

Proposed Budget Plan Health System



Board of Supervisors
March 23, 2010



Mission Statement

To build a healthy community and increase San Mateo County residents' longevity and quality of life by:

Preventing health issues before they occur

Protecting the public from environmental and disease hazards

Providing services to vulnerable populations

Partnering with others to accomplish our mission



Health System Divisions

- Administration
- Aging and Adult Services
- Behavioral Health and Recovery Services
- Community Health
- Correctional Health Services
- Family Health Services
- Health Policy and Planning
- San Mateo Medical Center

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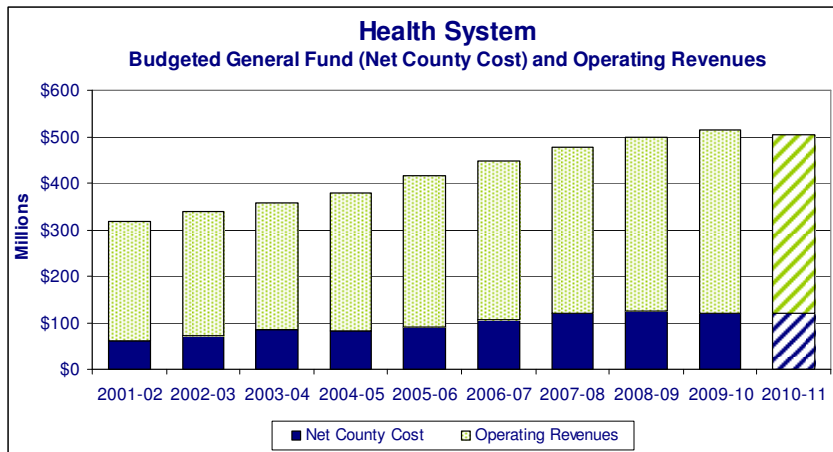
FY 2009-10 Adopted Budget

Total Positions		2,288
Total Sources		\$538,808,613
Operating Revenues	\$394,607,861	
General Fund (Net County Cost)	\$120,999,378	
Fund Balance (one-time)	\$23,201,374	
Total Uses		\$538,808,613
Operating Expenditures	\$517,732,730	
Reserves (one-time)	\$21,075,883	

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Ten-Year Funding Trend Operating Revenues and General Fund FY 2002 to Estimated FY 2011



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Reductions Already Made FY 2008 through FY 2010 Adopted Budget

Since FY 2008 Health System has eliminated 148 positions

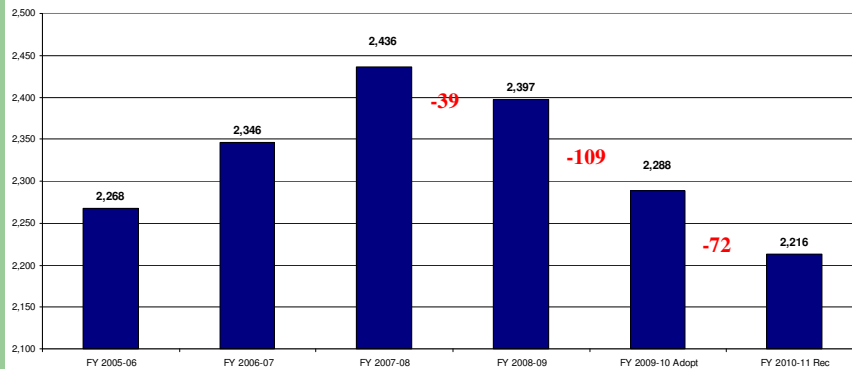
- FY 2007-08
 - No reductions
- FY 2008-09
 - 39 positions reduced
- FY 2009-10
 - 109 positions
 - \$3.3 million—AIDS Case Management, Mental Health Managed Care, Alcohol and Drug funding (Prop. 36) and CalWORKS Single Allocation

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Reductions Already Made FY 2008 through Estimated FY 2011

Health System Positions



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Planning and Priority Setting Process

- Involved Health System leadership, contractors, staff, consumers, other County departments and others
- Tried to balance cuts that impact people needing services today, with the future health of our communities
 - Retain revenue generating functions
 - Preserving core functions and institutions for when economy recovers
 - Continue to focus on primary prevention
 - Maintain quality services—do fewer things well rather than many things poorly

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Mandated Services

Health System MUST Provide:

- Services to everyone who comes to the Emergency Department
- Acute and outpatient healthcare to residents below 200% Federal Poverty Level
- Services to the seriously mentally ill
- Services to seriously emotionally disturbed children in special education
- Substance abuse and treatment services identified in the Federal block grant

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Mandated Services

Health System MUST Provide:

- Healthcare for inmates in jail and minors in juvenile hall
- Core public health functions: PH laboratory, restaurant inspections, disease control and investigation, animal control
- Protection of conserved adults through the Public Guardian
- Protection against elder and dependent adult abuse
- In-Home Supportive Services (IHSS)
- California Children's Services (CCS)
- A Medi-Cal Mental Health Plan

