

MESSAGE FROM THE DIRECTOR OF HEALTH ON FY 06-07 BASE BUDGET

Introduction

On January 17th we presented the first part of the Department of Public Health's FY 06-07, which included a review of the Mayor's Budget instructions, a discussion of new regulatory requirements, inflationary and unavoidable increases in doing business, structural problems, revenue neutral proposals, and increased revenues. There have been changes to the items presented last month that are discussed below. In addition, we are bringing forward one cost reduction initiative to require a pharmacy co-pay from all patients who are not on General Assistance or homeless. This item is described in more detail below. The combined effect of these initiatives, including the single proposed reduction initiative, produces a General Fund reduction of \$7,323,694, which exceeds the Mayor's base budget instructions to absorb a \$7,132,741 cost equal to one-half of the \$14.26M employee retirement pickup for DPH. Accordingly we are requesting the Health Commission's approval to submit the base budget to the Mayor's Office.

We continue to work on development of a list of additional expenditure reductions to further reduce our General Fund subsidy by 3%, should that become necessary. A 3% reduction would reduce our General Fund subsidy an additional \$7.8M. We will bring this list of reduction initiatives to a future meeting of the Health Commission when it is completed.

Revisions in regulatory, inflationary, structural, revenue neutral and revenue initiatives

Regulatory Requirements

We have reviewed the regulatory requirements outlined in the January report and reduced the request by \$274,464 from \$2,414,573 to \$2,140,109.

	<u>General Fund</u>
Total January 17th	\$2,414,573
Reduction in SFGH Quality Data Reporting from \$166,384 to \$71,487 (A4)	(94,897)
Reclassified LHH Housekeeping Staff to Structural initiatives and revised initiative to take advantage of vacant positions (C9)	(179,567)
Total Revisions	<u>(\$274,464)</u>
Total February 21 st	<u>\$2,140,109</u>

Inflationary Issues

The estimated impact of inflationary issues has increased by \$125,000 from \$9,049,803 to \$9,174,803.

	<u>General Fund</u>
Total January 17 th	\$9,049,803
Relocated \$125,000 Supportive Housing issue from Structure to Inflation, The issue is combined with other Housing inflation items totaling \$570,088 (B3).	125,000
Total February 21 st	<u>\$9,174,803</u>

Structural Issues

The totals in this section have declined \$1,073,804, from \$14,247,535 on January 17th to \$13,173,731.

	<u>General Fund</u>
Total January 17 th	\$14,247,535
Relocated \$125,000 Supportive Housing issue from Structure to Inflation, The issue is combined with other Housing inflation items totaling \$570,088 (B3).	(125,000)
Reduced Mental Health position corrections from \$475,108 to \$84,440 and combined with Public Health & Mental Health corrections for a combined total of \$268,025 (C17).	(390,668)
Reduced the projected cost of the Long-term care (Psychiatric) placement initiative from \$4,211,260 to \$3,039,283 (C2)	(1,171,977)
Deleted debt service cost for PUC loan (chiller replacement) to our one-time list. We are proposing to repay the PUC loan principal of \$1.8M as a lump sum rather than a 13-year payback at 4.5% interest.	(183,140)
Reduced SFGH Structural Salary Fix from \$3,566,568 to \$3,289,223 (C5)	(277,345)
Increased DPW work order for SFGH Project Management (C6)	600,000

Structural Issues (continued)	General Fund
Reclassified LHH Housekeeping Staffing from Regulatory and adjusted initiative by \$16,864, from \$371,880 to \$388,744. (C9)	196,431
Removed LHH Dermatology Clinic initiative which will be funded within existing resources	(25,000)
Removed LHH Podiatry Clinic initiative which will be funded within existing resources	(34,115)
Reduced estimated cost of Primary Care position corrections from \$169,115 to \$166,964 (C15)	(2,151)
Reduced Public Health position corrections from \$335,973 to \$183,585, and combined with Mental Health corrections. (C17)	(152,388)
Deleted STD salary savings reduction	(107,796)
Added funding for Substance Abuse residential beds funded in 2005-06 with carryforwards (C19)	323,101
Added funding for Substance Abuse detox beds at Baker Places funded in 2005-06 with HUD/McKinney funds (C20)	304,294
Deleted Substance Abuse position corrections	(28,050)
Total Revisions	<u>(\$1,073,804)</u>
Total February 21st	<u>\$13,173,731</u>

