



San Francisco
Department of Public Health

DEPARTMENT OF PUBLIC HEALTH FY 2026-28 BUDGET

June 22, 2026
Budget & Appropriations Committee



DPH Accepts BLA Fiscal Reductions & Disagrees on Policy Recommendations

- DPH has worked closely and collaboratively with the Budget and Legislative Analyst (BLA) and **fully accepts ALL proposed financial reductions totaling \$8.5 million** over the FY 2026–28 budget
- However, DPH is concerned about the **BLA's policy recommendations** regarding elimination of 23 vacant management positions.

Policy Recommendations on DPH Managers

- In the Mayor's budget, DPH **already deleted 19 (more than 40%) of its 45 vacant managers**
 - DPH disproportionately cut manager positions at 8x the rate of all other classifications
 - Remaining managers are needed to complete vital restructuring to achieve more efficient operations, avoid additional layoffs/separations, maintain critical safety net operations, and advance key priorities Board and Mayoral.
- All of the remaining 23 vacant manager positions have **critical revenue, legal, regulatory, and high-priority program scopes.**
 - DPH has made significant commitments to **earn \$1.2 Billion in patient revenues** – this work requires expert coordination across Medical, Finance and IT teams
 - DPH plays a **lead role in Breaking the Cycle** and is taking on **Street Health**, which involves complex coordination, contracts, and data work
 - **Leadership in core health functions** including Health Equity, Laguna Honda Nursing Leadership, Hospital & Medical Records, Healthcare Cybersecurity, and Clinic Facilities.

DPH is at full staffing and is on pace to fully spend its salary and fringe budget and the manager vacancy rate is now in line with 10% attrition.

DPH Mayor's Phase Reductions- Eliminated 8% of Manager Roles, 1% of All Other Positions



- DPH **deleted more than 40% of its 45 vacant managers** (subbed down 2 more managers to non-managerial classes)
- DPH **disproportionally cut manager positions at 8x** the rate of all other classifications
 - Overall, <3% of total DPH positions are in 09XX classes

Positions by Classification	Deletions	Proposed Staffing FY 2027-28	Deletions As % of Total
Managers (09XX)	(19)	233	-8%
All other Positions	(112)	8,035	-1%
Temp / P103		253	
Attrition		(838)	
Total	(131)	7,683	-1.6%

DPH is at full staffing and is on pace to fully spend its salary and fringe budget - due to a budgeted attrition of ~10%, historically low turnover, and high use of temporary nursing staffing to meet mandated ratios

- Currently, DPH has 859 vacant FTE, however, it does not have budget to increase headcount above current levels; hiring is now focused on maintaining current headcount
- DPH will start the year with about 21 vacant managers, in line with its budgeted attrition

Summary of BLA Policy Question: 2026-27 Manager Vacancies

Remaining DPH Manager Vacancies: 23 out of 223 – 9.5%

DPH has attrition of ~9.5% so we anticipate this level of vacancy and recruitment at any given time

Status/Need	# of Vacancies	Brief Description	
Deleted in Mayor's Budget	19	DPH removed 19 vacant managers already; all remaining ones have critical revenue, legal / regulatory, and/or high priority scopes.	
Needed to prevent layoffs &/or complete reorganizations (achieving prior manager deletions)	5	• Dir of Street Health • Dir. Street Ops • SFHN Dir. of Credentialing. (legal/reg.)	• Dir. Shelter Health • Dir. of IT Projects (new cost allocation / contracts sys., IT for capital builds)
Revenue-backed; no General Fund savings	3	• BHS Justice System Mgr. (Prop. C) • BHS System of Care Mgr. (Opioid; 400+ staff and 40,000 patients)	• Children's Therapy Program Mgr. in MCAH (State funded program)
Revenue generating	3	• Laguna CFO (\$340 M+) • Mgr. of Med. Coding / Revenue (\$1.2B rev.)*	• Mgr. New Revenue Efforts (\$1.2B+ rev.)
Significant regulatory & operational risk	7	• Dir. of Office of Health Equity • Deputy for \$700 M BHS Division • Dir. & Mgr. for DPH's Community Clinic Facility and Capital/Bond Portfolio (20+ sites; \$400M in projects)	• Cybersecurity Dir. • Head of Health / Medical Data (EHR, overdose and street data, regulatory metrics) • Laguna Director of Nursing (400+ nurses)
Recent critical vacancy (< 6 months)	5	• WPIC Operations (400 FTE+, \$140M) • Asst. Dir. Environ Health (75+ inspectors)	• Dir. Contracts (\$650M+) • Dir. Contract Strategy (CBO invoicing, accountability) • Dir. Public Affairs
Total Proposed Eliminations	23		