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## HEALTH COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

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TEL (415) 554-2666  
FAX (415) 554-2665

Web Site: <http://www.sfdph.org>

## MINUTES

### HEALTH COMMISSION FINANCE COMMITTEE

**Tuesday, April 7, 2009**

**2:00 p.m.**

**101 Grove Street, Room 302**

**San Francisco, CA 94102**

Commissioner Steven Tierney, Ed.D., Chair  
Commissioner Edward A. Chow, M.D., Member  
Commissioner James M. Illig, Member

#### 1) CALL TO ORDER

Commissioner Tierney called the meeting to order at 2:03 p.m.

Present: Commissioner Steven Tierney  
Commissioner Edward Chow  
Commissioner Sonia Melara  
Commissioner James Illig

#### 2) APPROVAL OF THE FEBRUARY 3, 2009 FINANCE COMMITTEE MINUTES

Action Taken: The Committee approved the minutes of the February 3, 2009 Finance Committee without change.

### 3) **CONTRACT UPDATE AND APPROVAL**

- 3.1) **DPH-CBHS** – Request for approval of a new contract with Asian American Recovery Services (AARS), in the amount of \$17,536,722 per year, for a total contract value of \$58,923,386, which includes a 12% contingency, to provide Fiscal Intermediary Services, for the period of July 1, 2009 through June 30, 2012. (3 years).

#### Comments:

- Calvin Louey of Louey and Pac (L&P) expressed great disappointment about losing this contract and reported that he didn't comment during the five-week protest period because it occurred during tax season.
- Jacquie Hale, Gregg Sass and Bob Cabaj reviewed the awarding of the contract by reporting that Supervisor McGoldrick asked for this contract to go to competitive bid, with L&P and AARS earning the top two very close scores. In negotiations AARS agreed to a lower fee, and L&P did not protest during the standard five-week protest period.
- Edwin Batongbacal reported that CBHS was very happy with services from L&P.
- The Commissioners agreed that the total difference in negotiated price was significant and there a five-week protest period had occurred. The process was fair.

Action Taken: The Committee unanimously approved the contract.

- 3.2) **PHP-HUH** – Request for approval of a new contract with West Bay Housing Corp., in the amount of \$2,191,240, which includes a 12% contingency, to provide scattered site housing and subsidies services, for the period of April 1, 2009 through June 30, 2010. (1.4 years)

#### Comments:

- Marc Trotz introduced William Pickle and Matt Omalaga with West Bay Housing Corp. They are the intermediary for providing up to 500 units of scattered site private market housing. This includes many functions such as finding units and negotiating with owners regarding services, which will be provided by service providers. This is the start up year for a renewable 15-month contract.
- Commissioner Chow asked West Bay to review their experience. Mr. Pickle responded that West Bay:
  - Provides housing for those with development disabilities, and have a housing services program that mirrors elements put out in the DPH RFP.
  - Has worked with multidisciplinary case management teams on the private rental market with great success.
  - Has in place rental subsidy, identification, master leasing, service providers, and transition from institutions.
  - Has a number of very solid leads to begin leasing immediately, staff are working with HUD on Octavia Court, which starts construction in a couple of months.
  - Is working with the Mayor's Office on housing people at risk of autism.
  - Has existed for 5 years, and has 8 of 13 board seats filled.
- Commissioner Chow asked about a cultural competency policy, and Margo Antonetty responded that the RFP included many sections about diversity, as there is very diverse population at LHH.

- Commissioner Illig asked if the RFP specified an amount? Marc Trotz reported that HUH did not have a dollar amount, but came in close to projected, and the actual subsidy is \$1,000 per month. HUH wanted to provide an amount that includes everything – not just housing, although after one year, they might be able to provide unit of cost separately.
- Commissioner Illig noted that Chambers specifies 500 units over 5 years, at 100 per year, and asked about subsidies for all 5 years. Marc Trotz responded that HUH has to maintain people over time, and will house a total of 500 people. Margot Antonetty added that after the first year, the subsidy will be ongoing. Marc Trotz commented that spending should ramp down toward end, and HUH hopes to renew the contract after 15 months and see cost savings on the back end.
- Commissioner Tierney noted that subsidies will differ for family style living as opposed to living alone, and medical equipment may also determine some unit needs, such as a one bedroom unit.