Revenue Neutral Initiatives

Since the Commission met on January 17th, we have modified four revenue neutral initiatives and reduced the department's overall General Fund request by \$205,708, from \$315,067 to \$520,775.

	<u>Expend</u>	<u>Revenue</u>	<u>General Fund</u>
Total January 17th	\$11,917,535	\$12,232,602	(\$315,067)

Revenue Neutral (continued)	<u>Expend</u>	<u>Revenue</u>	<u>General Fund</u>
Revise Jail Health workorder from \$390,984 to \$183,127 based on Sheriff request (D16)	(\$207,857)	(\$207,857)	\$0
Increase revenue estimate for Adult Immunization Clinic from \$426,485 to \$526,485 (D21)		100,000	(100,000)
Increase revenue estimate for Cannabis Program in Environmental Health from \$214,092 to \$319,800 (D22)		105,708	(105,708)
Total Revisions	<u>(\$207,857)</u>	<u>(\$2,149)</u>	<u>(\$205,708)</u>
Total February 21st	<u>\$11,709,678</u>	<u>\$12,230,453</u>	<u>(\$520,775)</u>

Revenue

Additional revenue generating proposals totaling \$1,564,144, from \$28,364,023 to \$29,928,167, have been identified since we met on January 17th. By increasing revenues we are able to decrease the size of the general fund reductions that we must make.

	<u>General Fund</u>
Total January 17th	\$28,364,023
New item - Federal matching payment for Healthy Kids premiums from AB495 (E3)	1,374,060
New Item - Increase payments from Health Care Accountability Ordinance (E6)	200,000
New Item - Increase Food and Water Fee Revenue (E7)	190,736
Revise Hazardous Material Program Fee Revenue from \$123,078 to \$125,497 (E8)	2,419

Revenues (continued)

General Fund

Revise estimate for new permit fees for Weights and Measures from
\$289,440 to \$86,369 (E9) (203,071)

Total Revisions \$1,564,144

Total February 21st \$29,928,167

Reductions

We are only proposing a single reduction initiative in order to meet the \$7.13M General Fund reduction target described above. We propose to expand the \$5 and \$10 prescription co-payment requirement, currently used in the SFGH Outpatient Pharmacy and contracted network pharmacies, to include all clients except those on general assistance and the homeless. Drugs excluded from the new co-payment policy will be insulin, anti-psychotics, and antibiotics for acute infections. This initiative is expected to reduce the General Fund requirement by \$1,363,396 (F1).

Conclusion

We are submitting a resolution for your consideration approving submission of the FY 2006-07 base budget to the Mayor's Office. We will return to the Commission with the remainder of the budget including grants, equipment and one-time projects, plus additional reductions to the extent required.

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 FY 2006-07 BASE BUDGET, FEB 21, 2006

