

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

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

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
		-
TOTAL	\$	1,750,000

2008-2009 Program Change Request

DEPARTMENT NAME:

- San Francisco General Hospital
 Laguna Honda Hospital
 Primary Care
 Jail Health
 Health At Home

- Public Health
 CBHS - Mental Health
 CBHS - Substance Abuse

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)

4.141

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: Structural Salary Fix SFGH

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

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
		<hr/>	
	Fringes (32% for RN - 7.95% for all the rest)	47.48	4,087,882
			933,961
			<hr/>
			\$ 5,021,843

Operating Expenses

Index Code Character/Subobject Code

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

H.142

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 9th 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

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 3rd 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.

4.145

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: Annualization of 3rd Methadone Van Operating Costs

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

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)

4.146

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: **\$3,357,390**

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 (LHH) 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, and high utilization of the most expensive placements, the Department is currently projecting a funding shortfall 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, (\$2,356,237) for a total shortfall of \$7,727,200

By the end of FY08-09, DPH will have implemented a plan to reduce the total deficit by approximately sixty percent, with a proposed request of \$3,357,970 to fund most of the balance because this balance represents the structural portion of the deficit that can't be addressed without impacting client care and causing a back-up of clients at SFGH (which will contribute to a reduction in Federal reimbursement due to lack of acuity of clients while waiting placement). The proposal is summarized as follows: (1) move an estimated 150 clients, as medically appropriate, from more expensive facilities to less expensive facilities beginning in FY07-08 and continuing into FY08-09 for a savings of \$3.9m, (2) fill the vacant Placement Team, Utilization Review (UR) Nurse positions 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) for an expected savings of \$1.0m annually, and (3) implement an intensive case management team that will be assigned to work with approximately 80 of the 150 clients expected to return to community based settings to ensure that these clients are able to maintain stability in the less-structured environment for a cost of \$358k. Once vacant, the 150 more expensive beds will not be backfilled.

To minimize the future need for the more expensive long-term care beds, the Department will fully implement the new 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

into IMD beds.) Additionally, as a result of new housing slots coming online, some additional less expensive placements will be available. Finally, the Department has restructured its various existing outreach and intensive case management services to be more efficient and to reduce hospital utilization of the highest cost system users. By July, 2008, DPH will have implemented a pilot identifying these individuals who will then receive wrap-around services and faster access to care. Many of these clients, following hospitalization, are placed in the most expensive long term care facilities. Therefore, it is expected that this pilot will reduce overall hospitalization rates, and the need for the higher cost placements.

Definition of Terms

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 SFGH's psychiatric and medical units, LHH, the Emergency Medical Services (EMS) High User program, and the SF Homeless Outreach Team (SFHOT). 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 SFHOT 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

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 DPH's goal is 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.

JUSTIFICATION: (required by the Mayor's Office)

While DPH 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 addressing the structural deficit is to keep the clients in SFGH longer resulting in reduced reimbursement as acuity levels decline. If there is a lack of acute beds available at SFGH, then the private hospital usage is likely to increase, and will exceed its budget, as is already occurring.

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 \$3,357,970 to HMMMLT730416-027

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

There will be an increase of 3.4 FTE Psychiatric social worker (Annualized to 4.0 in FY 09-10)

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: Community Programs Placement Shortfall

	FY 2008-09	Ongoing
Sources:	\$ -	\$ -
Subtotal Sources	-	-
Uses:		
027 Salaries and Fringes	\$ 357,970	\$ 357,970
Professional Services	3,000,000	3,000,000
	-	-
Subtotal Uses	3,357,970	3,357,970
Net General Fund Subsidy Required (Uses less Sources)	\$ 3,357,970	\$ 3,357,970
Total FTE's	3.40	4.00

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

Class	Title	FTE's		
2930/31	Psychiatric Social Worker	3.40	\$	271,189
				271,189
	Fringe (32%)			86,781
			\$	357,970

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 18th 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

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

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

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

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

H.152

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 (LHH)
PROGRAM CONTACT NAME/PHONE: Kevin McKinney, 759-3325
PROGRAM / INITIATIVE TITLE: **LHH Department of Medicine Structural Fix**
GENERAL FUND: **\$288,631**

TARGETED CLIENTS: Laguna Honda Hospital residents

PROGRAM DESCRIPTION: (Description of Program Change)

This initiative seeks funding to eliminate the Salary Savings target in the LHH Medical Staff cost center and adds a half-time Secretary for staff scheduling.

