

# DEPARTMENT OF PUBLIC HEALTH

## FY 16-18 BUDGET

February 16, 2016

# FY 16-18 Budget Hearing Agenda

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February 2<sup>nd</sup>

Revenue and Savings proposal to Meet Target

February 16<sup>th</sup>

- Additional initiatives to achieve key departmental priorities
- Electronic Health Records Implementation Costs

# FY 16-18 Detailed Initiatives

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	16-17 GF	17-18 GF savings/(cost)
Drug Medi-Cal Organized Delivery Service	\$ (1,272,784)	\$ (2,318,758)
2011 Public Safety Realignment	\$ (1,718,837)	\$ (7,700,000)
Environmental Health Fee Adjustments	\$ 199,461	\$ 301,196
Mental Health Services Act	\$ -	\$ -
Strengthening Jail Health Behavioral Health Services	\$ 805,083	\$ 425,826
SFHN Reinvestments Into Delivery System for Call Center, Medical Respite and Transitional Food Program and Savings	\$ (996,502)	\$ (813,906)
Investments in Population Health	\$ 598,699	\$ 862,047
Investments in Human Resources	\$ 1,519,235	\$ 2,120,057

# FY 16-18 Budget Balancing

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	16-17 GF savings/(cost)	17-18 GF savings/(cost)	Two Year Total
<b>General Fund Reduction Target</b>	\$ (9,580,977)	\$ (19,161,955)	\$ (28,742,932)
<b>Summary of Initiatives</b>			
Revenue	\$ 23,815,903	\$ 20,439,935	\$ 44,255,837
Revenue Growth Assumed in Deficit	\$ (6,720,577)	\$ (17,020,716)	\$ (23,741,293)
Savings	\$ 7,500,000	\$ 7,500,000	\$ 15,000,000
Budget Neutral	\$ (199,461)	\$ (301,196)	\$ (500,657)
Emerging Needs	\$ (1,926,515)	\$ (2,594,024)	\$ (4,520,539)
<b>Net Balancing - Above/(Below) Target</b>	\$ 12,888,374	\$ (11,137,957)	\$ 1,750,417
<b>Other Initiatives</b>			
Electronic Health Records	\$ (6,970,881)	\$ (17,433,323)	\$ (24,404,204)
Inflationary		\$ (3,197,664)	\$ (3,197,664)

# Developing a Unified Electronic Health Record

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- Top Health Commission and departmental budget priority for past two years
- Budget assumes project to develop shared use of the UCSF EHR system
  - Requires Board of Supervisors approval to enter into negotiations
  - Final budget to be determined in contract negotiations
  - Contract must return to Board of Supervisors for approval

# Developing a Unified Electronic Health Record

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- 5-Year cost of \$183.7 million
- Target completion by 2019
- Requesting Commission approval of total appropriation authority necessary, although some budgetary decisions will be finalized in consultation with Controller and Mayor's Office
- Total new appropriation authority required is \$7 million in FY 16-17 and \$17.4 million in FY 17-18

# Developing a Unified Electronic Health Record

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EHR IMPLEMENTATION COSTS AND FUNDING STRATEGY - PROJECTED FOR FY 16-17 THROUGH 20-21						
	FY17	FY18	FY19	FY20	FY21	5-Year Total
<b>Implementation Costs</b>						
Vendor Implementation Costs, Equipment, DPH Staffing	\$ (32,917,826)	\$ (51,580,269)	\$ (47,624,052)	\$ (25,410,105)	\$ (26,179,603)	\$ (183,711,855)
						\$ -
<b>Existing and Planned Appropriations</b>						\$ -
DPH 16-18 Base Budget	\$ 9,146,945	\$ 9,146,945	\$ 9,146,945	\$ 9,146,945	\$ 9,146,945	\$ 45,734,727
Reduced Growth in Provider Contract	\$ -	\$ 5,607,891	\$ 10,268,711	\$ 14,123,430	\$ 14,123,430	\$ 44,123,462
Prior Year Unspent Balance	\$ 9,800,000	\$ -	\$ -	\$ -	\$ -	\$ 9,800,000
Project Fund Reappropriations*	\$ 6,970,881	\$ 4,029,119	\$ -	\$ -	\$ -	\$ 11,000,000
Prior Year Revenue Transfers-In**	\$ 7,000,000	\$ 25,000,000	\$ -	\$ -	\$ -	\$ 32,000,000
Dept. Reappropriations, Savings and Philanthropy*	\$ -	\$ 7,796,313	\$ 28,208,396	\$ 2,139,730	\$ 2,909,228	\$ 41,053,667
Total Sources	\$ 32,917,826	\$ 51,580,269	\$ 47,624,052	\$ 25,410,105	\$ 26,179,603	\$ 183,711,855

# Next Steps

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- February 22<sup>nd</sup> – Budget Proposal Submitted to Mayor and Controller
- June 1 – Mayor’s Balanced Budget Submission
- June – Board of Supervisors Budget (BOS) Hearings
- Mid-July – Final BOS approval of Budget