



City & County of San Francisco

HEALTH SERVICE BOARD

1145 Market Street ♦ Suite 200 ♦ San Francisco, CA 94103

F I N A N C E A N D B U D G E T C O M M I T T E E

Minutes

Special Meeting

Thursday, June 11, 2009

1:00 PM

City Hall, Room 416
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94103

- Call to order
- Roll call Committee Chair Karen Breslin
 Committee Member Sharon Johnson
 Committee Member, Sup. Sean Elsbernd

Health Service Board Commissioners Heldfond, Zvanski and Ferrigno were also in attendance.
- 06112009FB-01 Action Item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Special meeting of February 12, 2009**Staff recommendation:** Approve minutes.
Documents provided to Board prior to meeting:
Draft minutes.
Public comments: None.
Action: Motion was moved and seconded by the Committee to approve the special meeting minutes of February 12, 2009.
Motion passed 3-0.

- 06112009FB-02 Discussion item Report on Mayor's Office changes to Board-approved administrative budget for fiscal year 2009-2010 (Tess Navarro)

Documents provided to Board prior to meeting:

Summary prepared by Tess Navarro.

- Tess Navarro, HSS Chief Financial Officer, reported the following:
- The Mayor's Office submitted the following key changes in the HSS budget previously approved by the Health Service Board:
 - Deletion of the Chief Operating Officer ("COO") position;
 - Transfer of the Employee Assistance Program ("EAP") from DHR to HSS; and
 - A contingency reduction in the amount of approximately \$87,000, depending upon the results of union negotiations.
 - Notice was received today that the contingency amount will be taken out of the budget due to favorable union negotiations. Therefore, two issues remain—deletion of the COO position and transfer of EAP from DHR to HSS.
- HSS staff extends its appreciation to Commissioner Breslin for sending a letter to the Board of Supervisors requesting that the proposed changes made to the HSS budget by the Mayor's Office be reversed and the budget restored to the version previously approved by the Health Service Board.
- HSS staff is quite extended due to the various projects currently requiring attention, especially in light of the absence of a COO. As the eMerge Project's implementation date draws near, HSS staff is spending a considerable amount of time on the conversion details. Any reduction in the current staffing, regardless of level, would jeopardize the delivery of all services.
- Many questions remain regarding the details and ramifications of the transfer of EAP from DHR to HSS, since there was no discussion, collaboration or prior notice from the Mayor's Office that the program was being moved to

HSS.

- The funding transfer of the EAP from DHR to HSS includes two positions (salary and fringe benefits) and approximately \$13,000 for software licensing. However, there is no funding for administrative support or materials and supplies.
- Mr. Duncan stated that HSS service quality will deteriorate if the COO position is not restored because he and Ms. Navarro, as the executive team, cannot easily divide the responsibilities of that position.
- Supervisor Elsbernd stated that as a member of the Board of Supervisors, the layoff of 300 police officers is more important than restoring the COO position at HSS. As a supervisor, he considers saving those positions his first priority.
- Commissioner Zvanski responded that HSS' responsibility to deliver services to all 107,000 members is not diminished by virtue of layoffs, since those individuals will go on holdover status. HSS is required to continue to provide services to laid off employees.
- Commissioner Zvanski also stated that the EAP staff will need to be available to assist laid off City employees, as well as support active employees who suffer the stress of increased workloads as a result of layoffs. The COO position could provide an administrative reporting responsibility for the EAP; however, without adequate funding and support she cannot foresee how service levels can be met.
- Mr. Duncan expressed concern regarding the maintenance of high-level initiatives and critical operational work, such as electronic enrollment, should the COO position remain unfilled. The development of the eMerge Project will also be impacted by the vacant position because of limited executive staff to handle the many details.

Public comments: Dennis Kruger, retired firefighter, asked for clarification of the EAP transfer. He also asked Supervisor Elsbernd to support HSS at the Board of Supervisors' hearing since HSS serves all

active and retired City employees.

Commissioner Zvanski responded that the function of the EAP will be under HSS, not DHR, and the two remaining therapists associated with the program will be moved to HSS' location.

Supervisor Elsbernd reiterated that his first priority is the lay off of police officers and firefighters.

Herbert Weiner, retired City employee, stated that the Mayor's Office budget proposal should be resisted at all costs as it will put HSS at a severe disadvantage in providing services to members. He advocated no cuts in the HSS budget.

Gerry Meister, UESF-Retired Division Chair, concurred that the proposed budget cuts by the Mayor's Office be resisted and requested that any member with political clout assist on the department's behalf.

□ 06112009FB-03 Action item

Adoption of modified HSS budget for fiscal year 2009-2010 (Committee Chair Breslin)

Documents provided to Board prior to meeting:
Summary prepared by Tess Navarro.

Bart Duncan suggested restoring the COO position by reducing the DHR work order by an amount equal to the salary and fringe benefits of that position. Restoring this position is also important in the rollout and future development of the eMerge Project, a DHR initiative.

Tess Navarro responded that this approach had not been discussed with any work order department, but she could propose a budget to use the DHR work order amount to fund the COO position, which would also provide administrative funding in overseeing the EAP.

Supervisor Elsbernd objected to this approach since it was not previously suggested and DHR was not a part of the discussion to reallocate work order funds.

Public comments: Judy Terracina, retired City employee, asked if HSS will have the power to lay off or cut the EAP staff once they are in its budget. She also questioned whether Supervisor Elsbernd had a conflict of interest in addressing the suggestion of reallocating DHR work order dollars, since his wife is employed by that department.

Action: Motion was moved and seconded by the Committee to accept the HSS budget as modified by the Mayor's Office for fiscal year 2009-2010 with the following caveats:

1. Ask the Board of Supervisors to restore the HSS COO position;
2. Amend the HSS budget to reallocate DHR work order dollars to replenish the funding for the COO position;
3. If the Board of Supervisors approves 1 and 2 above, HSS will accept the EAP program;
4. If the Board of Supervisors does not restore the COO position, the Health Service Board will reject the transfer of the EAP program.

Motion passed 2-1. (Commissioner Johnson and Supervisor Elsbernd voted in favor of the motion. Committee Chair Breslin voted against it.)

- 06112009FB-04 Discussion item Opportunity to place items on future agendas
Public comments: None.
- 06112009FB-05 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction
Public Comments: None.
- **Adjourn:** 1:57 p.m.

Summary of Health Service System Rules Regarding Public Comment

- Speakers are urged to fill out a speaker card in advance, but may remain anonymous if so desired.
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- A member may comment on any matter within the Board's jurisdiction at the designated time at the end of the meeting. The complete rules are set forth in Section A(6) of the Health Service System Rules and Regulations. A copy of these Rules and Regulations is available at any time upon request. Call the Administrative Services Manager, Laini K. Scott for further assistance at (415) 554-1727.

Health Service Board and the Health Service System Web Site: <http://www.myhss.org>

Disability Access

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Knowing Your Rights Under the Sunshine Ordinance

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