JUSTIFICATION: (required by the Mayor's Office)

As-needed physician staff is used at LHH for nights and weekends in order to meet flexible scheduling requirements. This scheduling method is cost-effective because budgeted Senior Physician Specialist positions are used to fund as needed positions where Physician Specialists are employed. The mix of permanent employees and as needed employees is continuously changing, so that these physician positions must be budgeted as if the Senior positions were always employed. Attrition targets were originally used as a budgeting method that reduces salary and takes into account the average gap between the separation of an employee and the hiring of a replacement. When flexible staffing is used to the extent it is used at LHH, there is no gap between the separation of incumbents and hiring of replacements. LHH has not historically met Attrition/Salary Savings targets and can not meet them without reducing clinical coverage. This initiative would remove the current Attrition target of \$196,857 which is valued at 1.34 FTE.

A 1446 Secretary II is required for 20 hours per week in order to perform scheduling for the flexibly scheduled medical staff. The person currently performing this activity is on loan from another cost center and these resources can not be used in this manner indefinitely. This initiative would permanently fund a 0.5 FTE Secretary II position to perform the required scheduling.

IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED

This funding is essential to continued hospital operations but it does not directly alter service volume.

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

General Fund support requirements will increase by \$288,631 to cover salary and fringe benefits.

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

This initiative adds 1.34 FTE to the LHH workforce in Fiscal Year 2008-2009 by eliminating a like amount of attrition. The half-time Secretary would add 0.38 FTE to the LHH workforce in Fiscal Year 2008-2009 annualizing to 0.5 FTE subsequently.

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: LHH DEPARTMENT OF MEDICINE STRUCTURAL FIX

	FY 2008-09	Ongoing
Sources:		
	\$ -	\$ -
Subtotal Sources	-	-
Uses:		
Salaries and Fringes	\$ 288,631	\$ 384,841
	-	-
	-	-
Subtotal Uses	288,631	384,841
Net General Fund Subsidy Required (Uses less Sources)	\$ 288,631	\$ 384,841
Total FTE's	1.72	1.84

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

Class	Title	FTE's	
9993M	ATTRITION SAVINGS - MISCELLANEOUS	1.34	\$ 196,857
1446	SECRETARY II	0.38	21,803
			-
		1.72	218,660
	Fringe (32 %)		69,971
			\$ 288,631

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 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 (LHH)

PROGRAM CONTACT NAME/PHONE: Mivic Hirose, 759-2351

PROGRAM / INITIATIVE TITLE: **LHH NURSING STAFFING STRUCTURAL FIX**

GENERAL FUND: **\$1,217,026**

TARGETED CLIENTS: LHH clients

PROGRAM DESCRIPTION: (Description of Program Change)

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

LHH has used approximately 30 Full Time Equivalencies (FTE) more than the current budgeted level for nursing staff during the first half of the current fiscal year which causes a funding gap. A substantially larger deficit occurred during Fiscal Year 2006-2007 to meet similar exigencies. The deficit has been reduced during the current fiscal year by closing some nursing units and concentrating staff on remaining units that operate with a higher rate of utilization. Although LHH is funded for \$2 million for overtime for direct nursing care approximately half of that overtime funding covers the increased hourly costs related to the use of "Special Nurses" (P103). As a consequence of an endemic shortage of Registered Nurses available for permanent full-time positions, LHH must use 69,000 annual hours of as-needed "Special Nurses" (P103) that have an hourly rate that averages 27% more than that of a Registered Nurse employed on a full-time basis. As a result of all these factors, LHH needs 10 additional Nursing Assistants and 10 additional Licensed Vocational Nurses in order to address this structural budget insufficiency.

JUSTIFICATION: (required by the Mayor's Office)

The current level of spending is required to respond to licensure survey mandates with regard to "sitters" and escorts for selected residents and augmented staffing on selected nursing units. Nurses have been reassigned to fixed staff duties that don't involve bedside care to respond to survey mandates. Unbudgeted overtime has been used to augment direct nursing care. The fixed staff include eight Nursing Assistants that are used to accompany field trips for residents, ten registered nurse positions that are used for physical assessments and documentation related to clinical staging (MDS/RAI), and two positions that are used as Clinical Resource Nurses who problem solve barriers to the utilization of the computerized medical record system.

IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED

This initiative directs resources towards funding the minimum amount of resources required to continue delivering the current volume of services.

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

This initiative will add \$1,217,026 in salary and fringe benefits in FY 2008-09 which will annualize to \$1,622,701 in subsequent fiscal years.

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

This initiative increases the LHH workforce by 15.0 FTE for the initial fiscal year which will annualize to 20.0 FTE subsequently.

