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Sonia E. Melara
Vice President

Edward A. Chow, M.D.
Commissioner

Margine A. Sako
Commissioner

David J. Sanchez, Jr., Ph.D.
Commissioner

Steven Tierney, Ed.D.
Commissioner

Catherine M. Waters, R.N., Ph.D.
Commissioner

HEALTH COMMISSION

CITY AND COUNTY OF SAN FRANCISCO
Gavin C. Newsom, Mayor

Department of Public Health



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MINUTES

SPECIAL HEALTH COMMISSION MEETING

Tuesday, November 25, 2008

At

SPECIAL TIME:

3:00 p.m.

101 GROVE STREET, ROOM 300

San Francisco, CA 94102

1) CALL TO ORDER

President Illig called the meeting to order at 3:04 p.m.

Present: President James M. Illig
Vice President Sonia E. Melara
Commissioner Edward A. Chow (arrived 3:20 pm)
Commissioner David J. Sanchez
Commissioner Steven Tierney
Commissioner Catherine M. Waters (arrived 3:10 pm)

Absent: Commissioner Margine A. Sako

2) APPROVAL OF THE MINUTES OF THE HEALTH COMMISSION MEETING OF NOVEMBER 18, 2008

Action Taken: The Commission (Illig, Melara, Sanchez, Tierney) voted to approve the minutes of November 18, 2008 with a change that the Commission voted to approve the settlement discussed in closed session.

3) **PRESENTATION OF MID-YEAR BUDGET REDUCTIONS AND CONSIDERATION OF A RESOLUTION MAKING FINDINGS**

Gregg Sass, CFO, presented an update on the FY 2008-09 mid-year budget reductions, including an additional \$9 million in mid-year cuts for a total of \$17.7 million toward the target of \$26.7 million. A copy of Mr. Sass' PowerPoint presentation is attached and incorporated into these minutes.

Commission Comments:

- Commissioner Tierney asked about the extent of mental health and substance abuse cuts. Mr. Sass responded that being consistent with Prop. T. Dr. Bob Cabaj added that there were no cuts to residential and that 50 percent of outpatient and 75 percent of Methadone and methamphetamine treatment. He added that a new RFP for Prop. 63 funds would be released in June.
- Commissioner Illig began Public Comment by stating that no one wants to make these cuts. He added that the Commission will be communicating this with Mayor and Board of Supervisors, and believes that required cuts could be coming from other parts of City. The Commission will include funding priorities as part of the Beilenson hearing. He also stated that the public should make its priorities clear to the Mayor's Office as well.

Public Comment:

Christopher Dodenhoff: SRO tenant representative in Central City SRO Collaborative. Resides in SRO. Without SRO collaborative, don't know where he'd be today. Doesn't want cuts to the collaboratives. Do a lot of work related to bed bugs, fire safety, etc.

Brynn Kennedy: Undergrad at UCSC and intern at Central City SRO Collaborative. Reconsider cuts to SRO collaboratives. Only orgs. doing outreach to SRO tenants. Work being done is important.

Walter James: Tenant rep at Central City SRO Collaborative. Cuts would affect staff and tenant reps. \$148,000 helps. Many people depressed, on drugs. People will come to collaboratives.

Alexandra Goldman: Restoration of cuts to all Collaboratives. Important that buildings are up to code, etc., but most important thing is to help people get power to improve their lives. Without collaboratives would drastically reduce ability to help residents.

Jeff Buckley: Director of Central City of SRO Collaborative. Understands difficult decisions. However, cutting collaboratives effectively cuts the safety net of DPH. Imagine what conditions would be in the City without the Central City Collaborative. Pay meager stipend to 29 tenant representatives. Provide alternative to isolation and drugs. Please don't cut safety net.

Peter Masiak: Organizer with Central City SRO Collaborative. Without Collaboratives no visitor policy, more fires, evictions, preventable overdoses, etc. Might save a few hundred thousand dollars. Eliminate the Community Justice Center instead. Burden should be shared equally.