Status	Item	Div	Description	FTE's Change	Position Change (Annual Number)	Expend Incr/(Decr)	Revenues Incr/(Decr)	General Fund	Comment
REGULATORY Same	A1	Env Health	Hire New Agricultural Commissioner	0.75	1.00	91,877	-	91,877	The Ag Commissioner is a state mandated position. It was erroneously deleted in the 04/05 budget with the transition from the Ag/Weights/Measures department to EHS. The state has notified us of the mandate.
Same	A2	GH	SureMed (OMNICELL) Pharmacy Lease	-	-	225,000	-	225,000	The new JCAHO accreditation standards for medication management require additional drug storage and dispensing equipment for inpatient and outpatient areas of the hospital. This initiative will add new SureMed (OMNICELL) equipment in order to comply with the new JCAHO requirements.
Same	A3	GH	SFGH Inpatient Pharmacy Staffing	6.75	9.00	820,901	-	820,901	Recently implemented JCAHO and other regulatory standards place heavy emphasis on processes to help reduce medication error. This will require 6.75 additional pharmacists and clinical pharmacists to review all medication orders from all hospital areas prior to the administration of drugs to patients, compound all IV solutions and drugs intended for IV use by the pharmacy dept and assure secure drug storage in all areas of the hospital.
Reduced	A4	GH	Quality Data Reporting	0.75	1.00	71,487	-	71,487	SFGH is facing an increase in required data reporting for quality indicators that are needed to ensure patient safety improvement. This initiative will add a 0.75 FTE 2119 to implement, coordinate and analyze the data reporting in order to establish performance benchmarks that will meet the requirements of Medicare, Medi-Cal and other managed care plans.
Same	A5	GH	Nurse Practitioners to replace interns and residents	5.25	7.00	865,844	-	865,844	This initiative will provide 5.25 FTE Nurse Practitioners to ensure compliance with the resident 80 hour work week rules.
Same	A6	LHH	LHH Dental Contract	-	-	65,000	-	65,000	UOP lost grants previously covering dental services. Funding is needed to maintain a minimum of one dental visit a year per State requirements
			REGULATORY TOTAL	13.50	18.00	2,140,109	-	2,140,109	
INFLATIONARY Same	B1	Dept wide	Increase in Natural Gas and Steam Costs	-	-	1,268,458	-	1,268,458	Increase in workorder with PUC based on FY 2005-06 variance, pending notification of actual amount. This includes a savings of \$150k at SFGH due to the replacement of the chiller.
Same	B2	Dept wide	Pharmacy Inflation	-	-	2,441,000	326,000	2,115,000	This is as a result of an average of 8% inflation in prescription drugs and increased utilization.

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Modified	B3	HUH	Direct Access to Housing Master Lease Rent Increases and annualization of contracts.			893,093	323,005	570,088	Annual rent increases for six DAH buildings, annualization of contracts for Plaza Apartments, Mission Creek, Episcopal Community Services - Folsom Dore and Empress Hotel.
Same	B4	LHH	LHH Laundry Contract			415,000		415,000	The cost of the Laundry Contract for the current fiscal year went up by \$415K because of a 4.6% price increase (from .325 to .34 per pound) and a 12% surge in the poundage laundered.
Same	B5	Dept wide	Contractors COLA			4,806,257	-	4,806,257	COLA Adjustment for contractors (incl. UC)
INFLATIONARY TOTAL									
STRUCTURAL						9,823,808	649,005	9,174,803	
Same	C1	CBHS-MH	Private Provider Network			500,000		500,000	Based on the increasing usage of the private provider network over FY 05-06 levels, the Department is projecting a shortfall in FY 06-07.
Reduced	C2	CBHS-MH	Long-term care (Psychiatric)			3,039,283		3,039,283	There are increased placements in Crestwood Canyon Manor and other long term care facilities as an alternative to higher cost beds at SFGH.
Same	C3	Env Health	Position Corrections	1.19	1.19	93,954	23,730	70,224	To correct the number of FTEs and classifications of staff transferred to DPH from the Port
Same	C4	Dept wide	Correct shortfall in City Attorney's Workorder			296,000	30,000	266,000	Need to increase city attorney budget to support new and growing programs
Reduced	C5	GH	Structural Salary Fix - SFGH	4.50	6.00	3,289,223	-	3,289,223	In the past 3 years SFGH has experienced unfavorable salary variances requiring supplemental appropriation. This initiative will correct the underfunded budgeted salary appropriation to reflect the actual salary expenses in Premium Pay, Holiday Pay and Temp Salary that are not covered by the MOU adjustment and will also reduce the overtime usage by adding 3.00 FTEs eligibility workers. The additional 1.50 FTEs clinical staffing are needed to accommodate the increased trauma and general surgery census.
Added	C6	GH	SFGH Project Management			600,000		600,000	Fund dedicated staffing at DPW via a workorder for project management at SFGH
Same	C7	HUH	Position Corrections			26,111		26,111	Correct positions for existing employees who are working out of their class or in job functions that do not match their classifications
Same	C8	LHH	LHH Nursing Staffing Structural shortfall			2,290,727		2,290,727	Reduce salary savings to allow for filling 31.5 existing positions.
Modified	C9	LHH	LHH Unfunded Laundry Positions	10.00	10.00	568,311		568,311	Covers workers that are in unfunded positions pending the opening of an off-site laundry

