

HSN MEMBERSHIP MEETING
MARCH 17, 2006
Meeting Minutes

I. Announcements – Richard Heasley, Conard House, Meeting chair

- Marie Jobling, Long-Term Care Coordinating Council: An ordinance has been introduced for the Community Living Trust Fund, and we appreciate everyone's support. The Trust Fund would provide the necessary funds to help individuals stay in their community and avoid institutionalization.
- Debbi Lerman, HSN: Supervisor Daly apologized that he could not attend today's meeting as planned. He has promised to provide an update at HSN's April Member Meeting. Supervisor Fiona Ma, candidate for State Assembly, and Noelle Simmons, Mayor's Budget Director will also speak with us at the April Meeting. **Please note that the April meeting location will change for this month only to Progress Foundation, 368 Fell Street (between Gough and Octavia).**

II. Contract Reform Update – Tony Michelini, Catholic Charities

- The Review Appellate Panel, which meets monthly, is updating the implementation timeline for the recommendations. The Panel will present the report at a Board of Supervisors hearing on April 24. The Panel is also drafting a grievance procedure for City contractors.
- Judith Stevenson of Baker Places has volunteered to serve as the new Chair of HSN's Contract Reform Committee, replacing Nancy Rubin. She is a marvelous spokesperson. We thank Nancy for her years of work on this Committee.
- DPH contracting: Nonprofit representatives are meeting with Mitch Katz next week to discuss implementation of contracting reforms within DPH. The Health Commission will hear a report on contracting next Tuesday. HSN members are urged to attend if you have problems with your DPH contracts, and to present your issues to the Commissioners. DPH has extended some contracts to 18 months in an attempt to avoid delayed payments when contracts are not certified on time.

III. HSN Member Dues– Merrill Buice

HSN greatly appreciates our members' support. Thus far in 2006, 59 organizations have contributed just over \$34,000 in dues. Our goal for the year: \$50,000 from 90 paid members. If your agency has not yet paid dues, please pay as soon as possible. Please contact Merrill Buice at mbuice@sfhsn.org or 668-0444, x-1 if you need to acquire about an adjustment. As always, your active participation is most important to advance our efforts.

IV. Health Legislation – Debbi Lerman

The Health Care Accountability Ordinance (HCAO) has finally been amended, which is a great victory for HSN. Members thanked Debbi Lerman for her dedication and persistence during the

lengthy amendment process to ensure this Ordinance works properly. Amendments take effect on April 23. The Board of Supervisors made the following changes:

- Relief workers are now exempt from the Ordinance, therefore agencies no longer have to track their hours or pay fees to the City for them. Interns receiving academic credit or working toward a professional licensure or certification are also exempt;
- A technical change regarding the start date of insurance coverage brings the Ordinance in line with the industry standard. Coverage must commence on the first day of the month that follows a 30-day waiting period;
- The fee required in place of insurance coverage has been raised from \$1.50/hour to \$2.00/hour. This will increase the incentive for businesses to provide health coverage; and
- There are new enforcement procedures, including an appeal process for employers.
- One area was not amended: Employees who work 15 – 19 hours/week are still included, although insurance coverage is not available for them. Supervisor Ammiano decided to keep these employees in the Ordinance because he hopes they can be covered under the plan being developed by the Health Care Council.

The Health Care Council should release its recommendations on May 23. The plan is to provide specific services at City and nonprofit clinics. Employers will pay a fee that may range from \$50 to \$100 per month per employee.

Supervisor Ammiano's Worker Health Care Security Ordinance is on hold, pending the report from the Council. The Ordinance will probably reach the Board by the end of the summer.

Ammiano's proposed legislation has been amended as follows:

- The threshold number of employees for nonprofits has been increased from 20 to 50. The threshold remains 20 at for-profit entities. When calculating the number of employees in an organization, those covered under HCAO are subtracted.
- The health care payment amount is based on a ten county survey of civil service employee health care costs, and then prorated to an hourly amount. If the survey result is \$365/month, the hourly benefit cost would be approximately \$2.12. Originally, business would pay this full amount for each employee. As amended, small businesses, defined as less than 100 employees, must pay half the rate of the 10-county survey. Large employers with 100 or more employees must pay 75% of this rate.

