

1 [Implementing Assembly Bill 85 - Department of Public Health - Intent to Adopt the Savings
2 Formula Option - FY2013-2014

3 **Resolution authorizing the Department of Public Health to implement Assembly Bill 85**
4 **via the Savings Formula Option to redirect a portion of current Health realignment**
5 **funds to social service programs; and determine payments from the Health**
6 **Subaccount to the Family Support Subaccount.**

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8 WHEREAS, California Welfare and Institutions Code Section §17000 requires counties
9 to provide access to basic emergent health care for those who are medically indigent and
10 ineligible for care through existing programs (e.g., Medi-Cal); and

11 WHEREAS, Since 1991-1992, the Department of Public Health (DPH) has received
12 Health Realignment revenues from the State to provide indigent health and public health
13 services; and

14 WHEREAS, The State anticipates that counties' indigent health care expenditures will
15 decrease due to California's response to federal Health Reform (i.e., Medi-Cal expansion and
16 the establishment of the state's Health Benefits Exchange, Covered California), thereby
17 reducing counties' need for Health Realignment dollars; and

18 WHEREAS, In response to increased access to health care under Health Reform, the
19 State plans to redirect a portion of counties' Health Realignment dollars from the Realignment
20 Health Subaccount to the Family Supports Subaccount; and

21 WHEREAS, In FY2013-2014, the State will redirect a total of \$300 million statewide,
22 which includes an estimated \$16.9 million from San Francisco beginning in January 2014; and

23 WHEREAS, San Francisco may select one of two options by which the State will
24 redirect a portion of San Francisco's Health Realignment dollars beginning in FY2014-2015
25 and going forward; and

1 WHEREAS, The two options are: the 60/40 with Maintenance of Effort Split Option,
2 which would automatically redirect 60 percent of Health Realignment funds to the State; or
3 the Savings Formula Option, which would redirect a portion of the county's calculated savings
4 resulting from Health Reform; and

5 WHEREAS, DPH analysis indicates that the county and its residents would be best
6 served by adopting the Savings Formula Option, an option that would protect San Francisco's
7 historical Health Realignment allocation for public health services and place a cap on the
8 amount of indigent health care funds that can be redirected to the State; and

9 WHEREAS, The California Department of Health Care Services (CDHCS) requires
10 counties to pass a resolution in support of their favored redirection option no later than
11 January 22, 2014; now, therefore, be it

12 RESOLVED, That San Francisco chooses the Savings Formula Option to determine
13 the amount of redirected payments from the Health Subaccount to the Family Support
14 Subaccount beginning in FY2014-2015; and, be it

15 RESOLVED, That the Board of Supervisors authorizes the Department of Public Health
16 to determine the amount of redirected payments from the Health Subaccount to the Family
17 Support Subaccount beginning in FY2014-2015; and, be it

18 FURTHER RESOLVED, That DPH will continue to serve those who remain medically
19 indigent after Health Reform implementation in January 2014; and be it

20 FURTHER RESOLVED, That DPH will continue to uphold its broader mission to
21 protect and promote the health of all San Francisco residents; and be it

22 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs
23 the Clerk of the Board to transmit copies to CDHCS with a request to take all action necessary
24 to achieve the objectives of this resolution.