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MINUTES

HEALTH COMMISSION FINANCE AND PLANNING COMMITTEE MEETING

Tuesday November 1, 2022 2:00 p.m.

Remote Meeting via Webex Event

1) CALL TO ORDER

Present: Commissioner Cecilia Chung, Chair
Commissioner Edward Chow, MD, Member
Commissioner Tessie Guillermo, Member (*Not on camera due to health issue so did not vote.*)

The meeting was called to order at 2:02pm.

2) APPROVAL OF THE MINUTES OF THE HEALTH COMMISSION FINANCE AND PLANNING COMMITTEE MEETING OF OCTOBER 4, 2022

Action Taken: The Committee unanimously approved the October 4, 2022 minutes.

3) MONTHLY CONTRACTS REPORT

Dean Goodwin, SFDPH Business Office, presented the item.

Commissioner Comments:

Regarding the Health Management Associates contract, Commissioner Chow asked if there will be an additional contract modification since this contractor will be working with LHH through the recertification process. Mr. Sangha stated that the CMS Phase 3 regulations went into effect on October 24th, which added significant hours to the work to be done by this contractor to help develop and implement LHH policies and procedures. He noted that there will likely be additional contract modification requests in the future.

Commissioner Chung stated that she looks forward to future discussions regarding the sustainability of this important work.

Regarding the UCSF Citywide contract, Commissioner Chow asked if the units of services are capitated in this contract. Elyes Miller, AOA System of Care, stated that the contractor specifies a specific number of clients to see each year.

Commissioner Chung stated that she is familiar with this program and supportive of its impactful and important services.

Regarding the Felton Institute contract, Commissioner Chow noted that the contractor seems to have performance and reporting issues. Robin Candler, DPH Acting Director, Street Based and Justice Involved Behavioral Health Services, stated that this is a reporting problem related to moving programs to costs reimbursement with no place for units of service to be reported. She noted that the DPH is working with the contractor regularly regarding its client outcomes. She noted that the DPH has confidence that the contractor is implementing effective work. Commissioner Chow noted that appropriate documentation is a very important part of the contractor's work.

Commissioner Chung noted that the client satisfaction component, which is very important, has not been completed.

Commissioner Guillermo asked if client satisfaction measurement is a standard requirement of DPH contractors. Michelle Ruggels, Director of the DPH Business Office, stated that this is not standard across all contracts. However, any Behavioral Health contracts have this component as a stated standard.

Commissioner Guillermo requested samples of this vendors' client satisfaction surveys. The Committee requested that the DPH present an update on this contractor in 6 months to monitor its performance.

4) **REVISIONS TO THE "SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION" TEMPLATE**

Michelle Ruggels, Director, DPH Business Office, presented the item..

Commissioner Comments:

Commissioner Chung asked if there is a cap on DPH contractor expenses. Ms. Ruggels stated that the cap is 15%. She noted that many contractors feel this amount is too low. She added that the cap is consistent with other city departments.

Commissioner Chung suggested that the term "Fiscally Sponsored Project" be added to the form since the term "Program Administration," is such a general term.

Commissioner Guillermo asked where on the new contract form is information on performance. Ms. Ruggels stated that a vendor will likely not have a DPH monitoring if it is a new contract request.

Commissioner Guillermo stated that she is looking for specific monitoring objectives to ensure that DPH monitorings will take place before future modification requests will be approved. She noted that it is common for the DPH to present a new contract request for a vendor that has other DPH contracts; the Commission needs to understand performance of a vendor's other contracts before approving a new contract request.

Commissioner Chow noted that the form seems to only be for non-profits and noted that there are for-profit vendors that contract with the DPH.

Commissioner Chow stated that the section on the purpose of the contract is excellent. He asked how start-up costs and processes would be handled. Ms. Ruggels stated that this is included in the operational support item, which indicates that the first-year budget would look different than future year budgets of the contract.

The Committee requested a follow-up discussion on this item in 4-5 months.

Action Taken: The Committee recommended the full Health Commission approve the Report.

- 4) **REQUEST FOR APPROVAL OF A NEW CONTRACT WITH SPECIAL SERVICE FOR GROUPS - OTTP TO PROVIDE BEHAVIORAL HEALTH SERVICES TO THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SFUSD), AND PRIMARILY TO SUPPORT THEIR SUCCESS OPPORTUNITY ACHIEVEMENT & RESILIENCY (SOAR) CLASSROOMS, USING EVIDENCE-BASED PRACTICES THAT INCLUDE TRAUMA-INFORMED CARE AND FAMILY ENGAGEMENT**

Alison Lustbader, Community Behavioral Health Services, presented the item.

Commissioner Comments:

Commissioner Chow asked if clients were moved to the new vendor in July. Ms. Lustbader stated that all clients were transitioned in July.