Chris Strayhorn: Central City SRO Collaborative. Ever been to Hyde and Turk? Deal with things that people don't want to deal with. Walk neighborhood and see people who are helped.

Kai Zehm: Volunteer at Central City SRO Collaborative. People without other places to go, go to Collaborative. Not a lot of other people in neighborhood helping. Here to say thank you, but find money in other places.

Scott Dennis: Resident of Tenderloin, and volunteer at Central City Collaborative. Help people without other places to turn. Find resources for residents. Put together assistance directory. Comparing cost of people in jail vs. subsidized housing is much worse.

Elaine Jones: Lives in senior building. Seniors come into building from jail or streets, many handicapped. Collaborative helps people get food, get wheelchairs fixed, get elevator fixed. Been with Collaborative a couple months and knows that this is the place she wants to be. People care about seniors.

Joseles De la Cruz: Tenant organizer with Central City SRO Collaborative. Help build community and serve as resource to tenants. Collaboratives empower people. Getting rid of Collaboratives will take away power. Please restore.

Antoinetta III: Baldwin House tenant representative. Isolation is very common. Found corpses in rooms. More outreach and organizing helps isolation. All of cuts are life threatening. These represent needs not wants.

Jennifer Friedenbach: Coalition on Homelessness. Rush to dangerous game. Cuts are based on assumption that Board will restore. Saves mayor's pet programs. Make resolutions today that save lives of homeless people. Concerned about Caduceus Outreach cuts and SRO Collaborative cuts. Both meet Commission's priorities. Stand up to Mayor. Cut additional management positions.

Rod Libbey: Commend DPH staff on work. Won't be satisfactory to all. Walden House closing adolescent inpatient. Look at contracting process. Small contracts even with percentage cuts have hard time making units while larger contracts with same percentage can get by.

Richard Hemenez: Walden House. President of SF Substance Abuse Providers. Many providers will be challenged to survive. Most people engaged in methamphetamine treatment in programs cuts will be back on street engaging in high risk behavior.

Larry Nelson: Thank you. Know Commission has our backs. Appreciates question about outpatient cuts. Impact will be thousands of people.

Miguel. Carrera: Children, homeless, families in SROs or shelters not responsible for cuts. Mayor is responsible. Why does he do these things? Need someone in City Hall who thinks about these people. Mayor needs to give money back to SROs, families, and children.

Jesus Perez: Community organizer with Central City SRO Collaborative working South of Market. Leave money for families and children.

Carman Gallegos: Here representing families of the Tenderloin. Ask not to cut program because will hurt families. Has four children, who are small, and live in small apartment. Reconsider cuts. If you cut program will have more people on streets. Please don't cut.

Mattias Mormino: SRO Families Collaborative. Focus on budget principles. Minimize cuts on vulnerable populations, including homeless, poor, health disparities, etc. People they work with fit all of these categories. Collaborative is a model of efficiency. Stand up to Mayor.

Miriam Huerta: Participating in Coalition on Homeless a long time. Please don't cut services of SRO Families Collaborative. Has five children. Will be hard for us and for all families. Will be at a loss without collaborative.

Ruben Valderrama: Testified many times at Board of Supervisors. Have heard Board make promises to families. Help children who would be hardest hit by cuts and end up on street.

Jorge Portillo: Program Coordinator at Mission SRO Collaborative. Have difficult decision. Wants to point out that including DBI funding for Collaboratives. On SRO Task Force, DBI funding is not guaranteed for this year. Without DBI funds and with DPH cuts would eliminate collaboratives. Agrees with DPH belief that housing is healthcare.

Wendy Phillips: Program Director at Dolores St. Community Services. Facing hard budget times. Need to make cuts at program as well. Whatever administrative consolidations can be made should be made. Mayor has made homelessness a priority. SRO collaborative cuts will increase homelessness.

Hua Yua: Peer organizer for SRO families collaborative. Sees importance of work for families. When do not have program, do not know where to go. Do not know how to reach out or get help. As peer organizer, families can help each other and work together to fight for rights and improve conditions. Helps families have a voice. Please restore funding.

