DPH BUDGET UPDATE

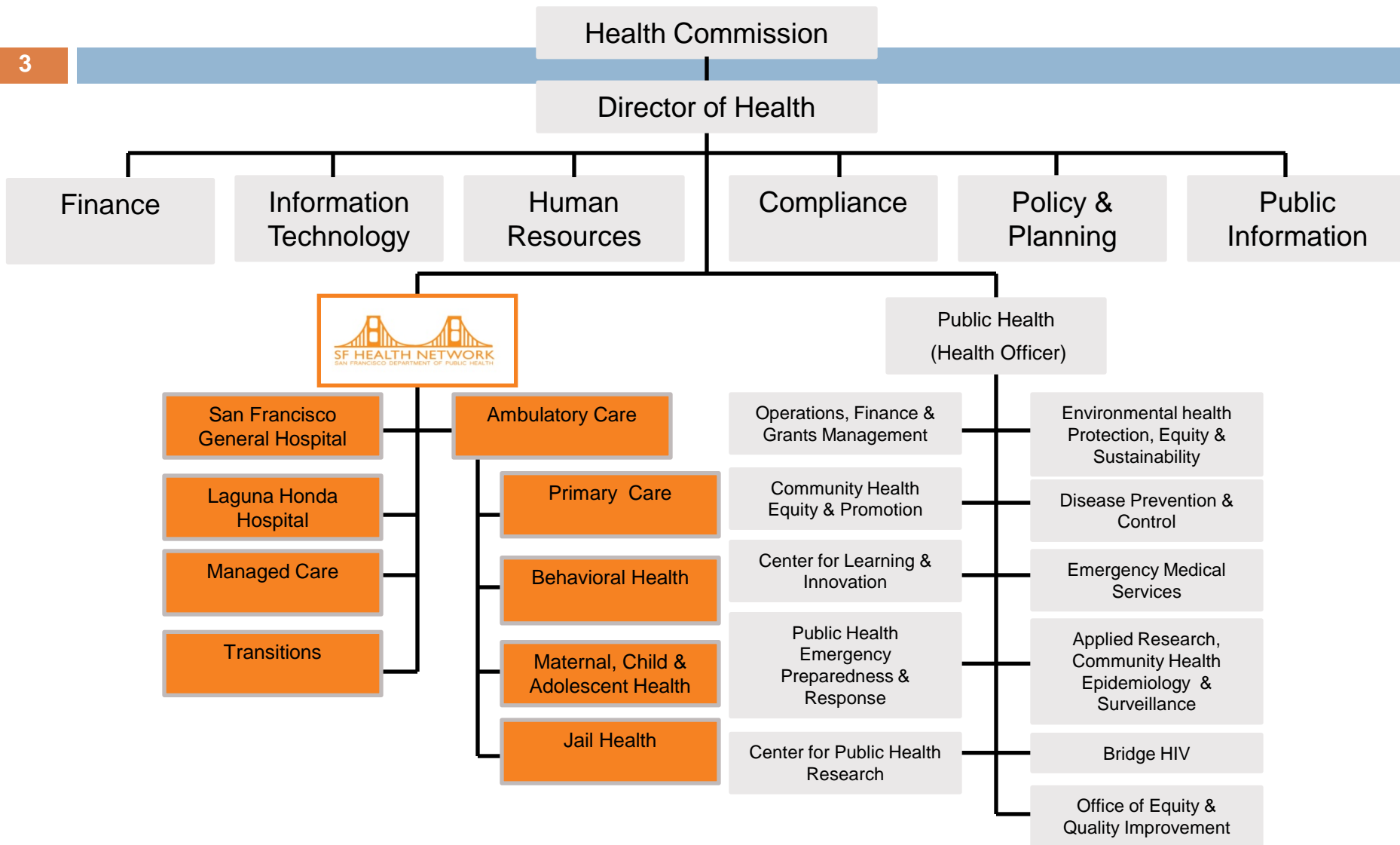Budget and Finance Committee May 7, 2014

SFDPH Overview

Mission: Protect and promote the health of all San Franciscans

- FY 13-14 budget of $1.9 Billion – Largest City Dept

- Responsible for public health and safety net health care functions

New SF DPH Structure

Health Commission

Director of Health

- Finance
- Information Technology
- Human Resources
- Compliance
- Policy & Planning
- Public Information

