

2008-2009 Program Change Request

DEPARTMENT NAME:

- |   |   |
|---|---|
| <input type="checkbox"/> San Francisco General Hospital   | <input type="checkbox"/> Public Health          |
| <input checked="" type="checkbox"/> Laguna Honda Hospital | <input type="checkbox"/> CBHS - Mental Health   |
| <input type="checkbox"/> Primary Care                     | <input type="checkbox"/> CBHS - Substance Abuse |
| <input type="checkbox"/> Jail Health                      | <input type="checkbox"/>                        |
| <input type="checkbox"/> Health At Home                   |   |

DPH SECTION: Laguna Honda Hospital

PROGRAM CONTACT NAME/PHONE: Kevin McKinney, 759-3325

PROGRAM / INITIATIVE TITLE: **LHH Materials and Supplies Structural Fix**

GENERAL FUND: **\$1,750,000**

TARGETED CLIENTS: Laguna Honda Hospital residents

**PROGRAM DESCRIPTION: (Description of Program Change)**

LHH is projected to overspend the supply budget in FY 2007-08 by \$1,750,000. In 2006-07 a supplemental of \$1,585,000 was required and surplus transfers were processed. The FY 2007-08 budget did not reflect the over expenditures.

This initiative is required to cover higher than budgeted expenditures, historical under budgeting and operational changes. Supplemental appropriations and surplus transfers have funded these increases in the past. A request to fund pharmaceutical inflation is submitted in a separate FY 2008-09 initiative.

**JUSTIFICATION: (required by the Mayor's Office)**

The \$1,750,000 covers:

Chargeable and Non Chargeable Clinical Supplies - \$766,605

Food - \$162,839

Non Chargeable Supplies – \$690,591:

- cleaning supplies for Housekeeping/Environmental Services - \$208,913,
- supplies for Plant/Facility maintenance to meet requirements of aging buildings -\$251,012
- patient personal supplies, use of new products, and linen replacement. - \$230,666

Other supplies - \$129,965

- minor furnishing and supplies to meet licensure survey requirements- \$74,404
- training materials - \$55,561

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

These costs are integral to continued hospital operations but do not directly alter service volume.

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

General Fund support requirements will increase by \$1,750,000.

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

This initiative will not change the size of the LHH workforce.

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: LHH MATERIALS AND SUPPLIES STRUCTURAL FIX**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$ -              | \$ -           |
| Subtotal Sources   | -                 | -              |
| <b>Uses:</b>   |                   |                |
| Materials and Supplies   | \$ 1,750,000      | \$ 1,750,000   |
| Subtotal Uses  | 1,750,000         | 1,750,000      |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 1,750,000      | \$ 1,750,000   |
| <b>Total FTE's</b>   | <b>0.0</b>        | <b>0.0</b>     |

**Expenditures**

Index Code Character/Subobject Code

|   |    |                  |
|---|----|------------------|
| HLH448779 Central Supply 04499 Other Hospital, Clinic, and Lab Supplies       | \$ | 766,606          |
| HLH449470 Plant Services 04299 Other Building Maintenance Supplies            |    | 251,012          |
| HLH449421 Housekeeping 04493 Cleaning Supplies                                |    | 208,913          |
| HLH449637 Materials Management 04499 Other Hospital, Clinic, and Lab Supplies |    | 191,642          |
| HLH448811 Nutrition Services 04699 Food                                       |    | 162,839          |
| HLH448662 Administration 04941 Minor Furnishings                              |    | 43,041           |
| HLH449439 Laundry and Linen 04492 Institutional Linen                         |    | 39,024           |
| HLH448787 Nursing Administration 04941 Minor Furnishings                      |    | 31,362           |
| HLH449181 Activity Therapy 04941 Minor Furnishings                            |    | 30,064           |
| HLH449199 Education and Training 04999 Other Materials and Supplies           |    | 15,614           |
| HLH448688 Management Information 04921 Data Processing Supplies               |    | 9,883            |
|   |    | -                |
| <b>TOTAL</b>  | \$ | <b>1,750,000</b> |