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Same	C10	LHH	LHH Waste Disposal			80,000		80,000	Adds variances in workorders for Services of Other Departments for Waste Disposal
Same	C11	LHH	LHH DSG Billing Vendor Fees			53,000		53,000	Conversion of billing system has occurred and DSG is being paid without a budget. DSG takes the billing data from the Invision system, edits the data for accuracy, and produces a patient bill, which is sent to third party payers and patients.
Same	C12	MCH	Position Corrections	3.74	3.74	356,679		356,679	Correct positions for existing employees who are working out of their class or in job functions that do not match their classifications to meet State match requirements
Same	C13	Dept wide	Supply Shortfall			120,000		120,000	General funds are requested to cover the costs of essential program supplies.
Same	C14	PC	Structural Fix - Facility Maintenance Staffing	0.75	1.00	64,295		64,295	To increase support in facility maintenance at 13 health center sites and reduce overtime usage.
Reduced	C15	PC	Position Corrections			166,964		166,964	Per union contract agreement positions are corrected to be commensurate with new responsibilities.
Same	C16	PC	Structural Fix - RN	3.00	4.00	383,593		383,593	Additional Registered Nurses are required to properly staff the Urgent Care Clinic at TWHC and offset utilization of more expensive per diem hours currently used to staff the Urgent Care Clinic.
Reduced	C17	PH and MH	Position Corrections	1.31	1.31	268,025		268,025	Correct budget for existing employees who are working out of their class or in job functions that do not match their classifications
Same	C18	PH - CDCP	Standby pay for on-call physician.			67,126		67,126	To provide 24/7 physician coverage for Communicable Disease Control & Prevention section at \$9/hr standby pay.
Added	C19	Sub. Abuse	Residential Beds			323,101		323,101	In FY04-05, Human Services Administration (HSA) provided full funding for eighteen residential beds at Redwood Center and two residential beds at Golden Gate for Seniors under the CAAP Benefits Program. That funding was reduced by one-half in FY05-06, with CBHS supporting the other half via one-time carry-forward General Funds. HSA advised that it would no longer support these beds, hence this request to backfill lost HSA funding. The respective costs per day of the Redwood Center and Golden Gate Residential beds are \$47.45 and \$55.12, compared to the current median cost of \$88.23 in the substance abuse residential services system of care.

