



Edwin M. Lee,
Mayor

Michelle Ruggels,
Director of DPH Business Office

MEMORANDUM

December 29, 2015

TO: Commissioner Cecilia Chung, Chair
Members of the Health Commission Finance and Planning Committee

THROUGH: Barbara Garcia, Director, Department of Public Health

FROM: Michelle Ruggels

RE: Discussion to determine proposed Health Commission presentations related to contract agency performance and outcomes, and to establish a schedule and timeline for the presentations.

Earlier this year, the Commission asked staff to consider changes to the contracts review and approval process. In response to that request, staff developed a proposal to modify the policies and procedures for contract review. The proposal was discussed and modified at three separate meetings of the Health Commission Finance and Planning Committee in October, December and January, with the changes effective February, 2015.

In order to ensure that the Commission had sufficient information to exercise oversight and provide policy guidance, in conjunction with the amended contract review procedure, the Department agreed to schedule hearings on the following topics:

- a) An overview of department-wide contract spending by program and function (annual).
- b) A report on outcome and performance metrics in contracts (annual).
- c) A report on contract monitoring findings, including Corrective Action Plans (all new Corrective Action Plans will be brought to Commission when established; annual overview report).

The purpose of the January 5, 2015 discussion will be to discuss the parameters and focus areas related to the topics above, determine presentation categories, and establish a schedule and timeline for the presentations. Other suggestions to complement the above, or in addition to the above could include:

- (1) An overview of the Department's structure to conduct contract monitoring, including what is currently monitored and what isn't, as well as which parts of the Department oversee which pieces of monitoring performance
- (2) An overview of the process to deliver technical assistance, up to the development and implementation of a Corrective Action Plan to address more significant issues

(3) Update and revisit a presentation to the Health Commission in 2011 which sought to address the following questions:

1. Are clients improving?
2. Are contractors doing a good job?
3. Are monitoring/compliance outcomes linked to recommendations for system/agency improvements?

I look forward to your insight as we develop presentations to bring you the most relevant information to inform your future contract related decisions. I'm also quite certain that some of what would be helpful doesn't yet exist, which I'm sure, will also be part of the discussion. This will help us as we outline next steps for improving our contracting process in the future, so thank you in advance for having this discussion with us.