

San Francisco Health Service System FYE 2023 and 2024 Proposed Budget

Budget and Appropriations Committee Presentation
June 15, 2022



San Francisco Health Service System

Mission: Dedicated to preserving and improving sustainable, quality health benefits and enhancing the well-being of employees, retirees and their families

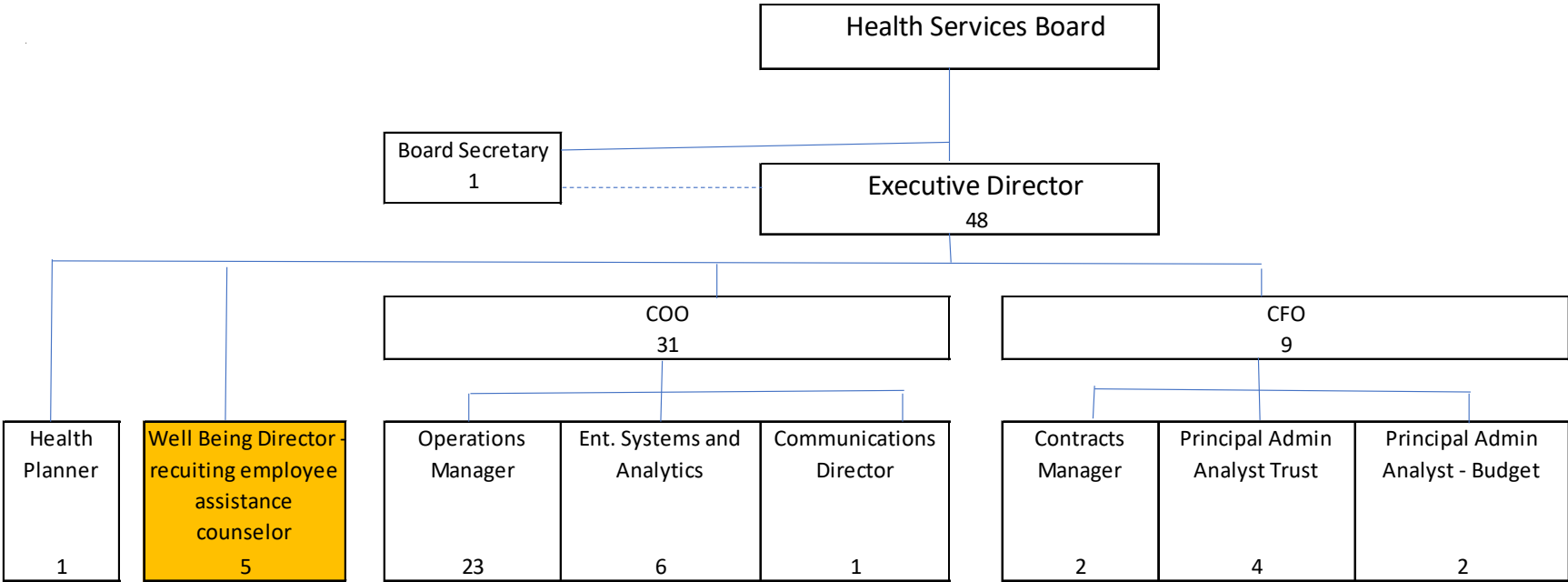
SFHSS Accountabilities

- 124,069 covered lives.
- Serving employees, retirees & families of CCSF, SFUSD, SFCCD and Courts
- Impact on CCSF budget:
 - High quality and affordable health benefits
 - Manage \$1B spend for health benefits
 - Saved \$4M per year with lower rate increases compared to California's largest 10 counties over the last 5 years. Strategies for achieving the savings included member wellness and health engagement programs.
 - General Fund annual budget \$13.5 M and 48 FTEs administering overall benefits including wellness and mental health programs.

San Francisco Health Service System Divisions

- Administration
 - Policy development, support Health Service Board, plan selection and performance management
- Member Services
 - Resolve 58,000 inquiries, manage 13,000 annual enrollments
- Finance & Contract
 - Rates & Benefits, Annual 10 County Contribution Survey, contract solicitation compliance, vendor performance, funding administration and program integrity
- Enterprise Analytics
 - Implement new technology strategies, ensure systems and data security, performs administrative analysis and data management
- Well-Being/Employee Assistance Program (EAP)
 - Develop and maintain whole-person well-being programs, manage city-wide 24/7 EAP for 30,000+ CCSF employees

Organization Chart and Staffing – General Fund



- Total FTE budget is 48 FTEs net of 5.5 attrition
- Currently 6.5 vacancies primarily to maintain budget attrition target of 5.5 FTEs. Recruiting 1 employee assistance counselor.
- Attrition target increased in FYE 2022 by 2 FTEs. The vacancies and the pandemic disruption have delayed compliance (Dependent Eligibility Verification Audit (DEVA)) and wellness projects.
- For the past 3 years, staffing is close to budget, net of attrition.

Mayor Changes in the General Fund Budget

- Moved funding for 2 positions to General Fund from Healthcare Sustainability Fund (HSF) to preserve HSF - \$500K
- Updated wage increases based on collective bargaining agreements \$200K
- Updated estimate of external audit fees - \$29K
- Update lease expense based on expiration of the current lease in FYE 2024

Budget with Mayor Changes

| | FYE 2023 | | | | FYE 2024 | | |
|-------------------------------|--------------|------------|---------|--|--------------|------------|---------|
| | Original Bud | Myr Update | Change | | Original Bud | Myr Update | Change |
| Positions | | | | | | | |
| General Fund before attrition | 52.71 | 54.70 | 2.00 | | 52.72 | 54.71 | 2.00 |
| Attrition | (5.52) | (5.50) | 0.02 | | (5.50) | (5.48) | 0.02 |
| Net GF | 47.19 | 49.20 | 2.02 | | 47.22 | 49.23 | 2.01 |
| Sources | | | | | | | |
| Charges for Services | 9,131 | 9,131 | - | | 9,131 | 9,131 | - |
| Other Revenues | 450,000 | 450,000 | - | | 445,000 | 445,000 | - |
| Expenditure Recovery | 12,347,820 | 13,092,365 | 744,545 | | 12,388,596 | 13,378,566 | 989,970 |
| Total Sources | 12,806,951 | 13,551,496 | 744,545 | | 12,842,727 | 13,832,697 | 989,970 |
| Uses - Operating Expenditures | | | | | | | |
| Salaries | 5,859,750 | 6,353,817 | 494,067 | | 6,019,471 | 6,586,477 | 567,006 |
| Benefits | 2,642,267 | 2,862,833 | 220,566 | | 2,518,316 | 2,748,113 | 229,797 |
| Non Personnel Services | 2,285,150 | 2,314,006 | 28,856 | | 2,268,873 | 2,301,450 | 32,577 |
| Material and Supplies | 61,362 | 61,362 | - | | 68,481 | 68,481 | - |
| Services of Other Depts | 1,958,422 | 1,959,478 | 1,056 | | 1,967,586 | 2,128,176 | 160,590 |
| Total Uses | 12,806,951 | 13,551,496 | 744,545 | | 12,842,727 | 13,832,697 | 989,970 |