Lisa Moy: Project Coordinator for Chinatown SRO Collaborative. Works closely with families. Have many projects. Work with 400 families in 12 blocks of Chinatown. Families looking for better lives in the US. Work with immigrants who are working hard to assimilate. Many services out there that families don't know about. They provide link.

Angela Chu: SRO Families Collaborative. One of best things about DPH is funding of SRO projects. Affirms that homes are health. Send a message to Mayor: We are seeing families leaving San Francisco and hundreds of families who live in poverty.

Dr. Eddy Machtinger: UCSF +SHE Program. Sexual health program. Cuts to HIV prevention will have disproportionate impact on woman and transgenders. Budget reduction to under \$100,000. Impact would be evisceration of prevention for positives for minority women.

Brenda Barros: Works at SFGH. People left after cuts will be expected to do work of skilled people with unskilled workers. People making cuts don't know how these program work. Asking people to take that much of a cut is horrendous.

John Melone: Senior Action Network. 30,000 strong in SF. Recent convention theme was the war, our economy and ourselves. Asking not one penny cut from Laguna Honda Hospital.

Alexandra Kutik: Budget and planning that goes on in Department and with people served. Need reality based budgeting and planning. CBHS contract cuts will "shrink but not cut" services. Was language from last year's budget. Nothing to do with reality. Quality of services will be impacted.

Regina Mitchell: Works in psych. emergency. Dept. always on "red." Police, etc. always calling to find out status. Reminds of when Governor Reagan let everyone go from Atascadero. Have police at SFGH who know how to handle people. Security guards will not work. Begging not to get rid of staff at psych. emergency.

David Knego: Believes Commission has a lot of power to guide staff. Doesn't see names attached to cuts. Need to consider size of programs and agencies. Also hears about vulnerable populations, but many do not receive services or are home bound.

Anthony Philip: LGBT Community Center. SNAP provides HIV prevention for new MSM arrivals in SF. One client recently released from prison now sous-chef.

Charles Rivera: Budget neutral proposal coming from Laguna Honda. ADHC at LHH is culturally competent and is a safety net program. Recently moved from Clarendon to new location. Maintained average daily attendance of 50. Received best practice award. Flagship safety net program.

LaNay Eastman: Executive Director of SF Adult Day Services Network. Centers collaborate to leverage services. Network works to help them find resources. Are ADHCs in City facing State cuts, so closing LHH ADHC will put strain on other ADHCs.

Maureen Dick: Speaking on behalf of LHH ADHC. Has work responsibilities and has mom with dementia. Needs care during the day while she's at work. Without LHH ADHC her mother would have to stay home alone.

Michael Discepolo: SF AIDS Program Director. Stonewall Project is drug and alcohol program for gay men and MSMs. Only program working with methamphetamine serving gay and bisexual men. Cut would be staggering to program and clients. Substance abuse treatment and prevention is very cost effective.

Sherrie Matza: Have no doubt that want to do the right thing. Here regarding LHH cuts. Except for one ADHC in SF, all others closed to new clients. 100 daily clients would not be able to get into a like program. People in program need to be there. Her mother was in the program. Helped her go to work and get respite. Gave her mother a lot as well.

Josh Vining: Community Organizer with Mission SRO Collaborative. Collaboratives do excellent job of stretch funds they receive. Helps to train existing leaders in the community. Do a lot of good work with a little bit of money. Work also in prevention. Fire and disaster preparedness.

Bob Rykicki: Westside Community Services. Speaking in support of resolution. Walk in crisis clinic has seen numbers increasing at same time being asked to cut five percent.

Carla Wilson: Complementary therapies are key services. Elimination of complementary services does not affect maintenance of effort. Doesn't understand what that means.

Carmen Hensey: Nurse at CASARC. One in four girls and one in four boys will be sexually abused as children. Who will care for these young victims? Staff is multidisciplinary. Work with other agencies in community to get services for their clients. Skilled at getting information from children regarding sexual abuse that is key to prosecution.

