



## MESSAGE FROM THE DIRECTOR

It has been an exciting, busy year for the San Francisco Department of Public Health. I am pleased to present the FY 2007 -08 Annual Report as I begin my twelfth year as Director of Health. Each year this report gives us an opportunity to reflect on what we have accomplished and to look forward to the exciting opportunities that lay ahead.

For over a decade, San Francisco has been a leader in efforts to expand access to health care for its uninsured residents and workers. The Department has played a central role in these expansions. This was an extraordinary year as we embarked on the historic roll out of Healthy San Francisco (HSF), expanding healthcare coverage to uninsured San Franciscans. The uninsured are less likely to receive preventive care, present later in the course of disease, and have higher mortality than the insured. Healthy San Francisco addresses this problem by providing uninsured persons with a medical home and a comprehensive set of benefits. In its first year of implementation, approximately 24,400 uninsured residents (of an estimated 73,000 uninsured persons in San Francisco) were enrolled into this innovative, comprehensive health care delivery system.

Clearly, without the support of the City's policy makers, HSF would never have gotten off the ground. We owe much to the leadership and courage of Mayor Newsom, Supervisor Tom Ammiano, the Board of Supervisor's and the San Francisco Health Commission. All were critical to the first year's success of Healthy San Francisco.

It was the responsibility of over 100 staff within the Department to take the Mayor and Board of Supervisor's policy directive, and to develop and implement the required HSF program components. The Department is not the only safety net provider system in San Francisco, and owes much of its success to the fact that HSF is a partnership with the non-profit community clinics affiliated with the San Francisco Community Clinic Consortium.

Early in the planning and design of HSF, the Department sought the expertise of the San Francisco Health Plan given its past experience in expanding health insurance to uninsured populations. This partnership culminated in the Department selecting the health plan as HSF's Third Party Administrator. The health plan provides vital administrative services such as: communications/outreach, customer service, eligibility and enrollment, participant billing of participation fees, provider relations/education/network development, and quality improvement and monitoring. Its work has been vital to the overall success of this project.

The Healthy San Francisco Advisory Committee provided guidance in the development, planning and implementation of the program. It met on a regular basis during FY 2007 -08 to provide input on the enrollment strategy, outreach, customer service, evaluation and benefits. Chapter 7 provides a detailed overview of HSF challenges and successes this past fiscal year.

The Department is incredibly grateful to everyone who worked diligently over the past year to bring HSF to life and provide real options for those who lack health insurance. The Department will continue to work with these entities and others as it continues its phased implementation of the program into FY2008 -09, with the wonderful addition of several nonprofit hospitals, including St. Mary's, Saint Francis, California Pacific Medical Center, St. Lukes, Chinese Hospital, University of California, San Francisco and a private physicians' group Chinese Community Health Care Association.

The Department is also very proud of our many other achievements this year highlighted throughout the report. I have included a brief sampling below to encourage readers to browse through the entire report.

#### **San Francisco General Hospital (SFGH)**

There must be a viable plan for rebuilding SFGH by 2015 to meet California seismic safety regulatory requirements for acute care hospitals. Since 2006 the City has spent \$25 million completing programming, initial design, environmental, geotechnical, and other planning studies necessary to rebuild. As a result, we have a solid understanding of the space needs, design goals and, most important, the cost of the building. Timelines for the project call for construction of the new building beginning in the fall of 2009. The hospital would be open for business at the start of 2015.

An \$887.4 million General Obligation Bond to rebuild the hospital qualified for the November 2008 ballot. While the cost of the rebuild is substantial, the hospital is a cost-effective and productive acute care facility. DPH estimates that if SFGH were forced to close, in order to provide this state-mandated care elsewhere in the City (assuming it were available), the City would be required to pay a subsidy of over \$185 million to other hospitals for this care, which exceeds the existing annual general fund support by approximately \$76 million.

Chapter 8 of this report provides a synopsis of a market assessment of San Francisco's current and future healthcare environment conducted last year by the Lewin Group. After analyzing key metrics and benchmarking SFGH with five other comparable health systems they found that SFGH performs efficiently and effectively compared to the benchmark providers. In particular, the analysis highlighted SFGH's high relative levels of performance related to inpatient clinical quality, cost of inpatient care, and patient revenue cycle management. This was achieved despite SFGH's high occupancy rate (97 percent) and aging physical plant.

#### **Laguna Honda Hospital Replacement Project**

FY 2007 -08 was a significant time for LHH Replacement Project planning. Construction on all three buildings was over 60 percent complete by the end of the fiscal year. The doors to the new buildings will open in late 2009.

### **2008 Annual State Licensing & Certification (L&C) Survey**

For the second consecutive year, LHH passed the California Department of Health Services annual Licensing and Certification Survey on the first attempt. This achievement reflects the persistent high quality of care and service that LHH staff members provide to the most vulnerable of San Franciscans.

The Positive Care Program opened a second care unit at Laguna Honda Hospital and expanded to 56 beds. The Positive Care Program provides access to highly skilled levels of care for persons failing in the community. It relieves SFGH and other community hospitals of acute clients needing skilled nursing care, and the expansion of another unit allows for more space to work with residents having special needs including some levels of AIDS related dementia.

### **Cultural Competency**

Chapter 9 of this report is a new feature, dedicated to the Department's commitment to developing its capability of providing health care services that are culturally and linguistically competent, community-based and consumer guided. San Francisco's increasingly diverse ethnic, racial, cultural and linguistic populations have been a driving force in the Department's recognition and acknowledgment that services must be culturally and linguistically competent to be effective.

### **Breastfeeding Rates at California Hospitals**

California hospitals were ranked in terms of the rate of new mothers who breastfeed while in the hospital. The analysis revealed stark differences in rates, and demonstrated that the breastfeeding gap is greatest in hospitals serving ethnic low-income mothers and babies. But, the report goes on to show that when hospitals improve their newborn feeding policies and practices, they dramatically increase their breastfeeding rates. San Francisco General Hospital was used as proof that policies matter. Even though nearly all of the 1,266 mothers giving birth at SFGH in 2007 were on Medi-Cal, the breastfeeding rate was 88.9 percent. SFGH institutionalized policies that make breastfeeding a priority by becoming certified as a Baby-Friendly Hospital.

### **DORE Urgent Care Center**

Over the course of FY 2007 -08, DPH Community Behavioral Health Services worked with Progress Foundation to establish the Dore Urgent Care Center (DUCC), which opened its doors in early July. The program is designed to assist SFGH Psychiatric Emergency (PES) and other hospital emergency services by accepting clients in psychiatric crisis who do not require hospitalization but who are overcrowded into PES for evaluation and assessment. Its goal is to improve patient care outcomes by providing services designed to meet the distinct needs of this population.

All of our accomplishments are a direct result of the committed and talented staff at the Department of Public Health. I realize with each passing year that our success is measured not only by the outcomes we achieve, but also by the individuals that make them a reality. The greatest resource DPH has to offer is our highly competent staff providing services to the community to meet San Francisco's health needs.

In addition to recognizing the staff at the Department of Health, I want to acknowledge with gratitude our policy leaders. We are incredibly lucky in San Francisco to have a Mayor, Board of Supervisors, and the San Francisco Health Commission who understand the health needs of the community and support our efforts to fill these vast needs. Their leadership is visionary and has made San Francisco stand out in the nation as a cutting edge leader in the innovative effort to expand health care access. Although the Department's goals are an enormous undertaking, I am convinced that working together we will succeed.

Mitchell H. Katz, M.D.  
October 2008