2008-2009 Program Change Request

DEPARTMENT NAME:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> San Francisco General Hospital | <input type="checkbox"/> Public Health          |
| <input type="checkbox"/> Laguna Honda Hospital                     | <input type="checkbox"/> CBHS - Mental Health   |
| <input type="checkbox"/> Primary Care                              | <input type="checkbox"/> CBHS - Substance Abuse |
| <input type="checkbox"/> Jail Health                               | <input type="checkbox"/>                        |
| <input type="checkbox"/> Health At Home                            |   |

DPH SECTION: SFGH Finance

PROGRAM CONTACT NAME/PHONE: Valerie Inouye / 206-3599

PROGRAM / INITIATIVE TITLE: **Structural Salary Fix SFGH**

GENERAL FUND: **\$5,021,843**

TARGETED CLIENTS: N/A

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

Increase salaries to account for higher than budgeted census and unbudgeted Temp Salaries.

**JUSTIFICATION: (required by the Mayor's Office)**

In the past three years San Francisco General Hospital has experienced unfavorable salary variances requiring supplemental appropriation. Analysis of actual salary expense versus budgeted salary appropriation indicate that the variances are partially a result of:

*Acute census is currently running 4.2% higher than budgeted.*

*Increase temporary (as needed) salaries*

JCAHO and CMS regulations require reduction in the use of physical restraints. To effectively provide patient safety for falls prevention, suicide prevention, therapeutic medical tubing, AWOL risk, etc., close observation by nursing personnel is necessary. At SFGH, supplemental staff to provide for the close observation safety needs of the patients has been provided through the use of Temp/As-Needed Certified Nursing Assistants. To date, these supplemental staff have not been included in the budget. This program change will adjust the budget to include the funding for supplemental patient safety staff. To provide coverage of 6 patient safety coaches per each 12 hours shift, the budget needs to fund 26.5 FTEs of as-needed certified nursing assistants (2302).

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

None

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

Salaries and fringe benefits will increase by \$5,021,843 the first year and thereafter.

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

Increasing by 47.40 FTEs in the first year and ongoing. (26.5 FTE's are Temp/as-needed)

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: Structural Salary Fix SFGH**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$ -              | \$ -           |
| Subtotal Sources   | -                 | -              |
| <b>Uses:</b>   |                   |                |
| Salaries and Fringe  | \$ 5,021,843      | \$ 5,021,843   |
| Subtotal Uses  | 5,021,843         | 5,021,843      |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 5,021,843      | \$ 5,021,843   |
| <b>Total FTE's</b>   | <b>47.48</b>      | <b>47.48</b>   |

**New Positions** (List positions by Class, Title and FTE)

| Class  | Title   | FTE's        |                     |
|--------|---|--------------|---------------------|
| Temp N | As-needed CNA's (2302 - Patient Safety)       | 26.50        | 1,555,762           |
| 2320   | Registered Nurse                              | 20.98        | 2,532,120           |
|        |   | <u>47.48</u> | <u>4,087,882</u>    |
|        | Fringes (32% for RN - 7.95% for all the rest) |              | 933,961             |
|        |   |              | <u>\$ 5,021,843</u> |

**Operating Expenses**

Index Code Character/Subobject Code

**Facilities Maintenance, and Equipment** (List by each items by count and amount)

2008-2009 Program Change Request

**DEPARTMENT NAME:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> San Francisco General Hospital | <input type="checkbox"/> Public Health          |
| <input type="checkbox"/> Laguna Honda Hospital                     | <input type="checkbox"/> CBHS - Mental Health   |
| <input type="checkbox"/> Primary Care                              | <input type="checkbox"/> CBHS - Substance Abuse |
| <input type="checkbox"/> Jail Health                               | <input type="checkbox"/>                        |
| <input type="checkbox"/> Health At Home                            |   |

DPH SECTION: San Francisco General Hospital  
PROGRAM CONTACT NAME/PHONE: Valerie Inouye, 206-3599  
PROGRAM / INITIATIVE TITLE: **Materials and Supplies Structural Fix**  
GENERAL FUND: **\$3,618,805**

TARGETED CLIENTS: All Clients

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

This request is to increase the materials and pharmaceutical supplies budget by \$3,618,805.