SF HEALTH NETWORK
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH

Public Health (Health Officer)

SF Health Network	Public Health
San Francisco General Hospital	Operations, Finance & Grants Management
Laguna Honda Hospital	Community Health Equity & Promotion
Managed Care	Center for Learning & Innovation
Transitions	Public Health Emergency Preparedness & Response
	Center for Public Health Research

Ambulatory Care
- Primary Care
- Behavioral Health
- Maternal, Child & Adolescent Health
- Jail Health

Public Health (right column):
- Environmental health Protection, Equity & Sustainability
- Disease Prevention & Control
- Emergency Medical Services
- Applied Research, Community Health Epidemiology & Surveillance
- Bridge HIV
- Office of Equity & Quality Improvement

SFDPH - Office of Policy & Planning   May 13, 2014

Context for DPH's Budget

- DPH has been actively planning for the Affordable Care Act for four years
  - Controller's Health Reform Readiness Assessment
  - Integrated Delivery System Plan
  - IT Assessment and Strategic Plan
  - Delivery System Reform Incentive Program
- These extensive planning efforts shape FY 14-16 budget proposal

Context for DPH's Budget

- Healthcare Reform
  - Better integrating our delivery system
  - Improving quality
  - Increasing access to care
  - Enhancing the patient experience
  - Controlling costs as funding sources change
- New San Francisco General Hospital scheduled to open in FY 15-16
- State and Federal Funding Reductions

Goals for FY14-16 Budget

Use modest revenue growth to meet target and invest in strategic initiatives focused on the following goals:

☐ Improve access to primary care, specialty, and mental health services to retain and expand SFHN's client base.

☐ Support the Rebuild and opening of the New SFGH

☐ Strengthen core information technology infrastructure supporting clinical operations and security measures, while leveraging investments by the City Department of Technology.

☐ Ensure a strong public health system that is coordinated with the San Francisco Health Network.

Major Initiatives – Improving Outcomes and Access to Care

Description	14-15 FTE Change	14-15 Net GF Cost/ (Savings)	15-16 FTE Change	15-16 Net GF Cost/ (Savings)
Denti-Cal Expansion	2.60	-	4.00	-
SFGH Primary Care Clinic Expansion	10.91	-	11.55	-
Non Specialty Mental Health Services	1.54	-	2.00	-
New SF Health Network Clinic	7.40	-	12.50	-
Specialty and Ancillary Medical Services Expansion	-	-	-	-
Mental Health Services Act		-	-	-
SF Health Network Call Center	6.23	1,465,061	13.23	1,572,996
Telehealth Support and Upgrade	1.00	122,727	2.37	316,180

Major Initiatives – Strengthening Infrastructure

Description	14-15 FTE Change	14-15 Net GF Cost/ (Savings)	15-16 FTE Change	15-16 Net GF Cost/ (Savings)
Continued Implementation of Electronic Health Records	7.22	3,828,786	8.22	3,262,997
LHH Administrative Building Operating Costs	6.22	1,066,703	6.42	1,106,245
Security Enhancements for IT	1.77	428,364	3.37	716,191
Clinical Informaticists	1.33	417,300	3.56	745,465
Information Technology Infrastructure	4.14	1,549,383	8.76	2,212,904
DPH Human Resources Enhancements	1.58	266,522	4.75	653,779
Affordable Care Act Readiness for Ambulatory Care	1.74	429,328	4.79	1,183,669

Major Initiatives – Ensure a Strong Public Health System

Description	14-15 FTE Change	14-15 Net GF Cost/ (Savings)	15-16 FTE Change	15-16 Net GF Cost/ (Savings)
Public Health and Primary Care Revenues	0.77	2,109,346	1.00	2,239,761
Environmental Health Fee Adjustments	3.60	-	4.75	-

Major Initiatives – Support New San Francisco General

Description	14-15 FTE Change	14-15 Net GF Cost/ (Savings)	15-16 FTE Change	15-16 Net GF Cost/ (Savings)
SFGH New Hospital Supplemental Operating Budget	-	-	96.74	26,853,346