Elaine Martin: Scheduled to be laid off from CASARC. Understands need to make cuts. Her co-worker is only Spanish speaker at CASARC. She only African-American nurse. Serve a large percentage of Spanish speaking and African-American clients. Who is looking at diversity?

Jimmy Loyce: Black Coalition on AIDS. Thank you for message being sent to Mayor. Want to put face on HIV prevention services that will be cut. These are significant cuts to agency that delivers services to African-American MSMs. Community that is devastated and has huge health disparities.

Patrick Monette-Shaw: LHH employee using benefits time to speak. Speaking on behalf of LHH ADHC. Will increase institutionalization with elimination of 168 ADHC slots. Other ADHCs cannot absorb these clients. Exacerbate perception that LHH not working with other community providers.

Kavoos Bassiri: Director of RAMS. Oppose such cuts. Provide essential healthcare services that clients need. Appreciate across the board cuts as way to make cuts. Concern about serious nature of substance abuse service cuts.

Kate Sorensen: Program Director for Stop AIDS. Have RV and go into community to do testing. Spoke with 40 men one night in Castro and tested 10. Recently stopped testing for other STIs. People were upset. Found 18 percent difference among men who are HIV positive.

Kyriell Noon: HIV prevention held harmless for a reason. Prevention works. Decrease in unprotected sex among people who participate vs. those who don't. An ounce of prevention worth a pound of cure.

Leo Olson: Citizens Advisory Board of Senior Nutrition Program at LHH. Serve hot meals for seniors who live in neighborhood. Many are alone. Hard to cook a balanced meal when can't see stove. Need to find funds to continue this needed program. SF is humane place to live and we should continue in that vein.

Youroslav Shcheglov: Daughter at LHH for eight years and in day care. LHH is a specific organization. Look wider for cuts if possible. Speaking against LHH ADHC cut.

Melinda Pierson: Speaking for Jacob Moody. With Black Coalition on AIDS. Part of shrinking population of African Americans in SF. Disturbed that HIV programs for women are being cut. Gets calls from other parts of country. Please reconsider cutting services to women with HIV.

Marykate Connor: Caduceus Outreach. Her program mistakenly put into outreach category. Provide psychiatric services by volunteer psychiatrists as well as other direct services. Look for alternatives to punitive methods. Serve people with substance abuse, homeless, highest disparities. Please correct error.

Felizia Noughton: Program Director of a Women's Place. Freaking out. Means cut of 13 beds. Every program that receives a cut will impact her services. New meaning to Care not Cash. Emphasis on "not Cash."

Max Haptonstahl: Mobile Assistance Program. 24-hour service for people on street. Included in five percent reduction. Means one-and-a-half to two full-time staff. More worried about impacts

on more vulnerable people ending up on streets in need of MAP. Know will carry message forward.

Ralph Fen, M.D.: Psychiatrist at Family Service Agency providing services in board and care homes. Ultimately save City money. Without services clients get picked up by police and taken to SFGH psych. emergency. Cycle broken when placed in board and care homes.

Jeff Hall: Legislative Affairs with SF AIDS Foundation. Appreciates exemption of needle exchange funding cuts. Other prevention cuts will impact clients and destabilize vulnerable safety net. Stonewall cuts will be devastating.

Mikhail: From LHH ADHC. Veteran of WWII. LHH is my home and my everything. Live in Park Merced. People at LHH take care of me. Without it, there is no place for me to go. Thankful for LHH.

Steve Hodge: Here with his mother who is a client at LHH. Look into your hearts and find a way to keep this program open. Mother is 88 and has dementia. Would be tragic to lose it. Wonderful staff and volunteers. Mother gets elevated by program. Keep program open.

Ken Reggio: Episcopal Community Services. Elimination of services at LeNain and Pacific Bay. Strong record of success at these programs. Get commendable ratings from DPH monitors. Being eliminated with substitution of DPH staff on basis that it's less expensive and Medi-Cal billable. Dangerous precedent of cutting non-profit partner to save civil service staff.