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Added	C20	Sub. Abuse	Backfill Lost HUD/McKinney Funding for Detox Beds at Baker Places			304,294		304,294	In FY05_06, HUD/McKinney provided funding for three Baker Places detoxification beds at Joe Healy Place. HUD formally advised Baker Places that it will take a directional shift in FY06_07 to fund fewer support services and more housing with McKinney funds, resulting in a reduction of \$304,294, an equivalent of three beds.
Same	C21	Sub. Abuse	Methadone Detoxification Services for Homeless			120,000		120,000	Provides ongoing funding for Methadone detoxification services to homeless individuals. Currently funded by one-time carry forward General Funds, and will serve 28 unduplicated clients in 90-day Methadone detox program with the equivalent of 12,223 units of service.
Same	C22	Sub. Abuse	Security for CATS' McMillan Drop-in and Sobering Centers			157,531		157,531	Provides for security services at McMillan Drop-in and Sobering Center (same location) currently funded by one-time carry-forward General Funds. A security presence has vastly reduced incidents of drug dealing and other illegal behaviors in the Drop-In Centers and provided safer working conditions for nurses in the Sobering Center.
Same	C23	Sub. Abuse	Treatment Access Program Facility Cost Increase			59,244		59,244	Treatment Access Program (TAP) and SACPA/Prop. 36 recently moved from 1663 Mission to 679 Bryant Street. Adequate space will be available to accommodate Access and Residential Placement. Additional cost of \$59,244 relates to increased space rent, utilities, maintenance and telephone connectivity for TAP's portion of the space. SACPA/Prop. 36, Access and Residential Placement will assume prorated costs of their portions.
STRUCTURAL TOTAL									
				24.49	27.24	13,227,461	53,730	13,173,731	
REVENUE NEUTRAL	D1	CBHS -MH	Mental Health Services Act (Prop 63)	21.00	12.00	5,792,247	5,792,247		Based on the FY 06-07 budget submission to the state and includes all costs for the target population and the administrative component. This also includes \$475,970 Medi-Cal FFP revenue and \$ 5.3 million in Prop 63 funds.
Same	D2	CBHS -MH	EPSDT Initiative			700,000	700,000		The request will provide (1)\$250,000 for the annualization of a pilot project in hospital diversion services that began in FY 05-06, and (2) \$450,000 for mental health services in residential treatment programs

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Same	D3	GH	Adult Med Ctr/Family Hlth Ctr - Diabetes Management	0.40	1.20	127,708	138,000	(10,292)	This initiative will provide a county fund match to the SF Foundation grant to fully fund the Diabetes Management Project for the SFGH's diabetic patients. This program will add a net 0.40 FTE clinical staffing to help design and implement an improved system of care for the patients and to conduct in-kind services training for the RN on diabetes and insulin management. The increase expenses will be offset by patient revenues and will impact 3,000 clients annually.
Same	D4	GH	Outpatient Speech Program	0.75	1.00	98,947	99,398	(451)	Due to limited outpatient speech services available in the San Francisco Bay Area, it is essential for the Rehabilitation Department at SFGH to improve access of care for the underserved pediatric and adult patients, specifically those clients with cancer, neurological disorders, TBI, malformations and developmental disability. This proposal will fund a Speech Language Pathologist with expenses to be offset by increased patient revenues. Services will impact 2,790 outpatient visits annually.
Same	D5	GH	MRI Trailer Evening Shift Operation	1.50	2.00	266,874	295,720	(28,846)	This proposal will allow the Radiology Dept to install a second, more modern MRI unit with faster patient through-put as part of the upgrades to the existing outdated equipment. This new unit will reduce the current appointment wait time by 45 days and will increase the volume of MRI tests by 1,400.
Same	D6	GH	Expansion of 4C Clinic Hours	1.95	2.60	303,949	312,665	(8,716)	The purpose of this program enhancement is to further improve patient care services for those patients requiring wound care and IV infusion by providing 40 additional clinic hours per week. Additional 1.95 FTEs will be required to support the extended hours of operation. Expenses will be offset by increased Medicare and Medi-Cal revenue and will impact 3,120 annual visits.
Same	D7	GH	Comprehensive Cardiac Care: Heart Failure Clinic	-	-	22,852	28,851	(5,999)	The goal of this new heart failure outpatient clinic is to improve patient outcomes and to reduce the number of hospital admissions and re-admissions of patient with cardiovascular disease by focusing on the correct heart failure management skills and education for patients and proper training for staff.

