

Fiscal Year 2009-2010 Health Commission Budget Principles

PREAMBLE

DPH is committed to improving the health of all San Franciscans. In order to accomplish this goal, the Department funds programs inside DPH and in communities across the city. These partnerships enable us to provide the highest quality health services in all neighborhoods of the City. In order to accomplish these goals in challenging fiscal times it is necessary to set budget priorities. The priorities and policies that govern health funding in San Francisco require the active involvement of the Health Commission, the Health Department staff, community partners, the Mayor, the Board of Supervisors and the public. The policies and budget assumptions for 2009-2010 are:

- The Health Department operates, and plans to rebuild, an acute care hospital and trauma center, and must meet all regulatory requirements in order to do so.
- The Health Department operates, and is currently rebuilding, a long-term care facility, and must meet all regulatory requirements in order to do so.
- The Department has a County and State mandated role to control the spread of communicable illness, including, but not limited to, tuberculosis, sexually transmitted diseases, HIV/AIDS. These activities must be adequately funded to fulfill this role.
- Healthy San Francisco is a citywide priority.
- The Health Department operates a primary care network that is critical to the success of Healthy San Francisco.
- The Health Department depends on successful partnerships with community based organizations.
- The Health Department is committed to community-based alternatives to institutional and long-term care.
- A number of Health Department budget allocations are used to draw down State and Federal funds.

Given the above budget assumptions, which must be adequately funded, the budget principles that are adopted by the Health Commission will be applied to the remaining portion of the budget.

PROPOSED BUDGET PRINCIPLES

Revenue

1. The Department shall develop a budget to include revenue increases to the maximum extent possible.
2. The Department shall ensure that fee-based programs will have fees set to recover costs.

Populations

3. In proposing cuts the Department will minimize the impact on vulnerable populations. We define vulnerable populations as low income persons. Given that almost all patients of the Department fall into this group, in prioritizing services for low income persons, we further prioritized services for persons fulfilling the following characteristics:

Lowest Income

Prioritize services for the very poor over services for the poor.

More Severe Illness

Prioritize services for those with serious illness over those with moderate illness.

Health Disparities

Prioritize services addressing populations with known disparities over programs serving the general population.

Non-English Speakers

Prioritize services for those whose first language is not English.

Homeless

Prioritize services for the homeless over the housed.

4. Given that most clients we serve fit at least one of these diagnoses, clients fitting multiple categories would be judged to be more vulnerable than other persons.

Services

5. The Commission and the Department have as a priority to develop and enhance relationships with partners who constitute our system of care for all San Franciscans.
6. The Department will move aggressively to develop measures and outcomes for all programs that it operates and funds.
7. The Department will identify to the Health Commission those programs that are financially self-sustaining and the services will be exempt from cuts (e.g., immunization clinic, outpatient dialysis), although cost reductions within them can be considered.
8. The Department and Health Commission will identify those services of the highest priority where no cuts will be recommended and those services of moderate priority where some cuts can be recommended.
9. The Department will continue to fulfill its legally mandated functions, although we may recommend cuts to fulfill this mandate at lower expenses.
10. The Department, when making service cuts, will try to mitigate them by substituting a less expensive level of service for the same population.
11. The Department will include funding to address increases in the cost of doing business for our community partners, and increases in salaries of Department employees mandated by labor agreements, even if that funding necessitates a reduction in services to finance the increased cost.
12. The Department will not propose budget reductions that would jeopardize licensure and accreditation of our hospitals.
13. Reductions will be guided by the revised DPH Strategic Plan that now incorporates the four priority Community Benefit Partnership goals into the plan.
14. Any reduction in the General Fund will be presented in the context of other revenues, including grants, for the identified services.
15. Staff will present tiers of reductions to address a range of possible cuts that may be required by the Mayor.