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: LHH NURSING STAFFING STRUCTURAL FIX

	FY 2008-09	Ongoing
Sources:	\$ -	\$ -
Subtotal Sources	-	-
Uses:		
Salaries and Fringes	\$ 1,217,026	\$ 1,622,701
	-	-
	-	-
Subtotal Uses	1,217,026	1,622,701
Net General Fund Subsidy Required (Uses less Sources)	\$ 1,217,026	\$ 1,622,701
Total FTE's	15.00	20.00

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

Class	Title	FTE's	
2312	Licensed Vocational Nurse	7.50	\$ 477,908
2302	Nursing Assistant	7.50	444,081
			921,989
	Fringe (32%)		295,037
		<u>15.00</u>	<u>\$ 1,217,026</u>

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 (LHH)
 PROGRAM CONTACT NAME/PHONE: KEVIN MCKINNEY, (415) 759-3325
 PROGRAM / INITIATIVE TITLE: **LHH STRUCTURAL SALARY DEFICIT**
 GENERAL FUND: **\$1,851,836**

TARGETED CLIENTS: 1065 LHH Skilled Nursing Facility Residents and Acute Patients

PROGRAM DESCRIPTION: (Description of Program Change)

Many cost Centers at LHH are using less than budgeted Full Time Equivalencies (FTE) while the actual salary amounts project substantial deficits. Budgeted salary amounts in several categories are inadequate. Step Adjustment assumptions do not reflect average seniority at LHH and have not taken into account many provisions of collective bargaining agreements. Holiday Overtime budget has not been increased in order to keep pace with substantial salary increases. Additional funding is required to address this structural salary deficit and allow LHH to operate at budgeted FTE levels.

JUSTIFICATION: (required by the Mayor's Office)

Structural shortfall due to Step Adjustments
 The CCSF budget system funds each position at maximum salary and then introduces Step Adjustments at the cost center level to reduce those maximum salaries to an estimated level that is consistent with the real status of the workforce with regard to the step scale between minimum and maximum. The five most problematic cost centers at LHH in Fiscal Year 2007-2008 have a structural shortfall when the salary budget is compared to actuals.

Cost Center	Shortfall between salary budget and actuals
Medical Staff	\$431,930
Pharmacy	\$264,775
Management Information	\$124,151
Social Services	\$105,218
Physical Therapy	\$118,695
Total	\$1,044,769

Structural shortfall due to Holiday and Overtime

Holiday and overtime payments requirements are not automatically adjusted to match base pay increases in the budgeting system used by CCSF. Workers assigned to holiday shifts have received regular salary increases while the budget to pay the wage differential on holidays has not been adjusted in the last five budget cycles. Spending for Holiday Overtime is projected to exceed budget by \$524,583 during Fiscal Year 2007-2008.

IMPACT ON NUMBER OF CLIENTS SERVED AND UNITS OF SERVICE PROVIDED

N/A

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

\$1,851,836 for salaries and fringe benefits.

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

None

**ATTACHMENT B
SUMMARY OF PROGRAM COST**

INITIATIVE TITLE: LHH STRUCTURAL SALARY DEFICIT

	FY 2008-09	Ongoing
Sources:	\$ -	\$ -
Subtotal Sources	-	-
Uses:		
Step Adjustments and Holiday Overtime	\$ 1,569,352	\$ 1,569,352
Variable Rate Fringe Benefits (18%)	282,483	282,483
Subtotal Uses	1,851,836	1,851,836
Net General Fund Subsidy Required (Uses less Sources)	\$ 1,851,836	\$ 1,851,836
Total FTE's	0.0	0.0

Step Adjustments and Holiday Pay

Index Code Character/Subobject Code

HLH448837 Social Services 00101 MISC-REGULAR	\$ 105,218
HLH448688 Management Information 00101 MISC-REGULAR	124,151
HLH448803 Pharmacy 00101 MISC-REGULAR	264,775
HLH448936 Medical Staff 00101 MISC-REGULAR	431,930
HLH449017 Physical Therapy 00101 MISC-REGULAR	118,695
HLH448795 Clerical Staff 01201 HOLIDAY PAY - MISC	471
HLH448936 Medical Staff 01201 HOLIDAY PAY - MISC	587
HLH448878 Laboratory 01201 HOLIDAY PAY - MISC	949
HLH449413 Telecommunications 01201 HOLIDAY PAY - MISC	6,128
HLH448803 Pharmacy 01201 HOLIDAY PAY - MISC	9,098
HLH449181 Activity Therapy 01201 HOLIDAY PAY - MISC	10,624
HLH448787 Nursing Administration 01204 HOLIDAY PAY - NURSES	14,195
HLH448738 Acute Rehab 01204 HOLIDAY PAY - NURSES	28,025
HLH448811 Nutrition Services 01201 HOLIDAY PAY - MISC	29,178
HLH449421 Housekeeping 01201 HOLIDAY PAY - MISC	37,826
HLH448704 Skilled Nursing Facility 01204 HOLIDAY PAY - NURSES	<u>387,502</u>
TOTAL \$	1,569,352

