



San Francisco Department of Public Health

FY 2023-24

Fourth Quarter Financial Report

November 2024



Year End Summary

Fourth Quarter Report (\$ millions)	Revenue			Expenditure			Total
	Revised Budget	Current Projection	Surplus/ (Deficit)	Revised Budget	Current Projection	Surplus/ (Deficit)	Surplus/ (Deficit)
HGH - Zuckerberg SF General	\$ 1,124.7	\$ 1,239.5	\$ 114.7	\$ 1,212.1	\$ 1,210.4	\$ 1.7	\$ 116.4
HLH - Laguna Honda Hospital	\$ 220.0	\$ 176.9	\$ (43.1)	\$ 328.8	\$ 326.5	\$ 2.3	\$ (40.8)
HBH - Behavioral Health	\$ 277.1	\$ 319.9	\$ 42.9	\$ 376.3	\$ 370.1	\$ 6.3	\$ 49.1
HPC - Primary Care	\$ 60.7	\$ 73.5	\$ 12.8	\$ 128.4	\$ 125.9	\$ 2.4	\$ 15.2
HJH - Jail Health	\$ 0.7	\$ 0.7	\$ (0.0)	\$ 43.6	\$ 43.1	\$ 0.5	\$ 0.5
HNS - Health Network including HAH	\$ 19.2	\$ 20.6	\$ 1.4	\$ 176.5	\$ 172.7	\$ 3.8	\$ 5.1
HPH - Public Health Division	\$ 35.6	\$ 32.5	\$ (3.1)	\$ 88.1	\$ 84.1	\$ 4.0	\$ 0.9
HAD - DPH Operations	\$ 43.8	\$ 42.2	\$ (1.5)	\$ 165.6	\$ 162.7	\$ 3.0	\$ 1.4
Total Operating	1,781.8	1,905.9	124.0	2,519.4	2,495.5	23.9	147.9
Less Savings Per Mid Year Instruction & BLA Cuts			(23.0)			(9.3)	(32.3)
		Reserve Deposit	(18.6)				(18.6)
		Surplus/Deficit	\$ 82.4			\$ 14.6	\$ 97.0



Highlights for Fourth Quarter Financials:

- \$147.9M overall surplus, representing an increase of \$27.2 million from the third quarter projected year-end surplus of \$120.7 million. Comprised of:
 - \$124.0 million (7.0%) revenue surplus representing a \$22.4 million increase from third quarter comprised primarily of improvements to Behavioral Health (BHS) (\$12.9 million) and Laguna Honda (9.4 million) revenue
 - \$23.9 million (0.9%) in expenditure savings representing \$4.8 million in savings improvements primarily from increases to personnel savings from third quarter expectations, note that these savings allowed for budget transfers to close non-personnel spending deficits
- These balances include \$32.3 million in combined revenue surplus and expenditure savings from Mayor's mid-year instructions and balance assumed as part of the Board of Supervisors budget review in June
- The revenue surplus is net of \$18.6 million deposited to DPH's management reserve bringing the total balance to \$148.9 million



Highlights for Fourth Quarter Financials:

Comparison to Third Quarter

- \$70.1 M surplus is an improvement of \$76.9 M compared to Third Quarter
 - Revenue - \$22.4 M increase
 - HPC - \$3.7 M due to finalization of FQHC rate setting.
 - LHH - \$9.4 M due to better-than-expected patient revenue
 - BH - \$13.1 M due to prior year settlements exceeding budget



Variations from Third Quarter Financials:

Variance (Current vs Prior)	Revenue			Expenditure			Total
	Revised Budget	Current Projection	Surplus/ (Deficit)	Revised Budget	Current Projection	Surplus/ (Deficit)	Surplus/ (Deficit)
HGH - Zuckerberg SF General	\$ 14.2	\$ 9.3	\$ (5.0)	\$ 31.4	\$ 20.3	\$ 11.1	\$ 6.2
HLH - Laguna Honda Hospital	\$ 0.0	\$ 9.4	\$ 9.4	\$ (16.5)	\$ (19.2)	\$ 2.8	\$ 12.1
HBH - Behavioral Health	\$ -	\$ 12.9	\$ 12.9	\$ (16.7)	\$ (12.9)	\$ (3.8)	\$ 9.0
HPC - Primary Care	\$ (2.5)	\$ 1.2	\$ 3.7	\$ (4.9)	\$ (5.6)	\$ 0.7	\$ 4.4
HJH - Jail Health	\$ 0.0	\$ -	\$ (0.0)	\$ (0.9)	\$ (0.2)	\$ (0.7)	\$ (0.7)
HNS - Health Network including HAH	\$ 0.3	\$ 1.7	\$ 1.4	\$ (18.0)	\$ (20.3)	\$ 2.3	\$ 3.7
HPH - Public Health Division	\$ 7.2	\$ 7.3	\$ 0.1	\$ (12.3)	\$ (10.5)	\$ (1.8)	\$ (1.6)
HAD - Central Administration	\$ 0.1	\$ 0.1	\$ (0.1)	\$ (12.7)	\$ (6.8)	\$ (5.8)	\$ (5.9)
Total Operating	19.4	41.8	22.4	(50.5)	(55.3)	4.8	27.2

