

DEPARTMENT OF PUBLIC HEALTH FY 2023-25 BUDGET

February 7, 2023

FY 2023-25 Budget Development

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January 17th

- Budget Overview
- Five Year Outlook and Mayor's Budget Instructions
- Major Themes and Goals for two-year budget

February 7th

- Detailed proposed initiatives for FY 2023-25
- Request for Health Commission approval of proposed budget for submission

Approach for FY 2023-25 Budget

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- Leverage additional revenues to meet General Fund reduction targets
- Targeted proposals to expand programs
 - ▣ Revenue Neutral
 - ▣ Investments to Sustain Improvements at Laguna Honda
- Maintain focus on implementation of prior year initiatives

Revenue Initiatives

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REVENUES		FY 23-24	FY 24-25
		Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
A1	Baseline Revenues for the San Francisco Health Network (SFHN) and Zuckerberg San Francisco General (ZSFG)	(\$51,125,019)	(\$39,830,735)
A2	Expansion of a Fee For Service (FFS) Model at ZSFG	(\$36,668,916)	(\$36,917,326)
A3	Behavioral Health Baseline Revenues and Quality Assurance/Utilization Review	(\$14,510,928)	(\$7,681,053)
A4	Population Health Revenues	\$502,325	\$665,226
TOTAL REVENUES		(\$105,802,538)	(\$87,763,888)

COVID-19 Response Functions

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	FY 23-24	FY 24-25
	Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
B1 Integrating COVID-19 Response Functions into Ongoing Operations	\$ -	\$ -

- Continues the step down of services & costs from current year
- \$25 M already included in base budget prior year, no net increase from approved base
- Assumes core level of services to ensure continued surveillance and that health disparities are not exacerbated, with a focus on vulnerable communities
- Retains critical capacity built during COVID to respond to emerging and urgent public health threats
- Supports increase operating costs for SFHN hospitals and clinics