Kevin Sharps: Housing Services Director at ECS. High housing stability numbers. Takes dedicated staff to work with clients in difficult positions in lives. Begs question of why cutting community partner with 99 percent housing stability. Sensitive to budget difficulties. But residents have a great deal based on stability of relationships with current staff.

Hwei-Li Chou: Here for mother and others who feel they have no voice about the cuts at LHH. LHH means a lot to clients. Gives hope for the elderly. Elderly have a hard time adjusting to new situations. Be compassionate for those with no voice.

Marc Johnson: Mother-in-law in ADHC. Need environment of peers. Prior to LHH she was isolated. Must be some other way.

Juliana: From Nigeria. At LHH ADHC. Speaking against LHH ADHC cuts.

Cecilia: Heard yesterday that were going to close LHH ADHC. Speaking against cuts.

Doris Yee: Coordinator of LHH ADHC. Please don't close and take program home away from participants. Like a family. Participants tell her how program gives them a reason to live. Don't take away one senior nutrition meal.

Cathy Phillips: At LHH ADHC for 28 years. Like a family. When other participants have no where else to go, can come to LHH ADHC. Last hope for many families. Have many success stories. Please don't close program.

Monique Al Amin: Program Coordinator for ADCRC program. Coming to advocate for residents. One of only two Alzheimer's day care programs in SF. Many clients have no where else to go.

Other ADCRCs are full. Serve high level of care. Provide Occupational and Physical Therapy. Keep ADHC open.

Ricky Ng: Work as medical social worker at LHH ADHC. Story of monolingual Cantonese speaking elderly woman. Suffers from memory loss. Daughter is reluctant to transfer to skilled nursing facility. Urge to keep LHH ADHC open.

Alice Wok: Music Therapist at LHH ADHC. Serve diverse population. Serve multilingual clients and use music to bring people together and improve quality of life. Asked clients what would happen if center closes. Most said would stay at home alone.

Bea Wong: Works as RN at LHH ADHC. All participants have multiple medical problems. Need nursing monitoring and many have memory and behavioral problems. Cannot stay at home alone. Come to center so families can go to work. Consider needs of elderly. Wants ADHC to remain open.

K. Borodulina: 95 year old Russian speaking woman with many problems living alone with only a little help from caregivers. WWII survivor. At LHH is at home. Doesn't speak English and has no way other than LHH ADHC to get by.

Marie Walker: Works for senior nutrition at LHH ADHC serving 40 seniors per day. Many seniors get only meal of the day at LHH ADHC.

Rita Connolly: RN working at Jail Health Services. Don't hear a lot from jail staff. Have patients in 50s, 60s, 70s and 80s. Don't get medical care in other places. Sort out amazing problems. Three cuts proposed at San Bruno. A small staff, so three nursing cuts is unconscionable.

Bill Hirsh: AIDS Legal Referral Panel. Seems like endless déjà vu. Hard to consider these cuts over and over. Nice to have Mayor's staff present, but would be nice to have Mayor present to hear about effects of cuts.

Larry Bevan: This is an unwinnable situation. Tired of hearing politicians not telling the truth. Bringing back tent cities and dangerous Market St. Will result in more revenue problems because won't have tourist tax revenue.

John Owles: Thank you for giving respect to all of the speakers with heart breaking stories. Wife with Alzheimer's who goes to LHH ADHC. Didn't know anything about giving care to person with Alzheimer's. Caring for wife for ten years. Without LHH couldn't have made it.

James Keys: Member of Mental Health Board. Stands for everyone who opposes cuts to mental health services. Please do not let Mayor send these people back onto the streets and into jail.

Theresa Cahill: RN at SFGH. Concerned about cuts to RNs at SFGH outpatient clinics and replacement with MEAs. Patient safety and care will be compromised. Try to keep patients out of ED. Part of chronic care management team.

Gayling Gee: Associate Administrator at LHH. ADHC provides vital service. Staff is multicultural, multilingual and multi-talented. Staff is concerned about loss of service for clients. Worked diligently to present budget-neutral proposal. Allow to submit proposal.