Commissioner Chung asked if therapists also transitioned from the old to new vendor. Ms. Lustbader stated that most of the existing staff were transitioned to the new vendor.

Action Taken: The Committee recommended the full Health Commission approve the contract.

- 5) **REQUEST FOR APPROVAL OF A NEW CONTRACT WITH HELUNA HEALTH TO PROVIDE PROGRAMMATIC ADMINISTRATIVE AND SUPPORT SERVICES TO SISTER WEB. SISTER WEB WILL PROVIDE EQUITY BASED COMMUNITY DOULA SERVICES WHICH ARE DESIGNED TO PROVIDE FOR NEW AND INNOVATIVE APPROACHES TO DOULA SUPPORTIVE HEALTH CARE, WITH TIMELY AND ACCESSIBLE SCREENINGS TO PRE-NATAL AND POST-NATAL CLIENTS AS WELL AS TO PROVIDE FOR STRATEGIES THAT SECURE CULTURALLY APPROPRIATE MENTAL HEALTH.**

Aline Armstrong, Maternal, Child, and Adolescent Health, presented the item.

Commissioner Comments:

Commissioner Chow asked if the contract will provide services to 90 individuals. Ms. Armstrong stated that 90 Black African American pregnant people will receive doula services; a total of 300 pregnant people will also receive supportive services.

Commissioner Chow asked for more information regarding the cost per doula per birth. Marna Armstead, Executive Director, stated that patient care lasts for 6 months, from assigning a doula to a client to the last post-partum visit. Clients generally receive 7 visits plus labor and delivery. Additional services include case management, connecting patients to other community resources.

Action Taken: The Committee recommended the full Health Commission approve the contract.

- 7) **FOR DISCUSSION: BAKER PLACES/POSITIVE RESOURCE CENTER UPDATE**

Greg Wagner, DPH Chief Operating Officer, presented the item.

Commissioner Comments:

Commissioner Chung noted that she is a former employee of Baker Places and is sad with the status of the organization and DPH contracts. She asked what will happen to properties owned by Baker Places. Mr. Wagner stated that it is not clear yet what will happen to the properties; the DPH is working with the Controller's Office and the Mayor's Office of Housing and Community Development (MOHCD) on this issue. He noted that the city may be interested in purchasing the building in which the Joe Ruffin program is housed, since it may continue administering the program.

Commissioner Chow noted concern that Baker Places has been a part of the DPH service system for many years. He asked if the four programs that the organization plans to give up are going to close. Mr. Wagner stated that it is unclear what the outcome will be but noted that the organization will surely be smaller. He added that the DPH is meeting daily with the organization to monitor its fiscal systems.

Commissioner Chung noted that the organization receives funding from other entities too.

Commissioner Guillermo asked if the DPH is working with the organization's other funders. Mr. Wagner stated that MOHCD has several contracts with the organization. There are also foundation and private donors.

Mr. Wagner noted that there is a possibility that the DPH will have to either modify existing contracts with the organization or enter into contracts with different vendors as decisions regarding the agency's programs are made.

Commissioner Chow stated that the organization has been given \$11M by the city for this transition period. Mr. Wagner stated that the organization had outstanding debt from Medi-Cal settlements that required repayments. He noted that the city deferred their repayment of the advance funds given to them at the beginning of the year. The city made another advanced payment this fiscal year.

Commissioner Chow asked if the situation has provided lessons to the DPH regarding improving monitoring of contractors so the process can be more proactive. Mr. Wagner stated that the DPH is looking at what it should have done earlier in regard to monitoring and providing assistance. The Controller's Office has convened a process with multiple departments to look at city policies in regard to whether current city cost of living policies and contract indirect rates are appropriate and fair with the current rate of inflation. He noted that during the early years of the COVID-19 pandemic monitoring processes were shifted and delayed for some providers; others were switched to cost reimbursement models, which hid the fiscal issues of this organization. He noted that what happened with this organization was unusual in that that tracking of contract deliverables did not uncover the agency's debt and cashflow issues. In retrospect, the fact that the agency had not produced a financial statement was a red flag.

Commissioner Chow asked if the Controller's Office has conducted a full audit. Mr. Wagner stated that the Controller's Office has provided consultant to do a financial stability plan. He noted that the city cannot legally produce a non-profit's financial statement.

Commissioner Guillermo noted that the debt issues and not having a board familiar with financial oversight added to the complex situation. She added that there has to be a whole ecosystem to oversee and monitor these complex situations. She appreciates the work currently being done by the city.

8) EMERGING ISSUES

Commissioner Chung reiterated her request to have a presentation and discussion on DPH contractors that are "Too big to fail."

9) PUBLIC COMMENT

There was no public comment.

10) ADJOURNMENT

The meeting was adjourned at 3:51pm.