend is not observed at the county level). Further, stroke deaths have traditionally experienced a higher share of deaths in the county than the state.

Why are there differences in mortality for cancer and stroke between the county and the state? “Cancer is such a wide topic that it’s really impossible to answer,” says Dr. Harvey Crowder, Administrator of the Walla Walla County Health Department. “There are some factors that contribute to our lower cancer death rates, the primary one is the low rate of adult smoking. With low smoking

rates, our rates of lung cancer are lower than the state's average but that's only one of the contributors to the occurrence of cancers in people."

The reason behind the difference in rates for stroke is equally difficult to answer. "It is complemented by the high rate of heart disease and our population has slightly more individuals over 65 years of age; however, our age-adjusted rate for cerebrovascular disease is actually lower than the state rate, making determinations of cause even more difficult," adds Crowder.

The leading causes of death change dependent on age of the decedent. External causes, such as accidents, homicide, and suicide, are the leading causes of death in people under the age of 25. In older populations, chronic conditions cause more deaths than external causes alone. The numbers presented here are representative of all ages.

Leading causes of death is important to track in order to assist in the monitoring of chronic disease trends. Information about causes of death, injuries, occupation, and age can be used by public health officials to help extend the lives of residents and better understand disease patterns within the community.

Charity care & bad debt as a share of adjusted revenue at Walla Walla hospitals increases

State law requires that no one in Washington State may be denied access to emergency care based upon inability to pay. Accordingly, many hospitals across the state provide charity care to those patients that are unable to afford services, and many hospitals accrue and write off bad debt from patients who haven't paid for their care. The sum of charity care and bad debt totals uncompensated care, a significant problem for hospitals, particularly as the number of uninsured rises and reimbursements from third-party payers decline. While Walla Walla County's charity care and bad debt share of adjusted revenue had been less than the state's since at least 1995, it has recently risen. Trend 5.20 looks

further at charity care and bad debt at local and state hospitals.

Just over 10.4% of adjusted revenues from Walla Walla County hospitals went towards charity care and bad debt in 2010 – the first time this share has been equal to or greater than Washington State's average share since at least before 1995. While both regions have followed the same trend over the length of the series, the gap between the state and the county had been widening since 1998 until recently. Both have shown overall increases in their shares since the 1995 levels (the county's share has increased by 93%, the state's by 49%), and both experienced increases between 2009 and 2010.

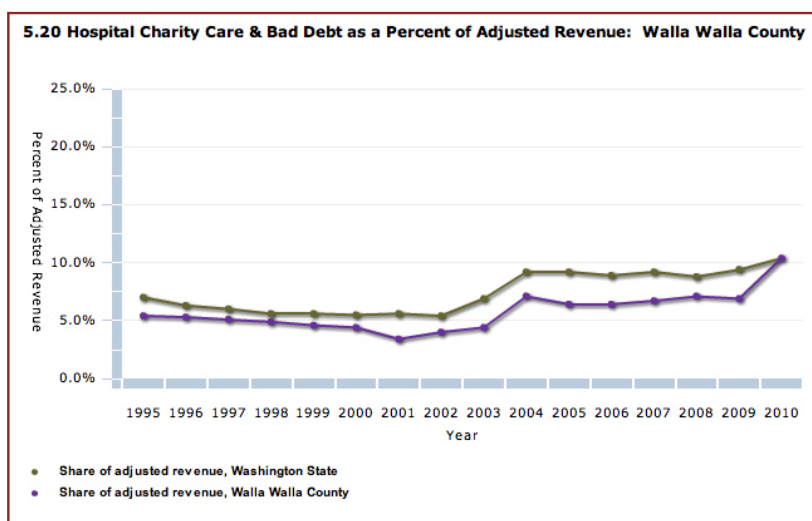
The calculations for this series are somewhat complicated. The Washington State Department of Health excludes Medicare and Medicaid payments from the revenue base (and denominator of this indicator), since both programs do not allow for any consideration of charity care in their prospective payment levels. Therefore, the adjusted revenue used here is equal to total revenue less Medicare and Medicaid revenue, allowing this indicator to only measure charity care and bad debt as a percentage of privately sponsored patient revenue. State-owned psychiatric hospitals, federal Veterans Affairs hospitals, and federal military hospitals are excluded from this series.