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Same	D8	GH	Colon Cancer Screening Initiative	0.85	1.13	159,681	162,006	(2,325)	This proposal will increase the capacity for endoscopic services by providing the infrastructure and personnel required to open an additional endoscopic room within the Gastroenterology Unit. The goal is to reduce mortality rates of the colorectal cancer patients via early screening and treatment.
Same	D9	GH	Family Health Center Medi-Cal Revenue	1.50	2.00	235,811	237,000	(1,189)	The primary care visits of the unlicensed first and second year residents for the UCSF/SFGH Family and Community Medicine Residency Program are currently not reimbursable under Medi-Cal regulations due to inadequate supervision at the FHC. This proposal will add a third FHC attending physician to supervise the unlicensed residents such that the attending supervision will enable the clinic to bill Medi-Cal for the clinic sessions.
Same	D10	GH	Charge Description Master Maintenance	0.75	1.00	88,443	88,443	-	This revenue neutral initiative will fund a 0.75 FTE Director of Patient Accounts to manage the charge description master to ensure proper Medicare and Medi-cal billing compliance for SFGH, LHH and all Community Primary Care Clinics.
Same	D11	GH	Medical Marijuana Program	0.75	1.00	48,062	133,110	(85,048)	In January 2006, the Medical Marijuana Registration Program will be transferred from the Public Health Records and Statistics Unit to the SFGH Cashier & Property Office. The addition of a 0.75 FTE Cashier will be needed to manage this program. Expenses will be offset by the State mandated fees for medical marijuana cards.
Same	D12	GH	Senior Operation Manager -Materials Management	0.75	1.00	-	-	-	This proposal will add a 0.75 FTE Senior Operations Manager in SFGH so that the Materials Management Dept can implement the cost savings and efficiencies that the hospital has available to it. Expenses will be offset by a reduction of work order with City Purchaser and savings in materials and supply costs.
Same	D13	HAH	Reducing Re-hospitalizations for Cancer, Diabetic & CHF Pts through Rehabilitative-focused Home Health Services	2.49	3.31	265,440	265,440	-	This revenue neutral proposal is to improve the use of rehabilitative therapy strategies to reduce the re-hospitalizations of clients with primary diagnoses of cancer, diabetes and CHF. Increased salaries and fringes and operating expenses will be offset by the additional Medicare and Medi-Cal revenue and impact 94 unduplicated clients and 1,490 annual units of services.

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Same	D14	HAH	Medical High Utilizer	1.60	1.60	157,007	157,007	-	Transfer of the Medical High Utilizer program from SFGH to Health at Home has allowed the program to bill for Targeted Case Management. It is proposed that some of these revenues first be used to correct structural problems with positions in the Medical High Utilizer program and related administrative support positions in the Health at Home program.
Same	D15	HUH	Move various personnel off expiring grants to FQHC Medi-Cal	7.70	7.70	878,831	878,831	(0)	After building up the clinic and DAH sites using grant monies and with most of the grants expiring in FY 05/06, the clinic is now fully operational and revenue generating to fund the various medical personnel on its own. Because the clinic is an FQHC site, Medi-Cal revenues can be generated when serving Medi-Cal eligible clients. These positions are essential to the clinic's long-term ability to maximize FQHC revenues. The revenue generated by providing medical services to Medi-Cal eligible clients will offset the cost of these positions.
Reduced	D16	JH	Increase workerorder with Sheriff for additional positions	2.25	3.00	183,127	183,127	-	An increase in workerorder funding is needed to provide porter services for the new San Bruno Jail Facility. An increase in Nursing and Clinical positions is required in order to support an additional 250 California Department of Corrections inmates.
Same	D17	LHH	LHH AIDS Expansion and Dementia Program	1.88	2.50	240,016	243,079	(3,063)	Adds Psychiatry, dementia training, and activity programming for residents with AIDS.
Same	D18	HAH	Breast and Cervical Cancer Patient Navigators Program	4.50	6.00	359,691	435,600	(75,909)	Since its inception in 1997, the navigator program has played a key role in improving breast cancer screening and follow-up services for the underserved women in San Francisco. This initiative proposes the merging of the Avon patient navigators into the DPH funded Patient Navigator Program under the Breast and Cervical Cancer Services as the Avon Foundation grant will expire on June 30, 2006. Services will impact 320 clients annually.
Same	D19	PC	Accounting correction for intradepartmental workerorders	12.08	12.08	1,105,739	1,105,739	-	Intradepartmental workerorders are currently under budgeted by \$1.1 million. This initiative will correct the accounting and add the required positions to reflect the contracts.