New SF General Hospital

- Opening Scheduled 2016
- Construction continues on schedule and within budget
- Budget Issues:
  - Staffing
  - Furniture, fixtures and equipment
  - Transition costs
  - Information technology

History of Budget FTEs at DPH
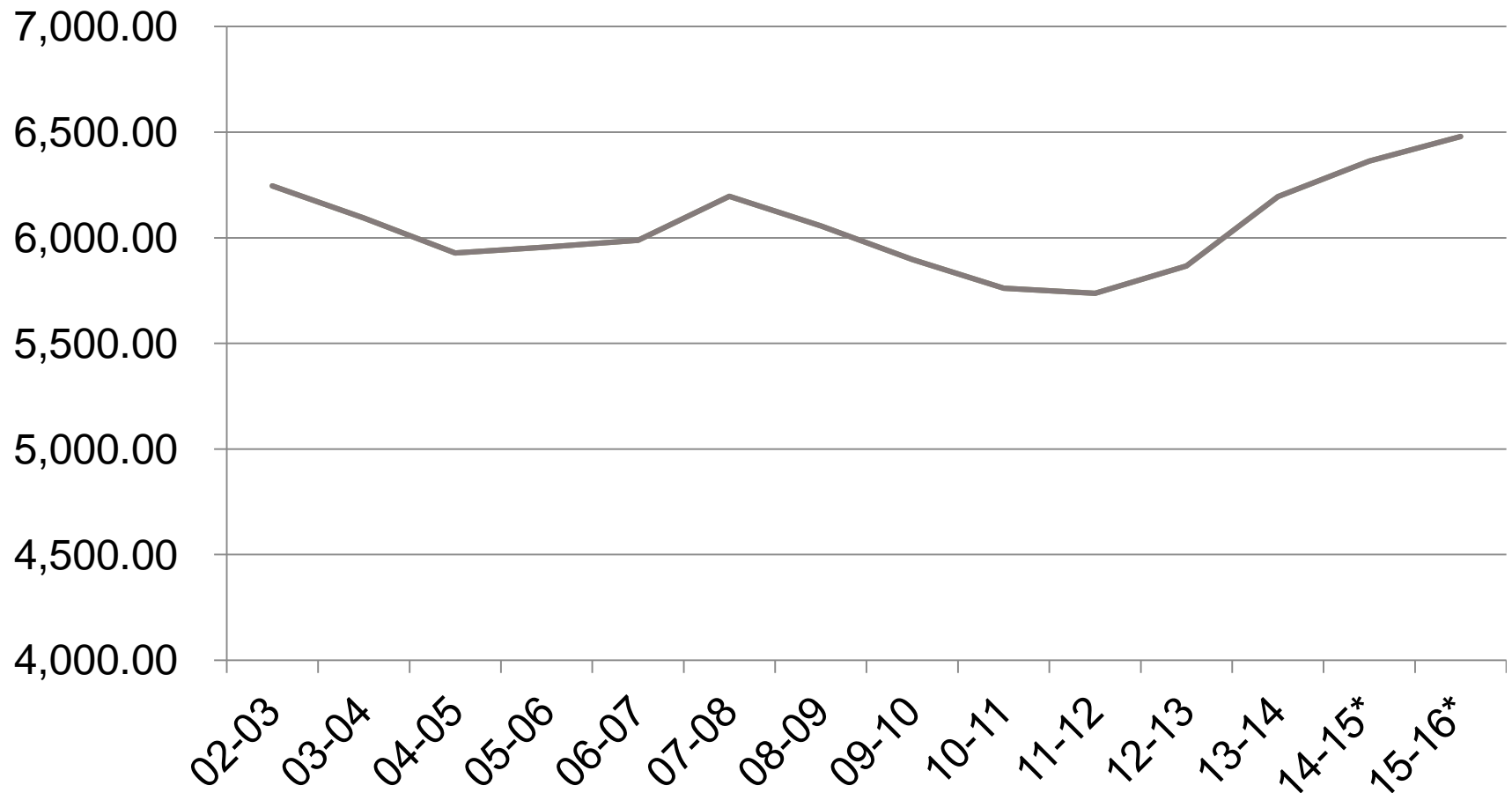
*Proposed as of April 2014

