



# INSPECTION FREQUENCY STANDARD (IFS): A New Risk-Based Model for Inspecting Food Establishments

City of Austin Health & Human Services Committee

City Hall

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Don Hastings, Assistant Director  
Environmental Health Services Division



# Inspection Frequency Standard (IFS)

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- Currently, each fixed food establishment in Austin is programmed for ***two (2) food safety inspections per year.***
  - *Drawback:* all food establishments are inspected at the same frequency (2/YR) regardless of degree of complexity or level of food safety risk posed
- Approx. 12 years ago, the U.S. Food & Drug Administration launched a new standard for food safety inspections: the Inspection Frequency Standard (IFS)

# Inspection Frequency Standard (IFS)

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- IFS is a risk-based approach based on the U.S. Food & Drug Administration and Centers for Disease Control guidelines that classifies all fixed food establishments as Higher Risk, Medium Risk and Lower Risk based on:
  - The *complexity/ risk* of an establishment's food preparation processes
  - The establishment's use of *control measures* to reduce the risk of foodborne illness: e.g., temperature logs, Certified Food Manager present at all times, etc.

# Inspection Frequency Standard (IFS)

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- **Higher Risk Food Establishments (Tier 1):**
  - Use complex processes: cooling/ re-service; cooking/ re-heating
  - *Example:* A full service restaurant with table service
- **Medium Risk Food Establishments (Tier 2):**
  - Cook some food, but for same-day service
  - *Example:* A pizza parlor, McDonalds, etc.
- **Lower Risk Food Establishments (Tier 3):**
  - Serve pre-packaged foods; Do not cook or re-heat
  - *Example:* Convenience store selling only pre-packaged sandwiches

# An Incentive-Based Approach to Risk-Based Inspections

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- **Higher Risk** Estab's (Tier 3) are typically inspected 3 times per year
  - A consistently high scoring Tier 3 would require *only* 2 routine inspect's/yr
    - Past 24-month period has an average inspection score of 90 or above
- **Medium Risk** Estab's (Tier 2) are typically inspected 2 times per year
  - A consistently high scoring Tier 2 estab would require *only* 1 inspect/yr
    - Past 24-month period has an average inspection score of 90 or above
  - A consistently low scoring Tier 2 estab would require 3 inspect's/year
    - Past 24-month period has an average inspection score below 80
- **Lower Risk** Estab's (Tier 1) are typically inspected 1 time per year
  - A consistently low scoring Tier 1 estab would require 2 inspect's/year
    - Past 24-month period has an average inspection score below 80

# Current Fee Schedule (2 x YR)

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<u># of Employees</u>	<u># Estab.</u>	<u>Permit Fee</u>
• 1-9	2750	\$475
• 10-25	1500	\$540
• 26-50	650	\$605
• 51-100	250	\$670
• Over 100	95	\$734

# Proposed IFS Fee Schedule (1-3 x YR)

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## 9 Total Categories of Establishments by Risk + Size

- 3 Risk Categories:
  - **3** (higher risk)
  - **2** (medium risk)
  - **1** (lower risk)
- 3 Size Sub-Categories:
  - **A** (100+ emp's Local, State or Nt'l market)
  - **B** (10 to 100 emp's, Local or State in market)
  - **C** (Fewer than 10 employees, Local in market)

# Proposed IFS Fee Schedule (1-3 x YR)

<u>IFS Risk Category by Size of Estab.</u>	<u># Estab.</u>	<u>New Fee</u>		<u>Current Fee</u>
• Higher Risk – Larger Size Estab. 3A	588	\$937	↑↑	\$734
• Higher Risk – Medium Size Estab. 3B	1121	\$740	↑↑	\$540-670
• Higher Risk – Smaller Size Estab. 3C	371	\$567	↑	\$475
• Medium Risk – Larger Size Estab. 2A	296	\$597	↓	\$734
• Medium Risk – Medium Size Estab. 2B	877	\$521	↓↓	\$540-670
• Medium Risk – Smaller Size Estab. 2C	552	\$445	↓	\$475
• Lower Risk – Larger Size Estab. 1A	228	\$301	↓↓↓	\$734
• Lower Risk – Medium Size Estab. 1B	474	\$263	↓↓↓	\$540-670
• Lower Risk – Smaller Size Estab. 1C	609	\$225	↓↓↓	\$475



# Proposed IFS Fee Schedule (1-3 x YR)

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- ***IFS Methodology:***

- Proposed permit fees above are based on **100%** cost of service, except for Categories **3C and 3B**, which are based on **80% and 90%** cost of service, respectively, in order to reduce the fee impact on smaller, often locally-owned restaurants and food businesses

*\*Cost of Service factors are based on the personnel cost of performing inspections, plus applicable administrative and overhead-related costs*

# Proposed IFS Fee Schedule (1-3 x YR)

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- **Revenue Projections:** Current Approach vs. IFS Approach
  - Current Approach (2 X Year): **\$2,746,730**
  - Proposed IFS Approach: **\$2,857,842**
  - Delta: IFS will generate approx. **\$111,112** in ***additional*** revenues

# Proposed IFS Fee Schedule (1-3 x YR)

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- Due to the larger size of the higher-risk Tier 3 category, adoption of IFS will increase the total number of required inspections by approx. 635, which will be absorbed by existing staff resources through efficiency measures.
- The projected \$111,112 increase in revenue is sufficient to fund the purchase of 3 additional fleet vehicles to replace the ongoing use of unofficial, un-decaled personal vehicles in the field

# Proposed IFS Fee Schedule (1-3 x YR)

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- ***Stakeholder Input:*** The Greater Austin Restaurant Association (GARA) is the local chapter of the Texas Restaurant Association. GARA represents food establishments in Austin and Travis County, and is Austin Public Health's primary stakeholder regarding food-related permit fees & regulations.
- On April 11, staff met with representatives of GARA (including the current and past Presidents) to discuss this IFS proposal. Staff did incorporate a key GARA recommendation (incentives for high-scoring establishments; disincentives for low scorers). *GARA has expressed their support of this initiative.*



PREVENT. PROMOTE. PROTECT.

## *POLICY PROPOSAL:*

# Exempt Social Service Sub-Contractors

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# Policy Proposal: Exempt Social Service Sub-Contractors

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- Currently, Chapter 10-3-64 of the Public Health Service and Sanitation Code exempts City of Austin social service contractors from paying food establishment permit fees
- However, *subcontractors* of such social service providers would benefit from food permit fee exemptions as well.
  - E.g., the approx. 50 child care providers in Austin that are high quality-rated; accept subsidies; and are associated with social service grantees such as Workforce Solutions
- This proposal has received initial legal review; final form of this amendment is pending Law approval:

# Policy Proposal: Exempt Social Service Sub-Contractors

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§ 10-3-64 - PERMIT FEES.

- (A) An applicant shall pay the permit fee established by separate ordinance, except that a permit fee is not required for a food enterprise that is:
  - (1) necessary to provide services under a contract or sub-contract for social services with the City; or
  - (2) operated by a public school system.
- (B) If a permit application is not approved, the health authority may refund the permit fee to the applicant.

*Source: Ord. 20051201-013.*

# Questions

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- For Follow-up & Engagement

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