**JUSTIFICATION: (required by the Mayor's Office)**

For the fiscal year ended June 30, 2007, materials and supplies were over the budget by approximately \$5.2 million, excluding the \$3.5 million supplemental appropriation that was requested and approved. Actual expenditures increased by approximately \$2 million over the prior fiscal year. Most of the increases in costs are in the operating room. When the 9<sup>th</sup> OR was opened, it was projected that the number of cases would increase by 11.4 % and the OR's budgeted supply costs were increased by 11.4%. In fact, the number of cases increased by 11.5%, but the actual expenses increased by 27.5%. Orthopedic surgeries increased by 22.7%, and all other types of surgeries increased by 7.3%, comprising the overall increase of 11.5%. The supply cost for orthopedic surgeries is much higher than for all other surgeries.

The projected variance for FY 07-08 is approximately \$3.6 million, and is expected to remain the same in FY 08-09. (The pharmacy inflation is in another initiative.) Additional funding was received in FY 07-08 to accommodate the increase in budgeted beds; however, there is still a shortfall.

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

None

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

No impact on revenues. Expenses will increase by \$3,618,805.

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

None

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: SFGH Materials and Supplies Structural Fix**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$-               | \$-            |
| Subtotal Sources   | \$ -              | \$ -           |
| <b>Uses:</b>   |                   |                |
| Operating Expenses   | \$ 3,618,805      | \$ 3,618,805   |
| Subtotal Uses  | \$ 3,618,805      | \$ 3,618,805   |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 3,618,805      | \$ 3,618,805   |
| <b>Total FTE's</b>   | 0.00              | 0.00           |

**New Positions** (List positions by Class, Title and FTE)

| Class | Title | FTE's |
|-------|-------|-------|
|-------|-------|-------|

Fringe (35%)

**Operating Expenses**

| Index Code   | Character/Subobject Code         |              |
|--------------|----------------------------------|--------------|
| HGH1HUN40061 | 040/04000 Materials and Supplies | \$ 3,618,805 |

**Facilities Maintenance, and Equipment** (List by each items by count and amount)

2008-2009 Program Change Request

DEPARTMENT NAME:

- |   |  |
|---|--|
| <input type="checkbox"/> San Francisco General Hospital | <input type="checkbox"/> Public Health                     |
| <input type="checkbox"/> Laguna Honda Hospital          | <input type="checkbox"/> CBHS - Mental Health              |
| <input type="checkbox"/> Primary Care                   | <input checked="" type="checkbox"/> CBHS - Substance Abuse |
| <input type="checkbox"/> Jail Health                    | <input type="checkbox"/>                                   |
| <input type="checkbox"/> Health At Home                 |  |

DPH SECTION: Community Behavioral Health Services – Substance Abuse

PROGRAM CONTACT NAME/PHONE: James Stillwell, 255-3471

PROGRAM / INITIATIVE TITLE: **Annualization of 3<sup>rd</sup> Methadone Van Operating Costs**

GENERAL FUND: **\$125,000**

TARGETED CLIENTS: Adult Heroin Users

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

The City provided \$375,000 General Fund in FY2007-08 to operate a third Methadone Van effective October 1, 2007. The proposed request would annualize the operating costs for a 12 month period. The Methadone Vans are operated jointly by the University of California San Francisco and DPH Department of Psychiatry, Division of Substance Abuse and Addiction Medicine for the purpose of delivering methadone dosages to clients in neighborhood locations, as opposed to requiring the clients to come to a clinic. This increases the City's methadone maintenance licensing capacity, and improves clients' adherence to methadone maintenance therapy thereby decreasing heroin use.

**JUSTIFICATION: (required by the Mayor's Office)**

The annualization of funding will enable 150 heroin addicts to continue to receive daily dosages of methadone. Without this funding, the operating costs of the third van would not be fully covered, and the amount of time the van is operational would be reduced, thereby impacting the existing clients.

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

This will impact up to 150 heroin users.

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

This will increase in General Fund \$125,000.

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

There will be no increase to the Department's workforce.

