



City and County of San Francisco  
Edwin M. Lee, Mayor

## San Francisco Department of Public Health

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### Director's Report for Health Commission Meeting of June 6, 2017

*A current overview of issues affecting the state of public health in San Francisco*

<https://www.sfdph.org/dph/comupg/aboutdph/insideDept/dirRpts/default.asp>

#### Federal Policy

##### President Trump's Proposed FY 2018 Budget

The Trump Administration released its FY 2018 budget on May 23<sup>rd</sup>. As proposed, the \$4.1 trillion budget would make significant reductions to several safety net and other domestic programs while leaving Medicare and Social Security intact. Total spending cuts over the next decade would total \$3.6 trillion. The final FY 2018 budget will most certainly look different from this initial proposal by the Administration. The House and Senate appropriations committees will work on their own spending bills, which will need to be reconciled with each other and approved by each chamber before going to the President for his signature. SFDPH will continue to monitor these conversations as they proceed. Below are some of the key areas of interest to SFDPH:

- **Medicaid and the Affordable Healthcare Act (ACA):** The budget assumes adoption of the American Health Care Act (AHCA) that passed the House of Representatives and proposes reducing health care spending by more than \$1.85T; including \$1.25T from the repeal and replace of the ACA, and an additional \$610B in Medicaid funding cuts. The majority of these reductions would result from ending the ACA's Medicaid expansion and replacing it with a per capita cap or a block grant. States like California that expanded Medicaid under the ACA would also lose the enhanced federal funding for that expansion. Medicaid funds would not be permitted to be allocated to entities that provide abortions, including Planned Parenthood. Additionally, the budget bars

Planned Parenthood from participating in any federal programs, effectively defunding the organization.

- **Centers for Disease Control and Prevention (CDC):** The Administration proposes reducing the budget for the CDC by \$1.3B or 17% in FY2018. This includes a \$186M cut in programs at the CDC's center on HIV/AIDS, hepatitis and other sexually transmitted diseases. The CDC's chronic disease prevention programs, such as diabetes, heart disease, stroke and obesity, would be cut by \$222 million. It is unclear how these reductions would be implemented and the impact on grant programs at DPH.
- **Children's Health Insurance Program (CHIP):** Though it extends the CHIP program through 2019, the proposed budget would reduce CHIP funding by approximately 20% for the next two years. CHIP funding would be cut by eliminating the 23% increased federal funding match added by the ACA and no longer providing federal CHIP dollars for children in families with incomes above 250% of the federal poverty level. CHIP funding helps support San Francisco's Healthy Kids program.
- **National Institutes of Health (NIH):** Though likely to have little or no direct financial impact on SFPDH, proposed cuts to the NIH budget reduce important investments in medical treatments and basic science. The budget proposal would reduce the NIH budget by nearly \$6B, to about \$26B.
- **Behavioral Health:** The proposed budget adds \$500M to fight the opioid epidemic, but cuts nearly \$891M from NIH's behavioral health research and SAMHSA grants for states and local health departments for mental health and substance use outreach and treatment.

### **The Congressional Budget Office's Report on the Amended American Health Care Act**

On May 4th, the House of Representatives passed the American Health Care Act (AHCA) without the Congressional Budgets Office's (CBO) report to understand its impact on Americans and the federal budget. Twenty days later, the CBO released new estimates for the House-passed version of AHCA, and projects an increase in the number of people without health insurance by 14M people next year and 23M by 2026. It is estimated that 51M people under the age of 65 would be uninsured by 2026.

The CBO report also estimates that premiums would increase about 20% in 2018 and 5% in 2019. Starting in 2020, average premiums would depend in part on any waivers granted to states. Under the passed House bill, states could seek waivers for certain provisions, including one that requires insurers to provide a minimum set of essential health benefits (EHB) and another that prohibits them from charging higher premiums based on a person's health status (community rating). In states that do not seek waivers, premiums would be 4% lower in 2026 and in states that do seek partial waivers estimate reductions range from 10 – 30%. Benefits likely to be excluded from the EHB in some states include maternity care, mental health and substance abuse benefits, rehabilitative services and pediatric dental care. These exclusions would increase out-of-pocket spending for people by thousands of dollars in those states.

States that seek waivers involving both provisions could make insurance economically out of reach for some sick consumers and those with pre-existing conditions. It would cause individuals with pre-existing conditions to face extremely high premiums despite the

supplementary funding for high risk pools. Additionally, because of the removal of the ACA's ban on annual and lifetime limits of covered benefits, some people with pre-existing conditions would be locked out of the insurance market altogether.