Viktor Kirienko: Father of client in LHH ADHC. Disabled as a result of motorcycle accident. In a wheelchair. Found a place where he can feel at home. Staff is great. Hope that financial adjustment will allow program to stay open.

Athene Ochoa: Regarding closure of ADHC at LHH. Clients transported from home. Need exercise and balanced diet. Hoping closure won't happen. Will not receive care that they should have.

Maria Kinney: Father in law is civil engineer. At 83 not doing very well. Juggling having small child and elderly father in law. Couldn't give care that he needed. Keep beds available in SF.

Ed Warshauer: Representing SEIU. Need to mitigate if not eliminate these cuts. Need complete hard scrub of every dollar in SF. Not convinced that the hard scrub has been done. Every community program has an executive director and every department, no matter how small, has a director. Are also contract violations in proposal. United on A, N, O and Q.

Alexandra Byerly: With EI-La. Transgender Latina organization. Any funding cuts will jeopardize program. Only Latina transgender program. Please reconsider funding cuts.

Stanley Wong: Father at LHH ADHC who suffers from Parkinson's. Difficulty swallowing food. Greeted by friendly staff. Enjoys music therapy and singing. Many occasions to observe program. Staff is wonderful. Clients help other clients. Wide diversity of clients. Hate for program to close.

Rochelle Savola: At SEIU 1021. Speaking for those who couldn't be here to speak for themselves. Only publicly funded ADHC in SF. Not a transparent process. Affect families of clients as well as clients themselves. Terrible budget time, but center saves money. In kind services by being sited in LHH. Draws down Medi-Cal dollars. Won't honor Chambers settlement.

Annie Abello: Husband with dementia goes to LHH ADHC. Goes five days per week and he loves it and would go every day. Staff is friendly and helpful. Will miss if it closes. Only place can go during the day.

Rev. Norman Fong: Chinatown CDC. Great resource for the City. One of the best programs that DPH and DBI fund is the SRO collaborative. Poverty in Chinatown is terrible. Please don't cut program in Chinatown, Tenderloin, or Mission. Don't listen to Mayor trying to force all cuts on you.

Commission Comments:

- Commissioner Illig requested that Catherine Dodd, Deputy Chief of Staff for Mayor Gavin Newsom respond. Ms. Dodd stated that she knows that last week's testimony was as compelling as this week's. These cuts were not the Mayor's idea. All departments are facing similar cuts. The City expanded many programs when we were flush, and we're no longer flush. Furthermore, the City must have a balanced budget. The City has reserves of only \$25 million, so they wouldn't even cover the Health Department cuts. Furthermore, they do not even take into account the cuts that will be coming from the State. The Mayor counting on DPH to put forth cuts that preserve services for the most vulnerable. She thanked the Commission for its diligence, and added that we have to do this together. This is not an "us vs. those across the street" situation.