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: Annualization of 3rd Methadone Van Operating Costs**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$ -              | \$ -           |
| Subtotal Sources   | -                 | -              |
| <b>Uses:</b>   |                   |                |
| Salaries and Fringes   | \$ -              | \$ -           |
| 027 Professional Services  | 125,000           | 125,000        |
| Subtotal Uses  | 125,000           | 125,000        |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 125,000        | \$ 125,000     |
| <b>Total FTE's</b>   | <b>0.0</b>        | <b>0.0</b>     |

**New Positions** (List positions by Class, Title and FTE)

| Class | Title         | FTE's |      |
|-------|---------------|-------|------|
|       |               |       | -    |
|       |               |       | -    |
|       |               |       | -    |
|       | Fringe (32 %) |       | -    |
|       |               |       | \$ - |

**Operating Expenses**

| Index Code   | Character/Subobject Code |      |         |
|--------------|--------------------------|------|---------|
| HMHSCCRES227 | Professional Services    | - \$ | 125,000 |

**Facilities Maintenance, and Equipment** (List by each items by count and amount)

2008-2009 Program Change Request

DEPARTMENT NAME:

- |   |  |
|---|--|
| <input type="checkbox"/> San Francisco General Hospital | <input type="checkbox"/> Public Health                 |
| <input type="checkbox"/> Laguna Honda Hospital          | <input checked="" type="checkbox"/> CBHS-Mental Health |
| <input type="checkbox"/> Primary Care                   | <input type="checkbox"/> CBHS-Substance Abuse          |
| <input type="checkbox"/> Jail Health                    | <input type="checkbox"/>                               |
| <input type="checkbox"/> Health At Home                 |  |

DPH SECTION: Community Behavioral Health Services (CBHS)-Mental Health  
PROGRAM CONTACT NAME/PHONE: **Liz Gray/ 255-3797**  
PROGRAM / INITIATIVE TITLE: **Community Programs Placement Unit Shortfall**  
GENERAL FUND: **\$3,000,000**

TARGETED CLIENTS: Clients being discharged from San Francisco General Hospital (SFGH) and Laguna Honda Hospital (LHH) requiring bed placements.

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

The Department's Community Programs Placement Unit is responsible for authorizing and referring all clients at (a) SFGH, including those in Psychiatric Emergency Services (PES), and on the psychiatric or medical units and from (b) Laguna Honda Hospital into alternative placements upon readiness for discharge. This function is critical because without it the rate of discharge would be much lower, and the reimbursement for hospital services would decline. (For example, Federal reimbursement for services declines when a client is no longer acute, and is only still in the hospital because an identified placement option is not available). As a result of the increasing need for placements, the Department is currently projecting a funding shortfall due to bed usage beyond budgeted beds in the following settings: (1) long-term-locked psychiatric beds (otherwise referred to as Institutions for Mental Disease (IMD) beds), Mental Health Rehabilitation Center (MHRC) beds and psychiatric Skilled Nursing Facility (SNF) beds, (\$5,370,963), and (2) Residential Care Facility beds, (\$2,304,152). The projected shortfalls are described in more detail below.

Long-Term Locked Psychiatric Beds

Long Term Care beds are used primarily for mentally ill clients with severe mental illness who are not stable enough to live in a community based setting. These beds are also used for clients who do not have a mental illness by strict definition, but instead have an organic disorder, such as dementia and serious medical issues, that result in behavioral issues that are better managed in locked or delayed egress settings equipped to manage behavioral problems.

The referral sources for these beds include San Francisco General Hospital's (SFGH) psychiatric and medical units, Laguna Honda Hospital (LHH), the Emergency Medical Services (EMS) High User program, and the Homeless Outreach Team. Many clients are placed following an acute inpatient episode, going directly from SFGH's psychiatric units to a locked long term care bed. A recent focus has emphasized the placement of clients who are high users of the City's services, including ambulance services, as well as clients identified by the San Francisco Homeless Outreach Team in an effort to stabilize these clients prior to placement in permanent housing and to reduce high usage of more expensive PES and inpatient services. The patch rate per bed charged to DPH ranges from \$17 per day to \$300 per day depending on the level of care provided/needed and whether medical care is included. Additionally, clients may contribute Social Security Income (SSI) or MediCal revenues on top of this

daily cost, depending on the facility's license and the client's eligibility. However, due to an ongoing increase in referrals, a deficit of \$5,370,963 is projected

Residential Care Facility (RCF) and Residential Care Facility Elderly (RCFE) Beds

Residential Care Facility (RCF) beds are located within the community, normally within a licensed private residence. These beds are considered permanent housing. Clients are provided with room and board, and in some cases additional care. Normally, clients contribute a portion of their SSI towards the cost of room and board, and the City pays an additional daily patch rate ranging from \$19 to \$160 (the majority of the beds have a \$19 patch rate). As the Department's goals are to house clients in the least restrictive level of care as possible, and preferably within a community based setting, and because these beds are one of the least expensive housing options for relatively stable clients available, the Department has tried to maximize these placements.