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Discretionary Services

- Case-management and early intervention for children, families, older adults and persons with disabilities
- Building healthy communities to prevent chronic disease
- Treatment and recovery for substance users
- Healthcare services for a broader uninsured population

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Discretionary Services

- Re-entry and rehabilitation services in the jails
- Health insurance for low-income children
- Emergency Medical Services (EMS)
- Support for commissions and community advisory boards
- Be a part of the Medi-Cal provider network since:
 - Not enough providers willing to take Medi-Cal
 - We receive substantial additional state and federal funds for providing these services

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FY 2009-10 Mid-Year Budget Reductions as of February 9, 2010

Number of Positions = 24

- **Expense = \$2.2 million**

- **Impacts**

- Reductions in AIDS Case Management Program, Mental Health Managed Care, Alcohol and Other Drug (Prop 63) and CalWorks Single Allocation

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FY 2010-11 Budget Target General Fund Contribution (Net County Cost)

Base: FY 2009-10 Net County Cost		\$120,999,378
Retirement Increase	\$14,103,553	
Other Salary and Benefits	\$8,095	
Revenue Offsets (31.2%)	(\$4,405,702)	
Public Safety / Prop. 172 Backfill	\$19,068	
Other Adjustments	\$492,849	
Reduction Target (10.2%) *	(\$12,348,347)	(\$2,130,484)
FY 2010-11 Net County Cost		\$118,868,894

* Includes revenue switch of \$964,000 from NCC to AB939—reduction = \$11.2 million

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Proposed Reductions

If we were just to provide the same level of services next year as we did this year, we are already short:

\$28.2 million

- \$11.2 million Net County Cost
- \$12.6 million Realignment and other revenue lost
- \$4.4 million staff cost increases

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Proposed Reductions

Does not account for increasing demand – we are meeting less and less of the need

- 20,851 people enrolled in ACE
- 5,300 person waitlist for primary care
- 9% increase in open Mental Health cases
- 13% increase in Emergency Room visits
- 7% increase in IHSS

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Proposed Reductions

- Redirecting staff to revenue generating activities
- Increasing focus on billing and collections
- Reducing non-staff expenses
- Eliminating 48 County Positions

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Proposed Reductions Aging and Adult Services

- **Funding Gap: \$1.6 million**

Impacts

- Elimination of the HOME Team
- Prioritizing Public Guardian and Conservatorship cases—not everyone will be served
- Elimination of all case management programs for adults under age 65

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Proposed Reductions Behavioral Health Care

- **Funding Gap: \$10.2 million**

Impacts

- Adult mental health and alcohol and other drug patients treatment capacity reduced by 2,000
- No new mental health patients unless seriously mentally ill or below 200% Federal Poverty Level (*\$36,624/year for a family of 3*)
- Elimination of 20 alcohol and other drug rehab beds and 40% reduction in outpatient alcohol and drug treatment
- Elimination of 11 locked long-term care mental health beds
- Slowed progress on AOD strategic plan implementation

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Proposed Reductions Community Health Services

- **Funding Gap: \$2.6 million**

Impacts

- Reduced community engagement on priority health issues including bioterrorism, airport security, farm food safety
- Reductions in AIDS Case Management Program resulting in larger case loads
- Fewer groceries delivered through Food Program

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Proposed Reductions Correctional Health Services

- **Funding Gap: \$650K**

Impacts

- Reductions in parenting, pregnancy, and pregnancy prevention programs
- Reduction of on-site medical care
- Elimination of Hepatitis A/B vaccination program

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Proposed Reductions Family Health Services

- **Funding Gap: \$1.1 million**

Impacts

- Family case management limited to children and parents with Medi-Cal
- Probable waiting lists at Medical Therapy unit for disabled children

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Proposed Reductions Health Policy and Planning

- **Funding Gap:**
 - **Policy and Planning \$230K**
 - **Health Coverage Unit/CHI \$1.2 million**

Impacts

- Reduced support for prevention of childhood obesity efforts
- Slowed pace on implementation of linguistic access strategic plan
- Reduced youth development initiative support
- Reduced outreach and enrollment capacity for coverage programs

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Proposed Reductions San Mateo Medical Center

- **Funding Gap: \$10.7 million**

Impacts

- No new primary care appointments for those above 200% Federal Poverty Level
- Nursing hours/patient in long-term care reduced to State minimum
- Reduced census at Burlingame Long-Term Care if new federal funds cannot be obtained

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Tough Choices for Ray

Ray spent decades in and out of institutions, on the streets, and in and out of the hospital.

After that he started his recovery with help from a local treatment provider and the faith community.

Ray continued his recovery and quality of life due in large part from the support he received from BHRS services and friends and family.

Today Ray is very active in his personal life as well as in the recovering community.



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Looking Ahead FY 2011-2012 and FY 2012-2013

- Looming state budget cuts to health
- Sustainability of being a long-term care provider
- Jails have become de facto behavioral health institutions
- Not spending enough time or money on preventing diseases

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DISCUSSION



THANK YOU