According to Washington State law (RCW 70.170), charity care refers to "necessary hospital health care rendered to indigent persons, to the extent that the persons are unable to pay for the care or to pay deductibles or co-insurance amounts required by a third-party payer, as determined by the department." Bad debt refers to fees associated with services rendered to patients whose care hasn't been classified as "charity care," but do not pay

for the services they received. In 2010, charity care made up 7% of Walla Walla hospitals' adjusted revenue; bad debt, 3.5%.

Historically, Walla Walla County's lower charity care and bad debt as a share of total adjusted revenue relative to the state may have been attributed to the county's diversified

economy. "[Walla Walla has] a diverse economy not subject to economic downturns as much as statewide,"



reports Duane Meidinger, Chief Financial Officer of Walla Walla General Hospital. Additionally, local employee benefits may have contributed to the lower shares. “Large employers in our area have had strong employee health plans.”

Recent changes to employee health plans may have also contributed to the large increase between 2009 and 2010, as many plans increased deductibles (some to very high amounts). “The deductibles many times become charity care,” adds Meidinger. “I can’t speak for the statewide numbers, but since we are very dependent on these employee health plans, that would explain the relative growth.” Meidinger also adds that welfare reform regarding eligibility for DSHS may have also contributed.

The recent increases to charity care and bad debt can mean harder times for the financial health of local hospital systems. “Financial solvency of the health care delivery system is threatened by this change from insurance coverage to charity care/bad debt. Availability of funding to keep the latest technology and services will be threatened,” adds Meidinger.

Total charity care, bad debt, and adjusted revenue totals are offered for each hospital in the county under the “Download Data” tab on the Trends site.

Slight increase in local homeowners paying 30%+ of income on housing

Affordable housing is consistently a hot topic, especially during this economic downturn. Particularly for low income families, the lack of affordable housing can be a significant problem. At least since the early 1980s, federal housing authorities have suggested that 30% of a household’s income is the threshold under which housing is considered “affordable.” Trend 6.5 on the Trends site gives an overview of the homeowners in the county, state, and nation that are crossing that threshold.

This trend measures the estimated share of all homeowners residing in Walla Walla County who are paying 30% or more of their household income on housing costs. Data for this trend

come from the American Community Survey administered annually by the US Census Bureau. Three years of survey information are grouped together to arrive at statistically valid results. As this information comes from a survey, the data presented here are estimates. Washington State and the US are offered as benchmarks.

For the period 2007-2009, an estimated 26.9% of Walla Walla County homeowners paid 30% or more of their household income on housing costs. This represents an 8% increase from the 2005-2007 share of 24.9%. Shares were higher at the state level, reaching 33.7% in 2007-2009, or a 5% increase from 2005-2007. National shares fell in between the county and the state at 30.6%.