The implementation of the AHCA would reduce the federal deficit by \$119B between 2017 and 2026, less than the first version of the AHCA, which the CBO said would save \$337B over 10 years. The new estimate calculates that the AHCA would cost \$218B more than original version of the bill but only a decrease of 1M over its original estimate of 24M people losing insurance by 2026. To summarize the cost differences between the two versions of the bill, the final version the House voted on would spend an additional \$218B to insure 1M additional people. The CBO report highlights important aspects around coverage, premium costs and government spending that will be a crucial discussion as the Senate deliberates the ACHA.

### **The Fate of Cost Sharing Subsidies for our Most Vulnerable Residents**

Cost-sharing subsidies are one of two major types of assistance the ACA provides to most people who buy private health plans through the marketplaces. They focus on lower-income ACA customers, and reach nearly six in ten people.

When the marketplaces opened in 2014, House Republicans sued the Obama administration to stop the cost-sharing payments because they believed the funding was not properly authorized. Last year, a federal court agreed, and the White House under the Obama Administration appealed the ruling, allowing the funding for the cost-sharing subsidies to continue. The Trump Administration has the ability to withdraw the White House appeal. On May 22, 2017 The Trump administration and House Republicans asked for a postponement to respond to the federal court case, which means the government will continue to provide the subsidies at least through much of the summer. The postponement has heightened worries for insurers around the destabilization of the health care market.

In anticipation of the Trump Administration's actions, California Attorney General Xavier Becerra along with attorneys general from 13 states and the District of Columbia filed a motion to intervene in the court case to protect health care access for millions of Americans. Attorneys general and proponents of the ACA have said the Trump Administration's threats to withhold the payments already have created uncertainty in the marketplaces and are part of the reason for recent increased premiums. The House-passed AHCA eliminates cost sharing reduction subsidies in 2020. Preserving the cost sharing subsidies is critical to help ensure millions of Californians retain access to health insurance, and avoid additional spending on health care by the California state government.

## **State Policy**

### **New Fiscal Analysis Released on Bill to Establish Universal Health Care in California**

SB 562, a California bill introduced in February 2017 for a single-payer health care system, would establish a publicly run health care plan that would cover everyone living in California, including those without legal immigration status. This bill would dramatically change the health care landscape in California, as the state would pay for all medical expenses, including inpatient, outpatient, emergency services, dental, vision, mental health and nursing home care.

The Senate Appropriations Committee recently released a fiscal analysis of SB 562 that found that the projected costs associated with the proposed bill would total \$400B per year, which exceeds the total California State budget. About half would come from existing federal, state, and local funding sources, leaving about \$200B in additional tax revenues needed to pay for the remainder of the program cost. The analysis notes that the overall cost of any new tax revenues would be offset to a large degree by reduced spending on health care coverage by employers and employees and result in between \$50 and \$100B of new spending per year.

While the bill would extend comprehensive health care coverage to all 39M California residents, the analysis found that there is tremendous uncertainty in how such a system would be developed, how the transition to the new system would occur, and how participants in the new system would behave. The San Francisco Board of Supervisors passed a resolution urging the legislature to support the bill. The measure was approved by the Senate Health Committee (Apr 26th), the Appropriations Committee (May 22nd), and a suspense file hearing (May 25th) and it was scheduled for the Senate floor on the last week of May.

### **Behavioral Health receives additional NACo Award**

The National Association of Counties (NACo) has granted the City and County of San Francisco, Department of Public Health (DPH), another 2017 Achievement Award for its Vocational Rehabilitation Employment and Training Programs in the category of Health. This is the second 2017 Achievement Award for DPH. Previously, DPH was granted an Achievement Award for its Peer-to Peer Programs.

The Vocational Rehabilitation Employment and Training Programs is a service category under the DPH Mental Health Services Act (MHSA) Program. The category includes 10 vocational programs that are designed to ensure that individuals with serious mental illness and co-occurring disorders are able to secure meaningful and long-term employment. In collaboration with the California Department of Rehabilitation, San Francisco DPH has identified a need for various training and employment support programs to meet the current labor market trends and employment skill-sets necessary to succeed in the competitive workforce. NACo Awards honor innovative and effective county government programs that enhance services for residents.

### **Primary Care receives Kaiser grant for PHASE program**

Preventing Heart Attacks and Strokes Everyday (PHASE) is an evidence-based, cost effective combination of medications and lifestyle counseling that can reduce heart attacks and strokes, especially among those with heart conditions or diabetes. With funding and the expertise of their physicians, Kaiser Permanente has been sharing PHASE with community clinics and public hospitals since 2006.

