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MINUTES

HEALTH COMMISSION FINANCE COMMITTEE

Tuesday, November 18, 2008

2:00 p.m.

101 Grove Street, Room 300

San Francisco, CA 94102

1) CALL TO ORDER

Commissioner Tierney called the meeting to order at 2:05 p.m.

Present: Commissioner Steven Tierney, Ed.D., Chair
Commissioner Edward A. Chow, M.D., Member
Commissioner James M. Illig, Ex Officio

Attendees: Bob Cabaj, CBHS; Michael Drennan, COPC; Barbara Garcia, Community Programs; Jacquie Hale, Contracts Manager; David Hersch, CBHS; Richard Lee, EHS; Anne Okubo, Deputy Finance Director; Gregg Sass, CFO; Ginger Smyly, CHPP

2) APPROVAL OF THE OCTOBER 7, 2008 FINANCE COMMITTEE MINUTES

Action Taken: The Committee (Chow and Tierney) approved the minutes of the October 7, 2008 Finance Committee meeting.

3) **CONTRACT UPDATE AND APPROVAL**

3.1) Approval of the November 2008 Health Commission Contracts Report

Action Taken: The Committee (Chow and Tierney) approved the November 2008 Health Commission Contracts Report.

3.2) PHP-BEHM – Request for approval of a new contract with Clean Harbors Environmental Services, in the amount of \$1,209,600, which includes an initial term of 3 years and 8 months, with 3 options to renew of two, two-year options and one, one-year option each in the amount of \$120,000 per year, and a 12% contingency in the amount of \$129,600, to provide hazardous waste transportation and disposal services for the Department of Public Health, for the term of November 1, 2008 through June 30, 2017 (up to 8.67 years).

Action Taken: The Committee (Chow and Tierney) approved a new contract with Clean Harbors Environmental Services.

(3.3) CHS-HIV Prevention Section – Request for approval of a new contract with YMCA of San Francisco, Bayview Hunters Point Branch, in the amount of \$560,000, which includes a 12% contingency, for the Physical Activity and Healthy Eating program of the Healthy Promotion and Wellness program in the Bayview Hunters Point Southeast neighborhoods, for the period of November 1, 2008 through June 30, 2010 (1.8 years).

Action Taken: The Committee (Chow and Tierney) approved a new contract with YMCA of San Francisco, Bayview Hunters Point Branch.

(3.4) CHN – Request for approval of a new retroactive contract with Dahl-Beck Electric Company, in the amount of \$112,500 per year, for a total contract amount of \$225,000, to provide as-needed, supplemental Power Distribution maintenance services above baseline Civil Service staffing, from October 1, 2008 through September 30, 2010 (2 years).

Action Taken: The Committee (Chow and Tierney) approved a new retroactive contract with Dahl-Beck Electric Company.

(3.5) Approval to retroactively accept a gift of Buprenorphine medication from Reckitt Benckiser Pharmaceuticals with a monetary value of up to \$800,000 for the period of October 1, 2008 through September 30, 2009 for ongoing and new patients receiving Opiate Replacement Treatment in San Francisco.

Action Taken: The Committee (Chow and Tierney) retroactively accepted a gift of Buprenorphine medication from Reckitt Benckiser Pharmaceuticals.

4) **APPROVAL OF A PREMIUM INCREASE FOR THE HEALTHY KIDS PROGRAM**

Jim Soos, Office of Policy and Planning, explained the need to raise premiums for children in families above 150 percent of the federal poverty level (FPL) in the Healthy Kids program. Mr. Soos requested an increase from \$48 per year (\$4 per month) to \$81 per year (\$6.75 per month) for children in families between 150 and 200 percent FPL and from \$108 per year (\$9 per month) to \$126 per year (\$10.50 per month) for children in families over 200 percent FPL. He explained that the request was being made in response to a similar increase in premiums for the State's Healthy

Families Program. Due to the City's drawdown of federal SCHIP funding through the AB 495 process, Mr. Soos added that State and federal guidelines require that the City match the Healthy Kids premium structure to the Healthy Families Program premium structure in order to continue receiving federal funding.