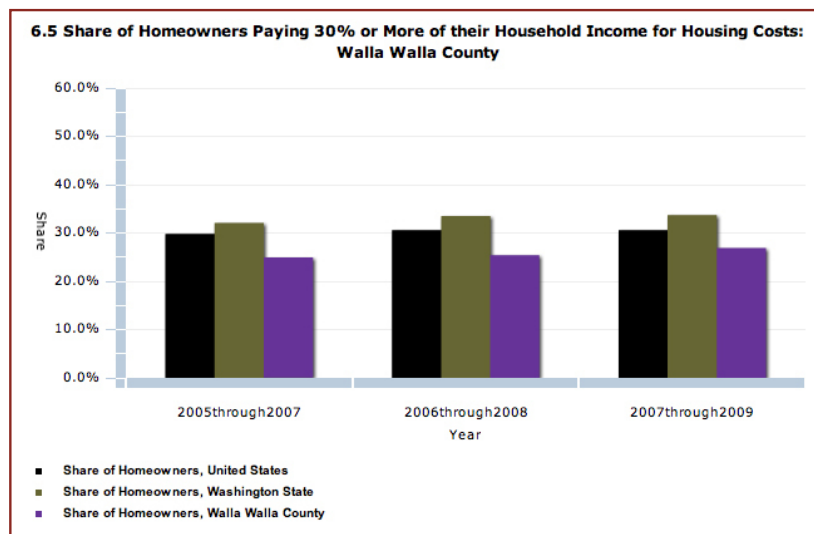
Walla Walla County’s share of homeowners falling above the 30%-of-household-income threshold has been lower than both the national and state benchmarks throughout the length of the series. While there may be several factors that contribute to this, Steven Moss, CEO of Blue Mountain Action Council offered his theory. “We have a higher percent of people 62 and older that live in the Walla Walla area compared to many communities our size and compared to the state average. Until recently, the population of Walla Walla had been slow growing and it’s multi-generational. I think there might be a higher percentage of people who own their own homes who may have purchased or inherited many, many years ago when housing costs as a portion of income was much less of an obligation.”

The 30%-of-income standard says that non-housing needs, such as costs for basic necessities and other non-housing-related monthly bills, can be met with 70% of a household’s annual income. It also suggests that when housing costs are at or less than 30% of a

household’s income, the household’s ability to save for future needs or emergencies becomes easier. The larger housing expenses are, the more difficulty families have paying for basic necessities and saving for the future. The risk of foreclosure also becomes higher.

Moss also conjectures that Walla Walla County’s stability

may add, in part, to a higher percentage of homeowners that fall under the 30%-of-household-income threshold,



as there may be a high percentage of people that don't move frequently and own their homes for some time. "We [Blue Mountain Action Council] deal with quite a few low income seniors whose day to day housing costs are not great but they have no money to do anything if a repair is needed."

Recent studies have suggested that the traditional standard of spending 30% of some households' income on housing costs may in fact be too much. Particularly for lower to middle income families, these studies suggest 15% of income devoted to housing may be more reasonable, as that would leave 85% to cover non-housing needs – significantly less than the index's assumptions. This may indicate that the affordability index doesn't work for lower income families, but for

now it is the best standard measure available.

While there aren't many, if any, local programs in Walla Walla County to help low-income homeowners with housing costs, there are programs to assist with weatherization or refurbishing homes if homeowners qualify (through Blue Mountain Action Council). Additionally, several local banks offer classes such as first time homebuyers and asset management classes to help explain general issues around the financial aspect of homeownership and renting.

News from the Port

Work Space for Creative Minds

While the Port is often associated with assisting the largest employers in the Walla Walla Valley, what is often overlooked are our efforts to help small businesses succeed. The best examples of our small business outreach are our investments at the Walla Walla Regional Airport. The Airport Business Park is home to some 50 small businesses operating out of buildings and shops left over from the World War II Army airbase days. The Port, along with our tenants, has rehabilitated these buildings during the past 20 years into cost effective production spaces.

The Port recently announced a new initiative to rehabilitate a small cluster of storage buildings the Port owns adjacent to the Cliffstar juice processing plant on Dell Avenue. The buildings are remnants from the days Birds Eye and D&K Foods used the buildings for parts storage. Each building contains 1,000 square feet and is being rehabilitated to provide cost effective workshop space for the artist community. The concept came from Craig Keister, a downtown Walla Walla merchant who owns Mandrakes II.

The Port plans on having the buildings rehabilitated by the end of the summer. One building has already been leased to a small business that makes fishing lures.

The Port Commission believes assisting small businesses in the Walla Walla Valley is a sound economic development strategy. Our ongoing investments at the airport business park and now the Dell Avenue small shop buildings are investments that will create new jobs by providing our small businesses with cost effective work space.

Port of Walla Walla Commission

Mike Fredrickson
Paul Schneidmiller
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