The renewed funding initiative from Kaiser Permanente will support San Francisco Health Network (SFHN) Primary Care's continued work on improving the cardiovascular health of the patients we serve, which is one of our strategic True North priorities. Over the last decade, Primary Care has used PHASE funding to build core components of population health management for our patients: proactive team-based care, registries, and data-driven improvement.

Prior PHASE activities from 2015-2016, led by Ellen Chen, MD and Judith Sansone, RN have resulted in:

- Improved blood pressure control for hypertensive patients from 61% to 69% in the 12 adult primary care clinics;
- Improved tobacco cessation counseling referrals from 50% to 84% for all adults among the 14 primary care clinics.
- Improved blood pressure control for Black African American hypertensive patients from 53% to 62% by using an equity lens in quality improvement and partnering with Population Health Division's Healthy Heart leaders;
- Primary Care trainings for 100 nurses, 20 Behavioral Health Assistants, and 12 clinical pharmacists in hypertension management, tobacco cessation counseling, and chronic kidney disease management, respectively;
- Proactive engagement of patient advisors as quality improvement partners.

With the upcoming funded initiative in 2017-2019, SFHN Primary Care plans to sustain and spread the PHASE program to reduce heart attacks and strokes by:

- Expanding the program to all adult primary care clinics within the SFHN;
- Developing data capacity for standardized reporting and dynamic data visualization;
- Expanding and standardizing roles and responsibilities of care team members;
- Developing and training nurses and pharmacists to provide independent diabetes and hypertension management via standard work and protocols;
- Enhancing self-management support for healthy lifestyles through tobacco cessation counseling and linking patients to community resources, particularly access to healthy foods.

### **DPH Joins Region in Summer Safety Message**

The San Francisco Department of Public Health joined with eight other Bay Area counties in a summer safety message that focused on drowning response and CPR training. Drowning is a leading cause of unintentional death in children ages 1 to 4, and the fifth leading cause of unintentional injury death for people of all ages. There have been a total of 201 deaths by drowning since 2012 in the Bay Area counties of Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma – 32 of those happened in San Francisco.

The June 1 announcement went out to media across the Bay Area, serving as an exercise in coordinated media response among regional health departments, in addition to giving valuable summer safety tips that benefit local communities.

<https://www.sfdph.org/dph/comupg/aboutdph/newsMedia/default.asp>

### **ZSFG Community Wellness Center Presents Summer Fest June 16**

The Community Wellness Program at Zuckerberg San Francisco General (ZSFG) is hosting our annual Summer Fest with the theme "*Connecting People to Wellness & Community*"! Our goal for this year is connecting people to community resources as a sanctuary city and to inspire wellness behaviors. We are committed to serving diverse populations of San Francisco with compassion and cultural sensitivity. Hundreds of participants visit our hospital-wide event annually, where we celebrate healthy living, culture, families and community wellness!

We will be celebrating with energizing activities that include boogying to rhythmic drums, dancing to world beats, sharing healthy foods from around the world and MORE-- and it's all FREE!

Save the date! The event will be held on Friday, June 16<sup>th</sup>, 2017 from 11am to 2 pm in the ZSFG Community Wellness Center and the hospital cafeteria. Please help us spread the word by encouraging your staff, colleagues, patients/clients, and community to join us at Summer Fest!

### **Invitation to June 25 PRIDE Parade**

The SFDPH has participated in San Francisco's LGBT Pride Parade for many years. Last year, we were happy to see our largest contingent ever, made up of 85 people from various branches of the Health Department and we would like to have an even larger contingent of people this year. The theme for this year's SF LGBT Pride event is "A Celebration of Diversity."

This year's SFDPH contingent will include staff from Community Health Equity & Promotion (CHEP), as well as Environmental Health, Communications, Laguna Honda Hospital, HIV Health Services, Zuckerberg San Francisco General Hospital, Bridge HIV and the San Francisco/Marin Medical Services group marching the parade route. We will be distributing condoms, lube, sexual health and Pre-exposure Prophylaxis (PrEP) information and resources to the crowd as we make our way down the parade route.

We would like to invite all SFDPH staff from as many branches as possible to march with our parade contingent this year, on Sunday, June 25, 2017. If you are interested in marching, please contact Brandon Ivory at [Brandon.Ivory@sfdph.org](mailto:Brandon.Ivory@sfdph.org) for theme, meeting time and location information.