History of Budget FTEs at DPH
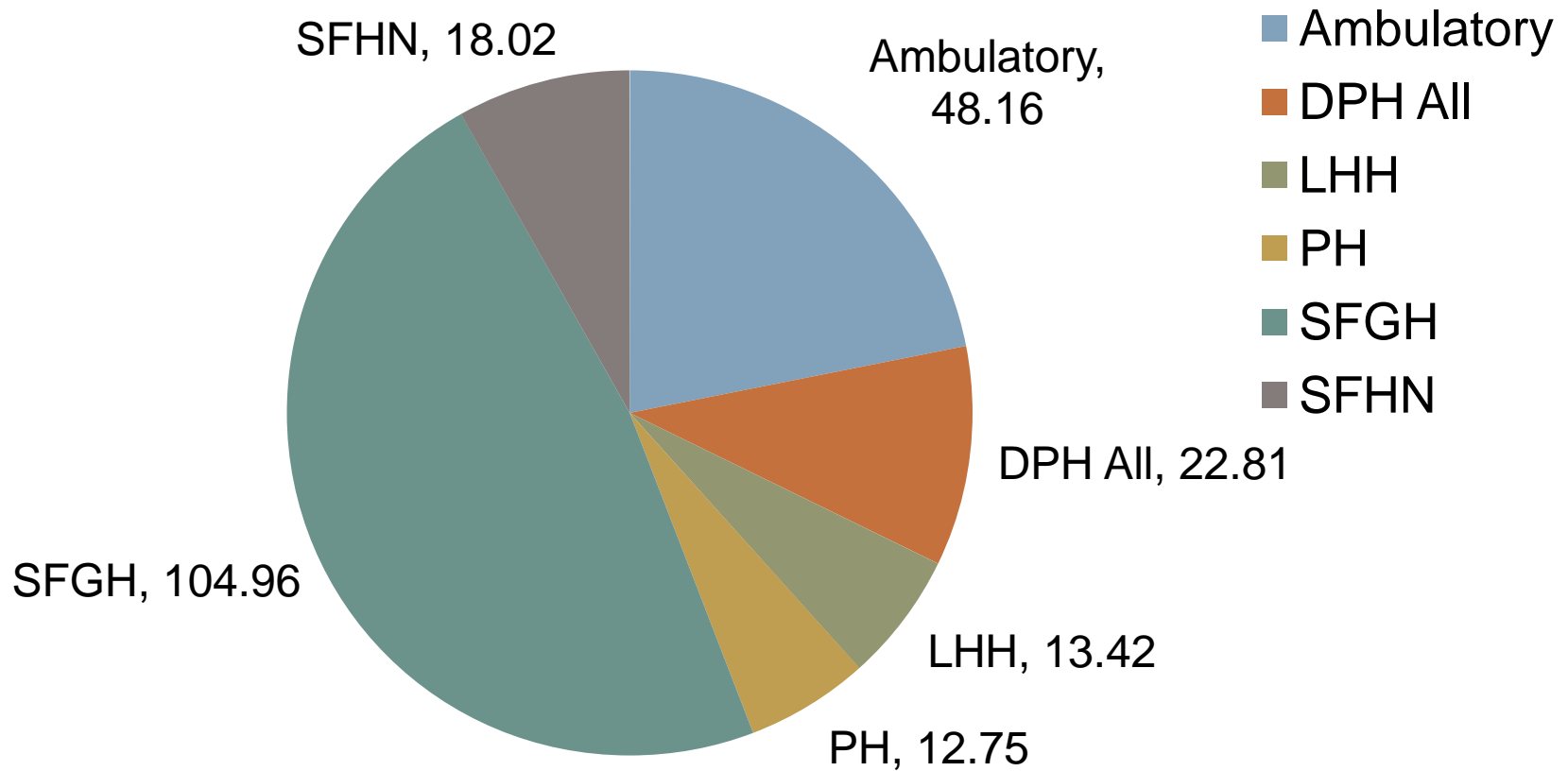## (Adjusted for Structural Correction)