- Commissioner Illig asked whether the budget neutral proposal from the LHH ADHC is viable. John Kanaley, Administrator for LHH responded that he was given a short time to make cuts and that he tried to make them budget neutral. He added that the ADHC staff has been diligent. The proposal adds a census of 13 additional clients with partial reductions in staff time. He believed that the proposal looks pretty good at first blush, and agreed to review it further with the finance staff and bring it back to the Commission.
- Commissioner Sanchez state that they had QA at LHH on Wednesday. It would be great if staff proposal would work. Glad that staff and community shared what they did and it's why we have these hearings to hear alternate proposals and ideas. LaNay Eastman from SF Adult Day Services Network stated that her organization is willing to support the proposal also.
- Commissioner Chow asked on the ADHC item, if the proposal works out, would Finance be amenable. Mr. Sass responded the he hasn't seen it, so can't comment, but knows that no one in DPH wants to make these cuts. He knows other programs have had adult day programs, which have been financially difficult. The LHH ADHC requires a \$400,000 general fund subsidy. If it's workable, he's disappointed it wasn't brought forward sooner, but willing to look at and consider. Commissioner Chow added that he's concerned about other vulnerable populations as well. In looking at other types of cuts, are efficiencies being looked at in other programs as well. Are savings possible without cutting services? For example in clinics, is it possible need to see more clients per hour. Need to look for increased productivity if are going to maintain services. Mr. Sass responded that the only real opportunity we have in clinic system is to improve productivity and through puts without increasing costs. It doesn't work at two patients per hour. The clinics have facilities layout problems along with a difficult patient population to care for. Probably can't ever be Kaiser, but need to see more than two patients per hour. Dr. Chow added that many of the needs being seen at physician level, should be cared for by non-physician staff.
- Commissioner Melara stated that she's in agreement with what's been said. She added that the Department needs to become more entrepreneurial. Many of the private providers are doing services more efficiently than civil service. She stated her agreement with Ms. Dodd's statement that we're in this together. Need to look at union agreements that are giving pay increases while others being laid off. Set asides should also be reconsidered, and we should be considering these set asides when making cuts. Children's programs could be divested to DCYF, for example.
- Commissioner Illig stated that the Beilenson hearing should give priorities to the Mayor for cuts. Concerned about SRO cuts as well as Caduceus, and the Women's Resource Center. We need to consider further administrative cuts as well as an Executive Director salary cap for non-profit providers. He added that we still need to find \$9 million more. Mr. Sass responded that it's not optimal to provide salary for many CEOs, CFOs, billing system, etc. It's likely that consolidation will be a result of this process, because some agencies will survive. The process started with targeted cuts to specific providers and some CEOs came back and said they should be across the board. None of this is desirable. He added that he now has a list of HIV prevention cuts that can be added. In explaining column 1 of table the Finance staff provided, the Prop. J cuts are the \$2 million in cuts as a result of not contracting out security through the Prop. J.

- Commissioner Waters stated that it's very distressing that we need to go through this over and over again. We need to look at ways business can be done better and more efficiently, and we need to look at the impacts of DPH programs. RWJ is currently looking at the efficiency of public health departments across the country. She added that we also need to look seriously at the LHH proposal. She stated that she has heard over the past three-and-half hours that the process is tiring and demoralizing. She recognizes the difficulty of the financial times, but is not sure how we can do this again. She also recognizes that there's a cycle here that needs to be broken. We should forecast five to ten years in the future. Need to look at efficiency of how we do business. Mr. Sass responded that there are a number of proposals on list that attempt to make us more efficient, e.g., consolidation of behavioral health into primary care. It's been difficult in two weeks to do this type of work and make these types of cuts and find efficiencies. The Controller's Report for example found that SFGH is very efficient when compared to other public and private providers. He questioned the myth that we are working in largely inefficient system. Comparing us with private providers there are two big differences: income is dependent upon payor mix and number of clients seen. We don't control our payor mix and no providers in our system are paid based upon efficiency.
- Commissioner Sanchez stated that these programs are models of excellence that have taken ten years to develop. Providers are not being cut because they are doing poor job. Hopefully change will come from Washington. These types of service should be a priority. Unfortunately we are operating with funding for 50 to 60 percent of capacity.
- Commissioner Chow stated that the City faces a real financial crisis. Mr. Sass replied that we could come out at end of year with a balanced budget at what we're currently receiving. Problem is with external funding sources (City, State) that are reducing funding to us. Commissioner Chow asked for example why do we need four collaboratives? Some of this budget cutting might drive innovation. On the UCSF affiliation agreement, has the Dean's Office has confirmed that the cuts are viable? Mr. Sass responded that there could be an impact on service that has an impact on revenue. It's still a work in progress, but we needed to give UC same cut that others faced. Commissioner Chow asked whether the Jail Health cuts could leave us open to potential lawsuits. Mr. Sass responded that some are vacant positions and we are managing without those positions. He added that Dr. Katz did speak with Dr. Goldenson regarding the viability of these cuts, and the he is not always privy to these discussions. He added that we are ahead of projections on Jail Health staffing savings. Ms. Kronenberg agreed to follow up on Jail Health staffing. Commissioner Chow asked why funding was cut more for the Families Collaborative than for other collaboratives. Ms. Kronenberg replied that it's a remnant of history and that much of funding is work-ordered through DBI. The cuts were discussed at SRO Task Force and the Collaboratives are amenable to cooperating to prioritize cuts.

