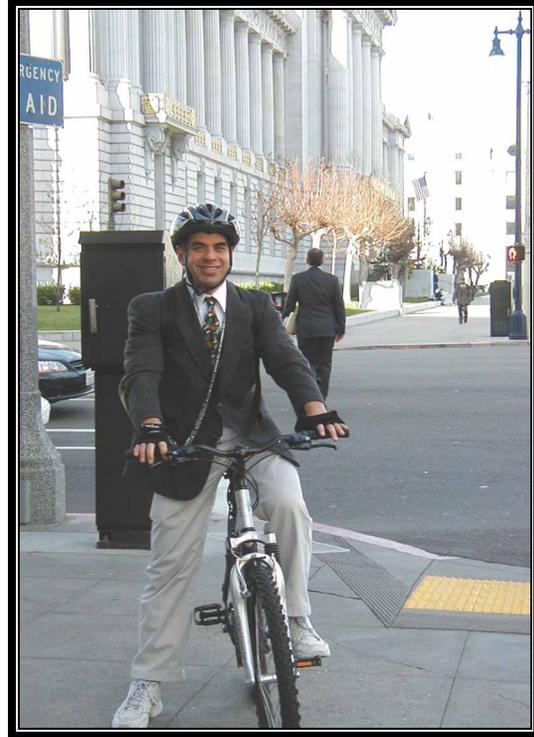
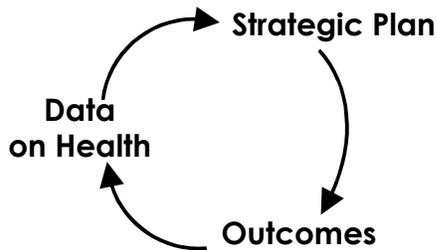


# Message from the Director

I am pleased to present the Annual Report for the City and County of San Francisco Department of Public Health for fiscal year 2002-2003. This year's report is formatted differently than in previous years.



We have taken the information that was historically presented in three separate publications – the Annual Report, the Strategic Planning Update, and the State of the City Public Health Address – and consolidated it into one comprehensive report.



We have done this because we believe that the three documents represent an important circle of planning and accountability, whereby our strategic plan is guided by health status data and the health status data is the ultimate evaluation of our outcomes, and the most important input for updates of our strategic plan.

The Department's challenge during the last fiscal year was to do more with less. Fiscal crises at the local, State and federal levels, increases in the costs of providing standard of care within the Community Health Network due to new medications and procedures becoming available, inflation in the cost of providing care and treatment, and increased demand for our services, have all required us to look at more creative ways to fund and operate our programs. I am very proud of our staff's efforts to accomplish this daunting task.

Although the City General Fund contribution to the Department's budget decreased by \$16 million between Fiscal Years 2001-2002 and 2002-2003, the Department's total budget increased by \$62 million. This increase – which allowed the continuation of vital services – was possible because the Department successfully competed for grants resulting in a \$14 million increase in grant revenues. In addition, efficiencies in billing

third-party payers resulted in increased Medi-Cal and private insurance payments. Further, our Office of Policy and Planning worked with the Mayor's Office, the California Association of Public Hospitals and Assemblyman Dario Frommer to pass legislation at the State to establish the Medicaid Hospital Outpatient Supplemental Reimbursement Program, which allows San Francisco General Hospital (SFGH) to draw down additional federal Medicaid dollars to help meet the unreimbursed cost of providing outpatient services to Medi-Cal beneficiaries. The Department expects to receive approximately \$1.5 million annually from this program to help address the budget shortfalls that are expected to continue for the foreseeable future.

Besides finding ways to increase our grants and revenue budgets we also developed creative and cost-effective ways to expand and enhance programs and services for San Francisco residents. For example, the Patient Flow Pilot Project at SFGH focuses on the timely transition of acute psychiatric patients to the next appropriate level of care. This ensures that psychiatric patients receive the care they need in the least restrictive setting possible and also reduces the number of acute days at SFGH that are decertified by Medi-Cal because the patient no longer needs this high level of care. We also are using technology wherever possible to do more with less. For example, the Public Health Laboratory in collaboration with the Department's Sexually Transmitted Disease (STD) Control Unit, installed a new machine that allows the laboratory to process more tests for STD infections without increasing staff.

With a large community focus on homeless issues, the Department implemented several new initiatives aimed at serving this vulnerable population. Among the Department's most successful and innovative programs is the Direct Access to Housing (DAH) program. In Fiscal Year 2002-2003, the Department's Office of Housing and Urban Health (HUH) moved 107 formerly homeless San Franciscans into permanent, supported housing at the Camelot and Star Hotels. The addition of these two new DAH hotels brings the total number of facilities to six and the total number of units to 393.

To further address the needs of the homeless population, the Department established a new program to serve homeless public inebriates. The McMillan Drop-In Center, a collaboration of the Department's Tom Waddell Health Center and Chemical Awareness Treatment Services, provides a place for homeless public inebriates to sober up safely. Once sober, clients have access to medical, behavioral health, housing, and case management services to assist in their recovery. In addition, because public inebriates place a considerable burden on the emergency health care system, we expect that this new program will reduce inappropriate ambulance trips and emergency room visits. This program was funded by contributions from private nonprofit hospitals in San Francisco, and by assuming that the facility will decrease the expense of caring for this population in the SFGH Emergency Department.

In addition to addressing the significant issues of budget cutbacks and homelessness, the Department maintained its core public health responsibilities and was able to rapidly respond to emerging public health threats that surfaced in fiscal year 2002-03, including smallpox, SARS and syphilis. To improve our capability to respond to a large-state health emergency the Department held a practice drill in June. Over 700 volunteers and 200 DPH staff volunteers participated in the mock inoculation drill making it the largest bioterrorism exercise conducted to date in the United States.

The SARS (Severe Acute Respiratory Syndrome) epidemic surfaced in early 2003. Though there were no SARS cases in San Francisco, the Communicable Disease Control Unit acted quickly to ensure that San Francisco clinicians, hospitals, ambulatory care settings and the general public were provided with education and outreach about the disease. A SARS web page was created as part of the Department's Internet site. Fact sheets on SARS were created for the general public and were available in English, Chinese, Vietnamese, Spanish and Tagalog. Communicable Disease Control Unit staff made presentations on SARS at the University of California, San Francisco, at San Francisco General Hospital, and at the San Francisco Clinic Consortium. In addition, we created a SARS Information Hotline that continues to provide recorded information on SARS in English and Chinese 24 hours per day.

In 2002, syphilis cases in San Francisco rose to epidemic proportions with nearly a 160 percent increase in cases compared to 2001 primarily occurring among men who have sex with men. The Department's STD Program responded to this health emergency by developing a syphilis reduction plan for the City, that included educating health care providers, placing regular advertisements in the local weekly gay newspaper, implementing an on-line syphilis testing and incentive program, and implementing a partner-delivered therapy program.

I am fortunate to be a local health director in a city that so strongly supports public health and health care services and to work in a department with such a committed and knowledgeable staff. Our ability to meet the health needs of our community is dependent upon the caliber of our workforce. I am proud and appreciative of their expertise, their dedication, and their spirit.

My continued gratitude to the Mayor, the Board of Supervisors, and the San Francisco Health Commission for their leadership, their support and their commitment to health. They have made San Francisco a leader in health care and health care access. I look forward to our continued work together to improve the health status of all San Franciscans.

*November 2003*

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**Mitchell H. Katz, M.D.**