

# DEPARTMENT OF PUBLIC HEALTH FY 2020-2022 BUDGET

August 4, 2020

# Mayor's Proposed Budget

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- Significant investments in key DPH priorities:
  - ▣ Proactive response to the ongoing COVID-19 health pandemic
  - ▣ Prioritizing racial equity in the allocation of resources
  - ▣ Mental Health SF
- Includes all previously proposed DPH initiatives
- DPH's budget totals \$2.77 billion in FY 2020-21 and \$2.58 billion in FY 2021-22 (compared to FY 2019-20 budget of \$2.43 billion).

# Major Drivers of Budget Increases in DPH's budget (\$ Millions)

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	FY 19-20	FY 20-21	FY 21-22
Annual Budget	2,427	2,771	2,576
Growth Compared to FY 19-20		344	149

## Major Changes

COVID-19 Response (incl. Grant Program)		216	-
Reinvestment of Public Safety Funds for Racial Equity Initiatives		36	36
Behavioral Health Initiatives (Including restricted funds held by Controller's Office)		113	108
DPH Initiatives and Inflationary Growth		13	40
DPH Savings Initiatives		(39)	(45)

# Responding to COVID-19

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- Total New Budgeted Funds
  - \$204.6 million for DPH
  - \$446.1 million Citywide

# Responding to COVID-19

## DPH Initiatives

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COVID-19 Response - Proposed FY 20-21 Budget for DPH Programs				
	Total Estimated Response Costs (\$M)	Reallocation of Existing City Resources (\$M)	Total New Expenditure Authority (\$M)	Net Local GF Cost (\$M) Excluding CARES
<b>COVID Command Operations</b>				
Information & Guidance	(8.1)	7.31	(0.8)	(0.4)
Planning	(12.8)	12.80	(0.2)	(0.1)
		-		
<b>Health Operations</b>		-		
Citywide PPE	(55.0)	10.80	(44.2)	(44.2)
Community Outreach	(15.5)	2.78	(12.7)	(5.1)
Contact Tracing & Case Investigation	(21.4)	11.77	(9.6)	(9.6)
Outbreak Management	(11.0)	6.86	(4.1)	(2.1)
Testing	(62.4)	6.43	(55.9)	(28.0)
DPH Operating Support	(30.3)	-	(30.3)	(11.6)
Medical Support Services and Surge Capacity	(52.1)	23.99	(28.1)	(7.9)
<b>Housing &amp; Shelter Programs</b>		-		
Clinical Services at SIP and I & Q Hotels	(30.8)	12.01	(18.8)	(10.5)
<b>DPH All Programs</b>	(299.2)	94.75	(204.6)	(119.4)

# Responding to COVID-19

## Citywide Initiatives

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<b>COVID-19 Response - Proposed FY 20-21 Budget</b> *DSW staffing costs not reflected	<b>Total New Expenditure (\$M)</b>	<b>Net Local GF Cost (\$M)</b>
<b>Emergency Communications and Coordination</b>		
CCC Leadership and Operations	(12.9)	(6.4)
JIC: Strategic Comms and Public Messaging	(3.6)	(1.8)
<b>Health Operations</b>		
Testing	(55.9)	(28.0)
Citywide PPE	(44.2)	(44.2)
DPH Operating Support	(30.3)	(11.6)
Medical Support Services and Surge Capacity	(28.1)	(7.9)
Community Outreach	(12.7)	(5.1)
Contact Tracing and Case Investigation	(9.6)	(9.6)
Outbreak Management	(4.1)	(2.1)
<b>Housing and Shelter Programs</b>		
I&Q and SIP Rooms	(138.5)	(14.3)
Congregate Shelter	(36.0)	(2.4)
Permanent Supportive Housing	(5.4)	-
HOM Operating Support	(3.1)	(1.8)
Food Bank Support and Meal Programs	(45.8)	(32.0)
		-
Pit Stops and Handwashing Stations	(16.0)	(8.0)
<b>Grand Total - All Programs</b>	<b>(446.1)</b>	<b>(175.3)</b>
CARE Act Revenue - Balance after FY 19-20		82.1
<b>Total Proposed GF Budget</b>		<b>(93.2)</b>

# Prioritizing Racial Equity in the Allocation of Resources

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- Redirects \$120 million of funds from the City's public safety departments towards efforts to repair the legacy of racially disparate policies on health, housing, and economic outcomes for African Americans.
- Human Rights Commission has completed a public process for community input
- Final allocations still being determined, \$72 million (\$36 million per year) currently in DPH's budget

# Mental Health SF

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- Comprehensive overhaul of SF's behavioral health system
- Estimated cost of \$100 million+ to implement
- Mayor's budget includes first phase of implementation
- Relies on funding from business tax reform ballot measure in November to support the initial implementation of MHSF
  - If approved by voters, the City could access funding from Homelessness Gross Receipts Tax from 2018 (held due to litigation)
  - If approved - \$28.1 M in FY 20-21 and \$38.4 ongoing in FY 21-22 for behavioral health
  - Additional one-time funding of \$69.4 M in 20-21 \$46.9 M in 21
    - Strict limitations on use of these funds (Controller's Office)
    - Appropriated in budget, but programming requires future discussion/approvals



# Mental Health SF

DPH is prioritizing four behavioral health priorities to support the implementation of the foundation of Mental Health SF:

1. Office of Coordinated Care



2. Behavioral Health Bed Investments



3. Street crisis response and outreach services



1.4. Mental Health Service Center



# Other Behavioral Health Services

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	<b>FY 20-21</b> Increased Expenditure Appropriation (\$)	<b>FY 21-22</b> Increased Expenditure Appropriation (\$)
Continue Funding for Treatment Beds	-	8,000,000
Clinical Support Permanent Supportive Housing	1,583,707	2,103,012
Expanding Shelter Health	1,302,867	1,634,105
Stabilizing Assisted Outpatient Treatment	253,092	331,334
Suicide Prevention	738,733	738,733
Backfill State HMIOT	2,368,110	2,368,110
Backfill Case Management Services Under the State LEAD Grant	849,176	849,176
Continuing Enhanced Board & Care Rates	1,200,000	1,200,000
Creation of a new Psychiatrist Class	4,870,984	4,889,767
Supporting the Facilities costs at the New Homeless Resource Center		247,685

# Uncertainty

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- Significant uncertainties remain
  - ▣ Course of COVID-19 Pandemic
    - Additional response costs associated with case surge
    - Impact on economy
    - Federal/FEMA reimbursement
  - ▣ Voter approval of November business tax measure
  - ▣ Other citywide budget challenges (e.g., MOU wage increases)

# Next Steps

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- August 14<sup>th</sup> (tentative) – DPH’s first hearing at BOS
- August 21<sup>st</sup>– DPH’s second hearing at BOS
- September – Full Board Approval Review of Budget
- Late September/early October – Mayor’s signature