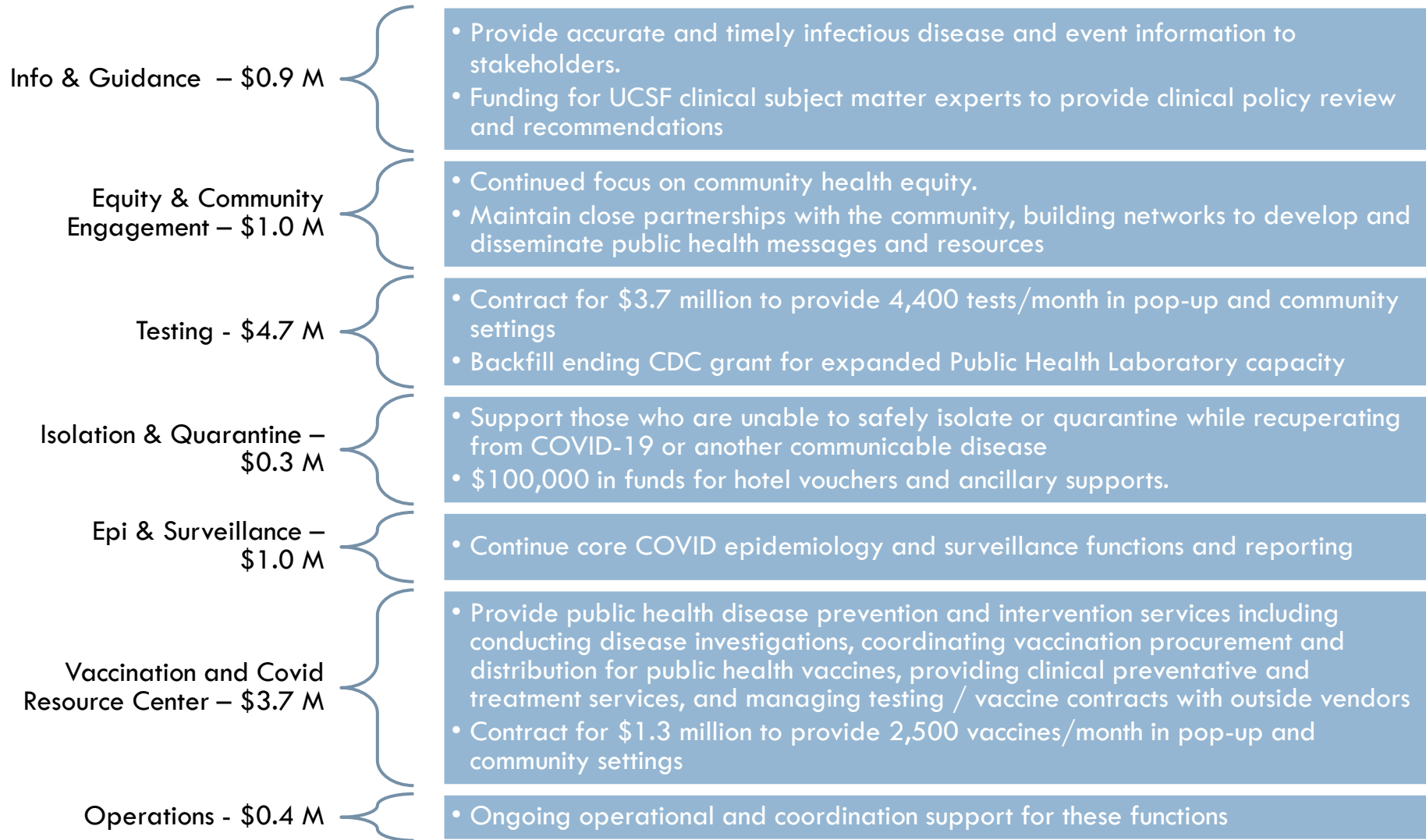
COVID-19 Response – Summary

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DPH Continued COVID-19 Response						
Program	FY 2022-23 FTE	FY 2022-23	FY 2023-24 FTE	FY 2023-24	FY 2024-25 FTE	FY 2024-25
Population Health and COVID Task Force						
Info & Guidance	5.6	800,000	3.0	900,000	3.0	900,000
Equity & Community Engagement	9.4	3,000,000	5.8	1,000,000	6.0	1,000,000
Testing	9.8	12,300,000	5.5	4,700,000	7.0	4,700,000
SIP Hotels	1.5	300,000	-	-	-	-
Epi & Surveillance	7.2	1,000,000	5.8	1,000,000	6.0	1,000,000
Isolation & Quarantine	16.6	2,900,000	1.8	300,000	2.0	300,000
Vaccination	23.4	7,500,000	7.0	3,100,000	8.0	3,100,000
Covid Resource Center	11.9	1,700,000	2.0	600,000	2.0	600,000
Operations	44.5	8,000,000	3.0	400,000	3.0	400,000
Subtotal PHD	129.9	37,500,000	33.9	12,000,000	37.0	12,000,000
San Francisco Health Network						
Ambulatory Care Response	29.4	3,900,000	15.8	2,300,000	20.0	2,300,000
ZSFG Response	63.3	11,302,090	31.3	8,900,000	32.5	8,900,000
Laguna Honda Response	15.0	4,838,431	11.0	1,800,000	11.0	1,800,000
Subtotal SFHN	107.7	20,040,521	58.1	13,000,000	63.5	13,000,000
Total	237.5	57,540,521	91.97	25,000,000	100.5	25,000,000

COVID-19 Response – PHD and Taskforce Response

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COVID-19 Response – SFHN Operations \$13 M

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Zuckerberg San
Francisco General
- \$8.9 M

- Increased staffing to
 - Maintain access, meet ratios and regulatory requirements
 - Occupational Health Clinic to support DPH staff
 - Maintain a psychiatrist in the Emergency Department for screening and testing protocols for potential Psychiatric Emergency Services (PES) patients
 - Increased capacity in the infectious disease clinic

Laguna Honda
Hospital
- \$1.8 M

- Increased staffing to
 - Support outbreak management, infection control
 - Test patients and staff
 - Address enhanced sanitation requirements

Primary Care
- \$2.3 M

- Increased staffing to
 - Support clinic access and support vaccinations in the clinics
 - Expand call center support for SFHN patients who may have symptoms, be exposed or test positive

Mental Health Services Act

	FY 23-24	FY 24-25
	Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
B2 Mental Health Services Act	\$ -	\$ -

- Based on 1% tax on personal income over \$1 million
- Due to revenue fluctuations and ability to rollover funds, counties manage spending over multiple years

Initiatives	FY 23-24	FY 24-25	Total
Support Existing Programs Including Continuation of Pilot Programs	11,542,790	11,542,790	23,085,580
Behavioral Health Positions Targeting Black/African American Clients as Clinics	550,094	684,304	1,234,398
CalAIM/Medi-Cal Billing Training and Capacity Building	584,210	450,000	1,034,210
Three-Year Telehealth Pilot Project with Human Rights Commission	5,000,000	5,000,000	10,000,000
Capital Improvements (one-time)	2,535,138	-	2,535,138
Innovation (one-time)	300,000	-	300,000
Prevention and Early Intervention (one-time)	1,500,000	-	1,500,000
MHSA Reserve (one-time)	10,000,000	-	10,000,000
Total	32,012,232	17,677,094	49,689,326