Without any interventions, the overall shortfall would be approximately \$7,675,115 in FY 08-09. However, the Department is implementing several measures to both reduce existing costs and to reduce anticipated growth in the higher cost long term care facilities, reducing the expected deficit in FY08-09 to \$3.0 million. Examples include (1) moving clients, where appropriate, from more expensive facilities to less expensive facilities, (2) filling the vacant Utilization Review (UR) Nurses to increase UR capacity to better assess the ongoing supplemental care needs of clients who are being provided this extra care by the facility where they have been placed (e.g., one-on-one sitters), (3) the full implementation of the community urgent care center and acute diversion unit (which would decrease the number of clients going to the SFGH Inpatient units, thereby reducing the number of clients being placed in long term care beds, and (4) the increase in housing slots which will create new and less expensive placements. Additionally, the Department has restructured its various outreach and intensive case management services to be more efficient and to reduce utilization of the highest cost users in the system. By July, 2008, DPH will have implemented a pilot identifying the highest cost system users due to mental health and substance abuse issues who will then receive wrap-around services and faster access to care. Many of these clients otherwise are placed in very expensive long term care facilities, so it is expected that these changes will reduce overall costs as well.

**JUSTIFICATION:** (required by the Mayor's Office)

While the Department believes it will be able to address a significant amount of the shortfall, there is a baseline need that must be funded. The department is unable to continue to absorb the increases. The alternative to funding the beds is to keep the clients in SFGH longer. Longer hospitalizations are more expensive. When clients are in the acute psychiatric units beyond their acute stage, for example, reimbursement drops from above \$800 for acute clients to below \$250 per day for administrative days, or to zero if the day is denied altogether) Additionally, many of the clients moved to the locked settings are high system users, e.g. ambulance users, so these clients will continue at some level to use services in high quantities, which cumulatively are much more expensive than locked bed days. Finally, if there is a lack of acute beds available at SFGH, then the private hospital usage is likely to increase, and may exceed its budget, (as has already occurred for indigent clients requiring hospitalization that can't be accommodated at SFGH). The Department has absorbed the cost by utilizing one-time funding that is no longer available.

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

Clients may not receive appropriate placements upon discharge, or discharges may be delayed.

**EXPENSE AND REVENUE IMPACT** (Reductions/Reallocations-complete supporting budget doc)

Increase General Fund expenditures by \$3,000,000 to HMHMLT730416-027

**IMPACT ON DEPARTMENT'S WORKFORCE** (increase or decrease of FTE's)

No impact

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: Community Programs Placement Shortfall**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$ -              | \$ -           |
| Subtotal Sources   | -                 | -              |
| <b>Uses:</b>   |                   |                |
| 027 Salaries and Fringes   |                   | \$ -           |
| Professional Services  | 3,000,000         | 3,000,000      |
|  | -                 | -              |
| Subtotal Uses  | 3,000,000         | 3,000,000      |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 3,000,000      | \$ 3,000,000   |
| <b>Total FTE's</b>   |                   | <b>0.00</b>    |

**New Positions** (List positions by Class, Title and FTE)

| Class | Title        | FTE's |
|-------|--------------|-------|
|       | Fringe (32%) | -     |
|       |              | -     |
|       |              | -     |
|       |              | \$ -  |

**Operating Expenses**

| Index Code | Character/Subobject Code |                |
|------------|--------------------------|----------------|
|            | HMHMLT30416- 027         | - \$ 3,000,000 |

**Facilities Maintenance, and Equipment** (List by each items by count and amount)



2008-2009 Program Change Request

DEPARTMENT NAME:

- |   |   |
|---|---|
| <input type="checkbox"/> San Francisco General Hospital | <input checked="" type="checkbox"/> Public Health |
| <input type="checkbox"/> Laguna Honda Hospital          | <input type="checkbox"/> CBHS - Mental Health     |
| <input type="checkbox"/> Primary Care                   | <input type="checkbox"/> CBHS - Substance Abuse   |
| <input type="checkbox"/> Jail Health                    | <input type="checkbox"/>                          |
| <input type="checkbox"/> Health At Home                 |   |