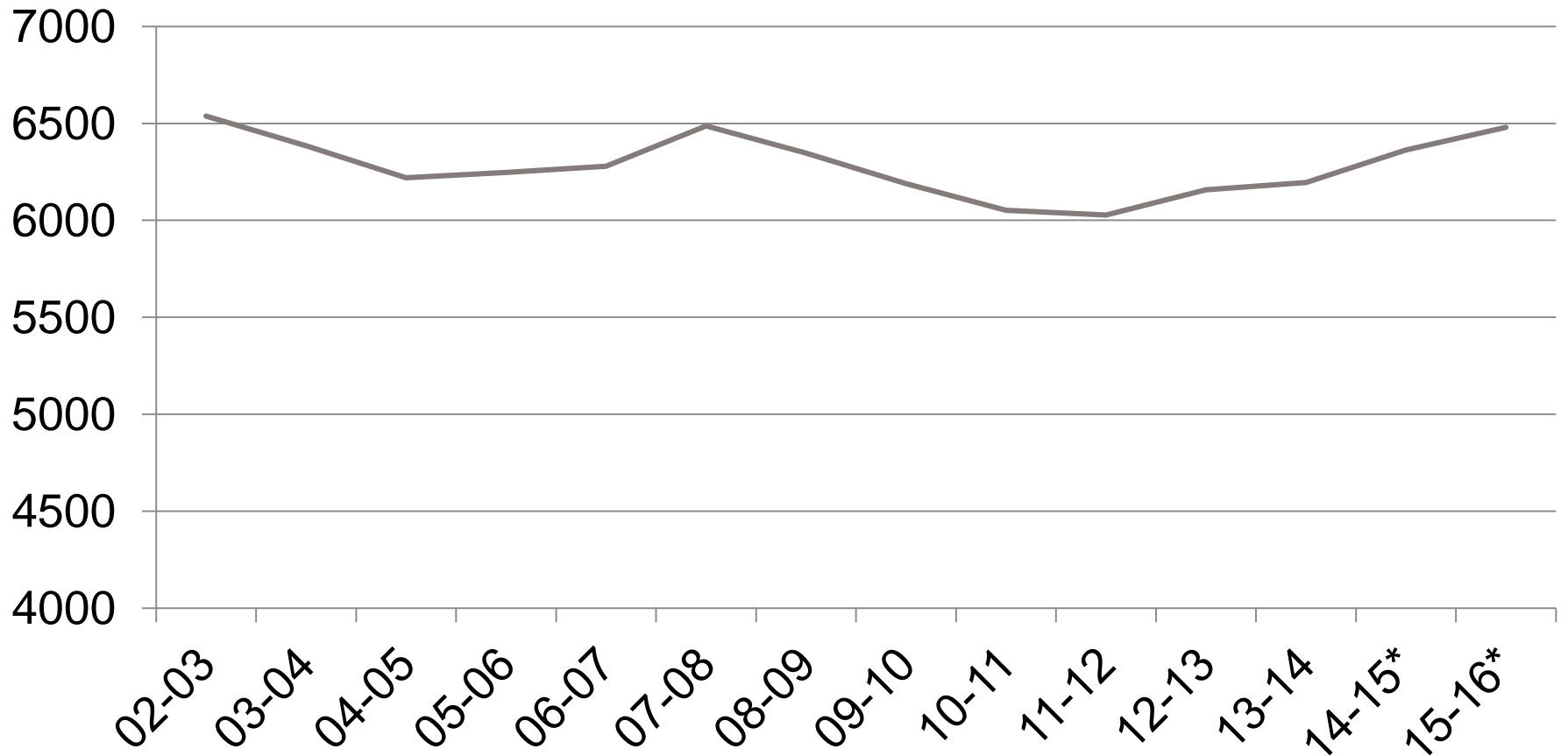
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FTE Changes By Initiative Type