Zuckerberg San Francisco General

\$116.4 million surplus



Major Variances	FY 23-24 GF Favorable / (Unfavorable)
Revenues - \$114.7 million favorable	
Net Patient Revenues – FFS Conversion and PY Settlements	\$71.9
Medi-Cal Waiver – GPP (\$15.1 M PY & (\$8.3) M CY) & Old Waiver Settlements (\$23.8M)	\$30.6
Medi-Cal Managed Care Supplemental Revenue	\$12.9
Other Medi-Cal – GME Program	\$10.4
Capitation Fees – Out of Network Costs	(\$1.2)
340b Specialty Pharmacy Program	(\$9.8)
Expenditures – \$1.7 million savings	
Salary and Fringe Benefits	\$1.7

Laguna Honda Hospital

\$40.8 million deficit



Major Variances	FY 23-24 GF Favorable / (Unfavorable)
Revenues - \$43.1 million unfavorable	
Patient Revenue - Medi-Cal & Medicare	(\$46.0)
Prior Year Settlements	\$2.4
Expenditures - \$2.3 million favorable	
Salary and Fringe Benefits	\$1.0
Non-personnel Services, Material & Supplies	\$0.6
Services of other Departments	\$0.6

Behavioral Health

\$49.1 million surplus



Major Variances	23-24 GF Favorable / (Unfavorable)
Revenues - \$42.9 million favorable	
Medi-Cal	\$29.7
Medicare	\$0.4
Prior Year Settlements	\$12.2
2011 Realignment	\$0.5
Others	\$0.1
Expenditures - \$6.2 million favorable	
Salary and Fringe Benefits	\$1.9
Non-personnel services	\$4.3



Primary Care: \$15.2 Million Surplus

Major Variances	FY 23-24 GF Favorable / (Unfavorable)
Revenue - \$12.8 million favorable	
Patient Revenues	\$2.6
QIP	\$8.7
Capitation	\$1.6
Ryan White	(\$0.1)
Expenditures - \$2.4 million favorable	
Salary and Fringe Benefits	\$2.3
Non-personnel	\$0.2
Work order	(\$0.1)



Jail Health: \$0.5 million surplus

Major Variances	FY 23-24 GF Favorable / (Unfavorable)
Expenditure - \$1.3 million savings	
Salary and Fringe Benefits	\$0.38
Non-personnel Services	(\$0.09)
Services of other Departments	\$0.22

Health Network Services: \$5.1 million surplus



Major Variances	FY 23-24 GF Favorable / (Unfavorable)
Revenues - \$1.4 million favorable	
Patient Revenues	\$1.8
County Based Medi-Cal Administrative Activities	(\$0.9)
HSF Participant Fees	(\$0.9)
Health at Home capitation	\$0.1
Health Care Accountability Fees	\$0.5
MCAH California Children Services (CSS) admin	\$0.9
Expenditures - \$3.7 million favorable	
Salary and Fringe Benefits	\$2.0
Non-personnel Services	\$1.7

Population Health Division: \$0.9 million surplus



Major Variances	23-24 GF Favorable / (Unfavorable)
Revenues - \$3.1 million unfavorable	
Patient Revenues (AITC & Public Health Lab)	(\$1.7)
Environmental Health Fees	(\$1.7)
CMAA	\$0.3
Expenditures - \$4.0 million in savings	
Salary and Fringe Benefits	\$2.4
Non-personnel Services	\$1.1
Interdepartmental Services	\$0.3

Public Health Administration: \$ 1.4M surplus



Major Variances	23-24 GF Favorable / (Unfavorable)
Revenue - \$1.5 million unfavorable	
County Based Medi-Cal Administrative Activities	(\$1.5)
Expenditures - \$3.0 million in savings	
Salary and Fringe Benefits	\$2.3
Interdepartmental services (CSA work order)	\$0.2
IT Project budget	\$0.4



DPH Revenue Management Reserve

- Section 12.6 of the administrative provisions of the Annual Appropriation Ordinance allows the deferral of DPH Revenue Management Reserve.
- Reserve is based on net Medi-Cal, Medicare and Patient Revenue and allows for up to 50% of surplus revenues to be deposited, up to a total of 5% of the two-year budgeted revenues.
- \$18.6 million deposit was made at year end to bring the total balance to \$148.9 million

DPH Revenue Management Reserve as of Q4 2023-24

Budgeted Revenues	Medi-Cal	Medicare	Patient Revenues	Less IGT	Annual total
FY 2024-25	1,187,704,523	272,578,518	162,893,099	(105,619,445)	1,517,556,695
FY 2025-26	1,130,712,122	268,134,158	166,989,070	(105,619,445)	1,460,215,905
			Total Revenues Over Two Years		2,977,772,600
			Starting Reserve Balance as of FY 23-24		130,282,707
			Additional Q4 Deposit		18,605,923
			Ending Balance		148,888,630
			Reserve Balance as a Percentage of Two Year Medi-Cal, Medicare, and Patient Revenues		5.00%

Questions



Thank You