DPH SECTION: HUH

PROGRAM CONTACT NAME/PHONE: Marc Trotz / 554-2565

PROGRAM / INITIATIVE TITLE: **Annualization of 81 Senior Housing Units**

GENERAL FUND: **\$503,672**

TARGETED CLIENTS: Homeless and Frail Seniors

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

The Health Department and the Human Services Agency are partners with the Mayor's Office of Housing and the San Francisco Redevelopment Agency on many new projects that are in the affordable housing development "pipeline". Housing and Urban Health, on behalf of DPH, has negotiated 81 units in three new construction project targeted toward seniors. DPH's set-asides will be for homeless and frail elderly living on the streets and in shelters and those being discharged from higher levels of care, including Laguna Honda Hospital. Specifically, the set-asides are as follows: 60 units in Citizens Housing's 990 Polk Street project; 20 units in Chinese Community Development Center/Northern California Presbyterian Homes and Services' Octavia Boulevard site known as Parcel A; and 11 units in Citizens Housing's 18<sup>th</sup> and Alabama site. All three of these developments are scheduled to open in the last quarter of FY 07/08. Partial funding was included in the FY 07/08 budget to ensure services would be available to residents during rent up and initial program operation. The funding request for FY 08/09 annualizes that funding for all three projects and maintains our commitment to the capital funding partners.

**JUSTIFICATION: (required by the Mayor's Office)**

These developments are part of a long-range partnership between the City's housing capital agencies (MOH and SFRA) and the Health Department. Tens of Million of local capital dollars have been invested in the acquisition and construction of these developments. DPH's partnership is integral to the success of these three projects, which have been in the planning and development stages for five years. Additionally, the funding secures and maintains access to 81 much needed units of senior housing for the Health Department that will assist us in meeting the requirements of the Chambers settlement and our overall goal of housing people in community-based settings.

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

This request will create 81 new permanent supportive housing units for homeless and frail seniors

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

Total expenses for general fund will increase by \$503,672 in FY08/09

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

N/A

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: Annualization of 81 Senior Housing Units**

|  | <b>FY 2008-09</b> | <b>Ongoing</b> |
|--|-------------------|----------------|
| <b>Sources:</b>  | \$ -              | \$ -           |
| Subtotal Sources   | -                 | -              |
| <b>Uses:</b>   |                   |                |
| Operating Expenses   | \$ 503,672        | \$ 503,672     |
|  | -                 | -              |
| Subtotal Uses  | 503,672           | 503,672        |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | \$ 503,672        | \$ 503,672     |
| <b>Total FTE's</b>   |                   |                |

**New Positions** (List positions by Class, Title and FTE)

| Class                     | Title                    | FTE's   |            |
|---------------------------|--------------------------|---------|------------|
|                           |                          |         | 0.00       |
|                           | Fringe (32%)             |         | -          |
| Index Code                |                          |         | -          |
|                           |                          |         | \$ -       |
| <b>Operating Expenses</b> |                          |         |            |
| Index Code                | Character/Subobject Code |         |            |
| HCHSHHOUSGGF              | 021/02700                | 503,672 | \$ 503,672 |

**Facilities Maintenance, and Equipment** (List by each items by count and amount)

2008-2009 Program Change Request

**DEPARTMENT NAME:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> San Francisco General Hospital | <input type="checkbox"/> Public Health   |
| <input type="checkbox"/> Laguna Honda Hospital                     | <input type="checkbox"/> Mental Health   |
| <input type="checkbox"/> Primary Care                              | <input type="checkbox"/> Substance Abuse |
| <input type="checkbox"/> Jail Health                               | <input type="checkbox"/>                 |
| <input type="checkbox"/> Health At Home                            |  |

DPH SECTION: SFGH

PROGRAM CONTACT NAME/PHONE: Roland Pickens, 206-3528

PROGRAM / INITIATIVE TITLE: **Workers Compensation Clinic Closure**

GENERAL FUND: **(\$736,453)**

TARGETED CLIENTS: Employees of the City and County of San Francisco

**PROGRAM DESCRIPTION: (Description of Program Change)**

(If proposing reductions to Contractors, provide name of contractor, program and amount)

The Workers' Compensation Clinic at SFGH is designated by the Department of Human Resources Workers' Compensation Division as a medical provider for CCSF employees who are obtaining medical care under Workers' Compensation Insurance. The clinic provides treatment to CCSF employees who sustain work-related illness or injury. It is proposed to discontinue the Workers' Compensation Clinic as a designated treatment provider.