Action Taken: The Committee unanimously approved the contract.

- 3.3) DPH** – Request for approval to submit to the Board of Supervisors a request to amend Board of Supervisors' Resolution 702-06, which ratified prior professional services contracts for health and behavioral health services, to allow the extension of contract terms and addition of projected contract amounts to the subject contracts for the period of July 1, 2009 through December 31, 2010 (subject to the availability of funds).

Comments:

- Jacquie Hale reported that two years ago the Board of Supervisors gave DPH three years to complete stale RFPs, and many are done. This is the second modification to the original request to have 18 more months to do the big RFP at CBHS and finish up some others.
- Commissioner Illig announced that he is abstaining on one item – employer on list – due to his work for Project Open Hand.
- Commissioner Chow asked if this continues the contingency, and Jacquie Hale said yes.
- Dr. Cabaj said that the CBHS RFP is probably going out in September, after the budget dust settles, and Barbara Garcia has been gathering community input at budget planning meetings, and a beginning and ongoing stakeholder meeting. Commissioner Tierney requested community input from both the provider and consumer communities, and asked about monitoring reports. Dr. Cabaj said yes they exist, and Jacquie Hale confirmed reviewing monitoring reports when renewing contracts. She also clarified that the CBHS mega-RFP is hoped to be released by fall of 2009 for implementation in FY 2010-11.
- Richard Easley, of Conard House, asked about any expected difficulties taking RFPs to the BOS, and Commissioner Illig responded that the Supervisors know this is coming and understand the issue.
- Commissioner Chow asked whether hospital facilities compliance is ongoing or upon need for consultation, and Jacquie Hale said that is related to EIR, and the Planning Department is considering.

Action Taken: The Committee unanimously approved the request.

**Contract Report**

Jacquie Hale presented the April 2009 contract update.

Comments:

- Commissioner Chow asked for the source of general fund moneys in the University of Pacific Dental Contract: Robert Longhitano explained that the modification seeks to exercise an option that is already in base budget and has not been cut. The amount is base plus optional equipment and the contingency is not an actual cost. The modification is to exercise the option and extend the term. We're modifying a five-year contract to make it another five-years at the same base budgeted amount.

Action Taken: The Committee approved the contracts report.

#### 4) **PRESENTATION OF THE BUDGET**

Gregg Sass reported that DPH was \$40 million away from final target and may have to find some additional General Fund savings or technically close the rest of the budget deficit with one-time FMAP revenues and little to no service reductions or spending cuts. If the latter course is chosen, a year from now DPH will be facing the same deficit situation, and have to find cuts then. He said that the Controller's office and Mayor's Budget Office is very uncomfortable with one-time revenue as a solution this year, and everyone has real worry about next year. No decisions have yet been made, and City Hall wants first to determine:

- Labor concessions
- State budget situation and possible recovery of federal funds and additional cuts.

If City Hall wants additional targets they will let DPH know. The three-year joint report, labor and other will come together soon. At the moment there are too many moving parts and it does not make sense for us to get out in front of a Citywide problem. We have plan a – revenue – and plan b - additional reductions – if necessary.