	15-16 FTE Change	Budget Neutral
Ensure Strong Public Health System	11.75	11.75
Improve Access to Care	69.81	50.16
Strengthen Infrastructure	23.06	(4.54)
Support New SFGH	96.74	-
Total All Initiatives	201.36	57.37

Positions Changes by Division in Two-year budget

SFHN, 18.02

Ambulatory, 48.16

SFGH, 104.96

DPH All, 22.81

LHH, 13.42

PH, 12.75

Legend:
- Ambulatory
- DPH All
- LHH
- PH
- SFGH
- SFHN

Other Changes Affecting DPH's Budget

- Community Programs Reduction approved in last year's budget process of $8.8 M in FY 14-15 annualizing to $17.7 M in FY 15-16 remains in the budget

- Estimated $33.8 M in State Realignment reductions

- HIV Funding Reductions – Pending final award, but projected at $3 M

Hiring and DPH Budget

- A critical focus for DPH is hiring of vacant positions
  - Total Department vacancy rate = 9% (602 positions)
  - Primary care capacity expansion
  - SFGH – existing positions and staffing for new hospital
    - Patient Care Position Vacancy rate =8%
    - Many of these positions currently backfilled with as-needed staffing
    - Other hiring needs include positions backfilled to a lesser degree with as-needed or overtime (e.g., IT, Interpreters, human resources)

Current SFGH RN vacancy Data

□ As of April, 2014:

  □ SFGH Current vacant RN positions: 87.9 FTE (13.4%)

- Emergency Department : 14.7 FTE
- Medical/Surgical: 17.3 FTE
- Critical Care: 8.1 FTE
- Perinatal: 7.0 FTE
- Perioperative: 6.6 FTE
- Psychiatry: 18.7 FTE
- Behavioral Health Center: 6.0 FTE
- Clinics: 9.4FTE

Hiring Activities to Date

- Nursing is working closely with HR to post/recruit both experienced/new graduate RN.

- Utilizing registry and per-diem RNs as an interim measure to maintain appropriate staffing levels.

California Nursing Ratios and Break Coverage

☐ Reassessing current break coverage practices.

☐ Creating a robust system to document break coverage.

Why do we have such a backlog of vacant positions?

- Past budget deficits caused a temporary delay in hiring, although clinical positions were allowed to move forward. The correction of DPH's structural deficit in last year's budget caused a surge in previously unfilled positions and the addition of new positions at the start of the fiscal year.

- In July, 2013 DPH HR Merit section staffing went from 2 active staff to 1. The ability to keep up with the demand for exams went from bad to worse.

- Several classifications, including Porter and Patient Care Assistant were the subject of a union grievance which resulted in a year and a half delay in filling positions as the conditions of the grievance were worked through.

- In the spring of 2013 we were informed we could no longer use the "rule of the list" for RN hiring due to an audit by the State Personnel Board.

- Although 880 staff were hired between July 1, 2013 and February 2014, normal turnover resulted in staff flowing out at about the same rate as staff flowing in.

- Our own internal processes are not as efficient as they should be.

What is our plan to fix the problem?

1. Merit section (exams): moved to 101 Grove to be located with and supervised by the DPH HR Director, and closer to the CCSF new testing center and CCSF support; hiring a Merit manager and adding four staff to the section. Goal is exam plan for our 250 classifications with a goal of overlapping eligible lists so we cut down on "waiting for a list" delays.

2. We are partnered with the CCSF DHR to assist us in streamlining and speeding up the exam process for three classifications which have a high number of provisional staff; our redesign is well underway for improving how we hire the RN classification (our largest classification with over 1,000 FTE).

3. We are hiring two Operations managers and they will be responsible for tracking and expediting the filling of vacancies.

4. We are conducting a lean process efficiency analysis targeted for July 2014, typically a dedicated five day process mapping and improvement exercise.

5. We will reduce our use of temporary employees, whose use increased as managers struggled to get work done without the staff needed to do the job.

6. A lack of planning, perspective, and foresight within DPH HR contributed to the unreasonable number of vacancies we are now faced with. We acknowledge that failure and are taking the steps above and will take additional steps to correct the backlog and ensure systems are in place to prevent us from repeating the same mistakes.

7. We will develop and use metrics to measure our performance and will create a process that is transparent and useful for management and staff.

LET'S TAKE A BITE OUT OF BUREAUCRACY!

Thank You

Questions?