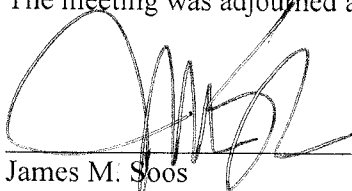
Action Taken: The Commission (Illig, Melara, Chow, Sanchez, Waters) approved the resolution with the title amended to "Urging the Mayor to Protect Funding for Critical Programs and Services of the Department of Public Health."

4) OTHER BUSINESS

None.

5) ADJOURNMENT

The meeting was adjourned at 7:12 pm



James M. Soos
Acting Health Commission Executive Secretary

San Francisco
 Department of Public Health
 Mid-year Reductions Update
 FY 2008-2009

November 23, 2008

Mid-Year Reduction Plan – Current Status

We have identified additional mid year cuts totaling \$9M.

Our total progress towards the \$26.7M Target is \$17.7M. An additional \$9.0M remains to reach the Targeted reduction.

We have included an across-the-board reduction to Community Behavioral Health Contracts valued at \$4.8M as a new initiative. This necessitated a \$1.25M reduction in our November 14 cuts to Behavioral Health Contracts to avoid duplication.

Mid-Year Reduction Plan – Current Status

Reduction target for 2008-09		\$26.7M
Submitted Friday, November 14	\$8.6M	
Submitted Friday, November 21	9.1M	17.7M
Remaining		\$9.0M

Mid-Year Reduction Plan – Revisions to Previous Initiatives

Description	2008-09 Net General Fund	2009-10 Net General Fund
Asthma Task Force	(77,000)	(112,000)
Behavioral Health Outpatient Reduction	(245,834)	(336,365)
Behavioral Health Outreach Reduction	(699,583)	(1,526,360)
Convert all CNAs to Nursing Care Assistants for all units except SNF and BHC	(169,893)	(679,571)
Management Reductions and Efficiencies	(250,000)	(600,000)

The revisions to these initiatives represent a net reduction in cuts totaling \$1.3M for the current year and \$2.6M for 2009-10. The most significant being \$1.2M Behavioral Health reductions which were duplicative of a new across-the-board 5% reduction to contracted services valued at \$4.8M.

Mid-Year Reduction Plan – New Initiatives

Description	2008-09 Net General Fund	2009-10 Net General Fund
Closure of Adult Day Health Center at LHH	(175,832)	(421,597)
Health at Home	(404,521)	(970,652)
Jail Health	(245,000)	(513,025)
5% cut to UC Affiliation Agreement	(1,301,367)	(2,663,087)
Medical High User Program	(152,001)	(364,802)
Close the 4C Clinic on Holidays	(13,402)	(39,952)
Termination of Contracted Case Management Services at Two Housing Sites and Replaced With Medical Billable Staff	(272,721)	(654,530)

Mid-Year Reduction Plan – New Initiatives

Description	2008-09 Net General Fund	2009-10 Net General Fund
Reductions Community Behavioral Health Contracts	(4,775,988)	(11,462,370)
5% reduction in CBHS civil service clinics	(355,855)	(766,138)
Convert Unit Clerks to Clerks in Certain Outpatient Areas	(189,832)	(455,116)
Convert RN's in Certain Outpatient Clinics to LVNs and MEAs	(599,439)	(1,436,653)
Inpatient LYN Reduction	(523,966)	(1,257,517)
Clinic Co-location and Care Coordination	(35,000)	(299,005)
Total	(9,044,724)	(21,301,044)

Mid-Year Reduction Plan – Next Steps

Conclusion

We will continue to work with the Mayor's Budget Office and our Health Commission to identify additional reductions while preserving essential services to our clients and residents of San Francisco consistent with our mission.

It will be necessary to schedule a Bellenson Hearing before the Health Commission. Possible dates are December 23, 30, or January 6.