#### Comments:

- Alex Cutik reported hearing the Mayor's Budget Analyst, Nani Coleretti, comment that the budget cannot be balanced without one-time revenue.
- Gregg Sass agreed, remarking that one-time revenue comes in different flavors and some may become permanent revenue. In general, however, DPH leadership agrees that one-time revenue should be spent on one-time expenses, and in a healthy city ongoing revenue is in line with ongoing expenses.
- Commissioner Illig asked about final instructions, and Gregg Sass confirmed that they are due on April 21, 2009.
- Commission Tierney asked about increasing demand for public health services, caseloads, and whether DPH's model should plan for this. Gregg Sass said that DPH was asked to look at significant trends, but not case load per se.
- Jenny Louie said that HSA's planning for increased demand focused on services that are mandated.
- Commissioner Illig asked about HCCI, which ends in 09-10. Jenny Louie responded that overall revenues from the State for medical care will likely be renegotiated, and the State may renew the waiver or change proportions, but funding is expected to remain, whether distributed through DSH or other means.

#### 5) **FOR DISCUSSION**      **CRYSTAL METH TREATMENT SERVICES - CBHS**

Dr. Bob Cabaj presented a report on programs, which accompanies these minutes.

#### Comments:

- Commissioner Tierney asked about honoring Proposition T. Dr. Cabaj responded that Proposition T is advisory, and nobody wants to reduce anything, but budget constraints are forcing change.
- Commissioner Illig asked about linkage with Primary Care. Dr. Cabaj responded that a meeting is planned that will include a community consortium. It will focus on education efforts and distribute a resource list and determine whether low-threshold groups could be formed at primary care sites. Commissioner Tierney noted that these efforts could identify more people who need services, and gay specific services are often better for the safety of the clients.
- Michael Seaver, co-chair of the task force on Methamphetamine and Representative of the SF Aids Foundation expressed concern about eliminating meth-specific treatment. Many SA providers do not have experience treating meth needs when they concern gay men and sex. The only program providing Spanish language services seems to be going away. There is a problem with HIV prevention and HIV care, which are pretreatment when there is no real treatment to send people to. Dr. Cabaj noted that there will be primary care, inpatient and outpatient services.
- Commissioner Illig commented that these are part of devastating cuts and documentation of effect is needed to look to other places for future cuts. Dr. Cabaj said that they are working with a quality manager on how to study the negative consequences of all cuts – not just meth. hospitalizations, etc. although they hope there will be no ill effects, and expect as Dr. Katz says to make changes in the future. Commissioner Illig requested a baseline to compare what happens with now. Dr. Cabaj reported they have a one year baseline from Cal Olms. Michael Seaver and Jim Stillwell said that research shows SA more than pays for itself.
- Jeff Hall of the SF Aids Foundation said that it would be useful to establish baseline and transparency by getting documentation in a little more comprehensible and better laid out way. For example, identify how scoring works. Some of the descriptions that are offered by Stonewall are not mentioned – e.g., Spanish language. He said that it would be useful for community members to know the measures by which they are being judged. Then they can tailor programs accordingly to what is needed. There is still too much opacity. Hard to see what relative valuation was done. Dr. Cabaj responded that this is not the valuation – just what remains. Commissioner Tierney advised looking at who is served and how. Program effectiveness evaluation can help.
- Mike Dispolo, the Director of Stonewall, said that they were able to provide some services to Ward 86, and the populations of bisexual men being served will be impacted by these cuts.
- Commissioner Tierney asked for follow up to address the loss of Spanish language services, and some standards to which agencies can be held in writing with training and capacity plans. Jeff Hall expressed interest in developing standards.
- Commissioner Chow expressed concern that PC providers don't have adequate expertise to hold the line with services and although the Department is supposed to provide expertise, it is not clear how that will happen. He explained that this is very complex treatment. Commissioner Tierney said that CDC says PC physicians should do HIV prevention but only 23% can. Standards and measures are needed. Dr. Cabaj said that meth trainings and ongoing work will occur, as well as examination of the whole system of PC and BH integration.

## 6) **EMERGING ISSUES**

No emerging issues.

8) **PUBLIC COMMENT**

No general public comment.

9) **ADJOURNMENT**

The Committee adjourned at 3:57 PM.