Endoscopy Services and Trauma Standards Compliance

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	FY 23-24	FY 24-25
	Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
B3 Endoscopy Services and Trauma Standards Compliance	(\$180,254)	(\$317,157)

- Adds staff to expand Gastrointestinal Endoscopy rooms
- Improves access and creates revenue
- Includes 2.0 FTE to meet regulatory standards for staffing performance improvement and injury prevention
- Approximately \$1.8 million of expenditure increase offset by revenue annually

CalAIM - Enhanced Care Management

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	FY 23-24		FY 24-25	
	Net GF Impact (Savings)/Cost		Net GF Impact (Savings)/Cost	
B4 CalAIM Enhanced Care Management Expansion	\$	-	\$	-

- Continued rollout and expansion of populations of focus
 - January 2023 - Enhanced Care Management will expand to people at risk of long-term institutionalization
 - Starting in 2024 expand justice system involved people
- 12.0 FTE will
 - Serve people exiting the hospital to set-up medical supports in the community
 - Offer intensive, community based coordination to individuals re-entering the community from incarceration
 - Serve patients moving from the street into housing by augmenting the Street Medicine team
- \$1.8 million of expenses offset by revenue

Investments at Laguna Honda

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	FY 23-24	FY 24-25
	Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
B5 Investments to Sustain Improvements at Laguna Honda Hospital	\$1,950,390	\$2,500,547

- Laguna Honda is current implementing action plan as part of recertification which includes hundreds of process improvements
- To support and sustain these efforts the budget will include:
 - 3.0 FTE – Care Experience and Grievance Team
 - 5.0 FTE – Department of Education and Training
 - 1.0 FTE – Medication Safety Officer
 - 1.0 FTE – Quality Management Analyst
 - 2.0 FTE – SFHN Leadership – Chief Nursing Officer and Care Experience
- Additional requests may be developed as recertification efforts progress

Inflationary Costs

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		FY 23-24	FY 24-25
		Net GF Impact (Savings)/Cost	Net GF Impact (Savings)/Cost
C1	University of California San Francisco (UCSF) Affiliation Agreement Costs	\$ 2,910,827	\$ 18,682,165
C2	DPH Pharmaceuticals and Materials and Supplies Inflation	\$ -	\$ 10,892,880

Balancing Summary

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DPH Budget Proposal	FY 23-24 General Fund (Savings)/ Cost	FY 24-25 General Fund (Savings)/Cost	Two-Year Total
General Fund Reduction Targets	\$ 49,701,000	\$ 79,521,000	
Less Revenue Assumed in Budget	\$ 20,341,368	\$ 35,865,700	
<i>Total Targets</i>	\$ 70,042,368	\$ 115,386,700	
Revenue	\$ (105,802,538)	\$ (83,763,888)	
Revenue Neutral / Emerging Needs	\$ 1,770,136	\$ 2,183,390	
<i>Total Proposed</i>	\$ (104,032,402)	\$ (81,580,498)	
Net (Savings)/Cost	\$ (33,990,034)	\$ 33,806,202	\$ (183,832)

Other Proposals Still in Development

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Proposition C

- Projected shortfall in revenues
- Currently sufficient one-time savings to carry programs through the two year budget, but long term plan needed to sustain \$100 M spending plan

CARE Courts

- New state program to connect clients struggling with untreated behavioral health issues with a court-ordered Care Plan
- BHS will be responsible for the clinical evaluation of clients and development of care plan for referred individuals
- Set to start October 2023

Wellness Hubs

- Drop-in setting that provides overdose prevention services and linkage to treatment, housing and benefits
- Pending program and legal implementation plan

Opioid Settlement Funds

- Settlements in the process of being finalized and City Attorney is developing guidelines
- One-time funding to be disbursed over several years. Possible uses can include
 - i. address or prevent the misuse and risks of opioid products
 - ii. treat or mitigate opioid use or related disorders, or
 - iii. mitigate other alleged effects of the opioid epidemic

Next Steps

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- February 21st: Submission to Controller and Mayor's Office
- March – May (Mayor Phase)
 - ▣ Develop additional initiatives
 - ▣ Monitor the Citywide budget and, if necessary, respond to additional instructions as necessary
- June 1: Mayor's Proposed Budget
- June – July: Board Review of Budget