Action Taken: The Committee (Chow and Tierney) approved the premium increase for the Healthy Kids program.

5) **PRIMARY CARE BUDGET UPDATE**

Gregg Sass presented an overview of the DPH clinic system and the primary care budget. A copy of his PowerPoint slides is attached as part of these minutes.

Commission Comments/Requests for Follow-up:

- Commissioner Tierney asked how the productivity measures presented compare to Consortium Clinics or other comparable clinics. Mr. Sass responded that Dr. Drennan continues to monitor clinic productivity. He added that a typical physician's office, would probably have higher productivity, but it's hard to find comparable numbers. Commissioner Tierney asked whether the goal is to increase productivity. Mr. Sass responded in the affirmative but added that the Department typically has a more difficult to manage patient population. Dr. Drennan added that for the most recent quarter, productivity was increasing. He added that the issue is how to manage an entire panel of patients and is not necessarily the throughput of clinic visits. He is however looking to both the panel size and the number of visits per hour. He noted that the Department is working on a redesign program, and that capital and the clinic support staff are also important factors.
- Commissioner Illig asked about the wait time for a new visit for a Healthy San Francisco member. Dr. Drennan responded that it varies across clinics from two weeks to two months. In order to remain open to new patients, a clinic must have new appointment available within 60 days.
- Commissioner Illig as how the Department accounts for Healthy SF costs? Mr. Sass responded that costs are accounted for by person. Healthy SF members account for two funding classes, Health Care Coverage Initiative (HCCI) eligible and HCCI ineligible. This forms the basis of accounting and for claiming through the HCCI
- Commissioner Tierney as how realistic is the integration of behavioral health into primary care. Mr. Sass responded that many of the Department patients are dually, or triply diagnosed, so are seen in multiple settings. As practical matter, if services can be brought into one location, we can lower personnel and overhead costs by integrating. The problem is space within certain clinics, especially Tom Waddell, where all space is currently occupied. This will likely mean the relocation of some programs from 101 Grove St. to other DPH buildings. Some Tom Waddell staff would then be brought into 101 Grove St. This does give us an opportunity to rationalize some of the care we provide. Barbara Garcia added that this is an opportunity to integrate our programs and to improve quality of care provided at the same time.
- Commissioner Illig requested a side-by-side of the measures between Community Clinic Consortium system and COPC system including, productivity, wait times, and finances at an upcoming Finance Committee meeting. Mr. Sass responded that we do not have direct access to Clinic Consortium data, so would need to work with the Consortium to get those numbers. Commissioner Chow added that a compassionate increase in productivity is important in this time of decreasing resources. Dick Hodgson, San Francisco Community

Clinic Consortium, responded that a comparison of efforts is important given the implementation of Healthy SF. He added that there would be a need to include other funding that Consortium Clinics are contributing to Healthy SF. He stated that he would be happy to work with DPH staff to arrange for that comparison.

6) **EMERGING ISSUES**

Commissioner Tierney stated that the Department should not cut primary care as we attempt to expand access to health care for all. He asked about the process of making mid-year cuts using the Health Commission's priorities. Mr. Sass responded that the presentation at the full Commission would walk through that. There were \$30 million in cuts to DPH in 08-09 budget process. Those cuts resulted in a relatively small impact on community programs. Board restorations tended to be community-based programs. Through that budget process, the Department had identified cuts that were doable within the DPH array of services. First area in this process has been to look at those restorations. Broadly, the Department is trying to maintain services, which is more difficult with this range of cuts. It is hard to come up with \$50 million in additional annual cuts after facing \$30 million in cuts in the budget process. He added that the Department had only identified \$10 million of \$27 million cut target and it already looks pretty difficult. He noted that Ms. Garcia had her staff complete an exercise to determine where potential cuts could be made.

7) **PUBLIC COMMENT**

None.

8) **ADJOURNMENT**

The meeting was adjourned at 3:55 p.m.

James M. Soos
Acting Health Commission Executive Secretary