**JUSTIFICATION: (required by the Mayor's Office)**

The State of California sets the reimbursement fee schedule for services rendered under workers' compensation insurance. The rate of reimbursement is not sufficient to meet expenses. With the onset of Workers' Compensation Reform which went into effect January 1, 2005, it is estimated that the deficit will increase. At the inception of the program it was anticipated that the clinic would generate revenue to cover expenses and increase referrals to specialty providers and ancillary services at SFGH. Due to the structure of the designated medical specialty referral panel, required authorization and utilization review procedures this has not been the case. There are other medical providers in the City of San Francisco who would be able to provide the required medical care to CCSF employees.

**IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED**

The clinic provides medical care and case management services to approximately 10,500 CCSF employees per year who are obtaining medical care under workers' compensation insurance. The SFGH clinic is not the only medical provider designated by the CCSF Workers' Compensation Division to provide injury and illness treatment. There are other medical providers in San Francisco who would be able to assume this care. In addition, employees may pre-designate their personal health care provider to render care if they sustain a work-related illness or injury.

**EXPENSE AND REVENUE IMPACT (Reductions/Reallocations-complete supporting budget doc)**

Closure will reduce expenses by \$1,408,916 and revenue by \$672,463 with a net General Fund savings of \$736,453 in FY 08/09 and ongoing.

**IMPACT ON DEPARTMENT'S WORKFORCE (increase or decrease of FTE's)**

Reduction of 8.12 FTEs in FY 08/09. There are vacancies in the affected job classes within the DPH that could absorb the majority of displaced employees.

**ATTACHMENT B  
SUMMARY OF PROGRAM COST**

**INITIATIVE TITLE: Worker's Compensation Clinic Closure**

|  | <b>FY 2008-09</b>   | <b>Ongoing</b>      |
|--|---------------------|---------------------|
| <b>Sources:</b>  |                     |                     |
| 65307 Other Patient Revenue (Worker's Comp)                      | \$ (672,463)        | \$ (672,463)        |
| <b>Subtotal Sources</b>  | <b>\$ (672,463)</b> | <b>\$ (672,463)</b> |
| <b>Uses:</b>   |                     |                     |
| Salaries and Fringes   | \$ (730,786)        | \$ (730,786)        |
| Operating Expenses   | (678,130)           | (678,130)           |
| <b>Subtotal Uses</b>   | <b>(1,408,916)</b>  | <b>(1,408,916)</b>  |
| <b>Net General Fund Subsidy Required<br/>(Uses less Sources)</b> | <b>\$ (736,453)</b> | <b>\$ (736,453)</b> |
| <b>Total FTE's</b>   | <b>(8.12)</b>       | <b>(8.12)</b>       |

**New Positions (List positions by Class, Title and FTE)**

| <u>Class</u> | <u>Title</u>              | <u>FTE</u> |              |
|--------------|---------------------------|------------|--------------|
| 2320         | Registered Nurse          | (2.00)     | (241,863)    |
| P-103        | Per Diem Nurse            | (0.32)     | (48,884)     |
| 2312         | LVN                       | (2.00)     | (130,763)    |
| 2105         | Pt Svcs Finance Tech      | (2.80)     | (149,312)    |
| 1404         | Clerk                     | (1.00)     | (46,500)     |
| 9993N        | Attrition Savings - Nurse |            | 30,000       |
| 9993M        | Attrition Savings - Misc  |            | 33,696       |
|              |                           |            | (553,626)    |
|              | Fringes @ 32%             |            | (177,160)    |
|              |                           | (8.12)     | \$ (730,786) |

**Operating Expenses**

| <u>Index Code</u> | <u>Character/Subobject Code</u>                    |              |
|-------------------|--|--------------|
| HGH3OCL40011      | 021/02700 Professional Services                    | (996)        |
| HGH3OCL40011      | 021/02786 UCSF Contract (MAP physician & supplies) | (665,266)    |
| HGH3OCL40011      | 040/04461 Pharmaceuticals                          | 0            |
| HGH3OCL40011      | 040/04000 Medical & Other Supplies                 | (11,868)     |
|                   |  | \$ (678,130) |

**Facilities Maintenance, and Equipment (List by each items by count and amount)**

None

6.112