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Same	D20	MCH	CA Children's Services	0.90	0.90	227,905	227,905	-	Position clean up will allocate required match to the correct classifications. Increase in medical services contracts for provision of diagnostic and physical therapies to children will be offset by reductions in office space and equipment rentals and materials and supplies and increased Medi-Cal revenues through the Medical Therapy Unit.
Modified	D21	PH	Adult Immunization Clinic	2.00	2.67	426,485	526,485	(100,000)	Increase in revenues are based on expected growth in client visits, as well as fee increases and marketing/outreach/advertising efforts. Additional personnel, vaccine and other operating costs will be covered by AIC revenues.
Modified	D22	Env Health	Cannabis Program	1.00	1.00	120,863	319,800	(198,937)	Fund inspector for Cannabis Program to be hired in FY 2005-06. The balance of the revenue will be used for the inspection and licensing activities associated with the program.
REVENUES			REVENUE NEUTRAL TOTAL	66.60	66.69	11,809,678	12,330,453	(520,775)	
Same	E1	CBHS-MH	SSI Advocacy - CBHS Revenues	0.75	0.75	674,183	850,000	(175,817)	Based on 04-05 data from HSA and pilot project in 03-04, there is \$5000/client retro revenue recoupment per 1st year per award. This is a conservative number based on 170 clients.
Same	E2	GH	Increased Revenues				11,000,000	(11,000,000)	Increasing revenue based on revenue build up net Medi-Cal
Added	E3	GH	Federal matching payment for Healthy Kids				1,374,060	(1,374,060)	Federal matching payment for Healthy Kids
Same	E4	LHH	Increased Revenues				16,000,000	(16,000,000)	Increase in reimbursement for room and board
Same	E5	PC	Medi-Cal Revenue Enhancement	1.50	2.00	124,312	900,000	(775,688)	Increasing 1.50 FTEs 2908 to assist Medi-Cal and SSI eligible clients in the application process and to improve the payor mix by 10%. Expenses will be offset by increased Medi-Cal Revenue.
Added	E6	PC	Health Care Accountability Ordinance				200,000	(200,000)	Increased revenue bases on historical payment trends
Added	E7	Env Health	Food and Water revenues				190,736	(190,736)	Increased in revenues based on CPI and change in inventory
Modified	E8	Env Health	Hazardous Material Program fee increase				125,497	(125,497)	The fee increases for hazardous materials and medical waste programs represent the second year of a three year programmed fee increase. The fees are specified in an ordinance passed in 2004. After the 06-07 budget year, fees will increase per the CPI.

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Reduced	E9	Env Health	New Permit fees for Weights and Measures	2.25	2.75	798,495	86,369	(86,369)	Change Fee Structure for Weights and Measures fees
			REVENUES TOTAL	108.84	113.68	37,799,551	30,726,662	(29,928,167)	
			REGULATORY, INFLATIONARY, STRUCTURAL, COST NEUTRAL, REVENUE, TOTAL				43,759,850	(5,980,298)	
Added	F1	GH	Institute Co-Payment for all persons without General Assistance	1.67	2.00	(822,007)	541,389	(1,363,396)	Expand the co-payment requirement in the SFGH Outpatient Pharmacy and contracted network pharmacies to include all clients except those on general assistance and the homeless. Drugs excluded from the new co-payment policy will be insulin, anti-psychotics, and antibiotics for acute infections.
			REDUCTIONS TOTAL	1.67	2.00	(822,007)	541,389	(1,363,396)	
			REGULATORY, INFLATIONARY, STRUCTURAL, COST NEUTRAL, REVENUE, REDUCTIONS TOTAL	108.51	115.68	36,977,544	44,301,239	(7,323,694)	