V. Guest Speaker: Janet Reilly, Democratic Candidate for State Assembly

Janet Reilly is a candidate for State Assembly, District 12 (the West side of San Francisco and northern part of San Mateo). Leland Yee, who currently holds this seat, is withdrawing to run for State Senate (Jackie Speier's seat).

Ms. Reilly opened her remarks by thanking the nonprofit sector for all their work. Her campaign began last year in April. She is pleased to have Leland Yee's support, as well as the endorsements of Senator John Kerry, Supervisors Tom Ammiano and Michela Alioto-Pier, former Supervisor Matt Gonzalez, and City Attorney Dennis Herrera.

Ms Reilly reviewed her background: She was born in Sacramento, attended UCLA and received an MA in Journalism from Northwestern University. She has worked in Washington, DC and for

former L.A. Mayor Dick Riordan. She has lived in San Francisco for the past 11 years. She worked for Mervyn's as the Director of Public Relations. Her proudest accomplishment was the creation of Mervyn's Community Closet program that began after welfare reform passed, when President Clinton called on corporations to help ease the transition for welfare recipients into the workforce. The Community Closet program provided over 5,000 women with work clothes.

Ms. Reilly detailed her experience working with nonprofit organizations in San Francisco. She worked with addicted babies at Mt. St. Joseph – St. Elizabeth, among others. She serves as a Director for the Golden Gate Bridge Board, and strongly supports erecting a suicide barrier, since someone jumps every two weeks. She refuted the claim that people will just jump elsewhere, stating that 96% of the people talked off the GG Bridge don't commit suicide.

Ms. Reilly believes that the role of government is to provide people with hope and opportunity. She outlined some of her campaign platform:

Healthcare: The centerpiece of her campaign is a proposal for health coverage for every Californian. She feels strongly that California must change the way we provide coverage, and that the State can be a model for the nation. Her single provider plan would cover the 7 million Californians who currently lack insurance, including 1 million children. While she admits that SB 840, Senator Sheila Kuehl's bill, is unlikely to pass with the Governor's signature, she wants to work toward this goal. Other states have programs that cover all children under 19 years. She supports sin taxes to finance such proposals, and wants the programs to focus on preventative health. She strongly supports Prop 63, the income tax for mental health services. She served on the State Committee, and believes there is a need to raise taxes for some services.

Education: She is concerned with the quality and funding of California's school system, and feels that \$40 billion for education is not enough since the State is below the national average for per pupil spending. She strongly supports universal preschool for the social and emotional building blocks that can be developed there.

Housing: San Francisco and the State need to focus on building more affordable housing. By 2025 there will be an additional 10 million people in California, yet there is no master growth plan. Only 18% of residents can afford to buy a home, and San Francisco's figure is lower. San Francisco needs more family housing, as presented in a recent report by the Mayor, so that the City can retain families.

Questions and Answers:

- **Immigration:** She supports the McCain-Kennedy approach to provide amnesty and a legal way to pay back taxes. She believes some border security is needed, but not a huge wall. Everyone in the US must receive medical care and services.
- **Prop 63 funding:** She was frustrated that San Francisco did not receive more Prop 63 funds. She believes the City was penalized because we already do a great job with mental health services. She did not serve on the State Task Force that was charged with allocating funds.
- **Long-Term Care:** Ms. Reilly would ask the nonprofit advocates to advise her. Single payer health care would free up resources to provide more long-term care. She doesn't understand why the three pilot County Medi-Cal programs are not paying for assisted living.

- How to protect San Francisco nonprofits in the State budget: She would fight for state funds to cover real service needs and provide adequate COLAs and cost-of-doing-business increases for nonprofits, especially to cover Workers' Compensation costs.
- State infrastructure bond: The State needs a bond for important projects, but we can't put the entire burden on future generations. The Governor's proposal was too big, yet it should have included housing, mass transit and hospitals. The State must identify and plan for the health and human services we will need over the next 5–10 years.
- Federal end of adult day health centers and the difficulty getting the State to respond: Ms. Reilly expressed concern about this issue.
- Incentives for nurses: She believes that we need more nursing teachers first, in order to train all the nurses the State needs.
- HSN members thanked Ms. Reilly for taking the time to meet with us.

VI. June Ballot Measures and Endorsement Votes

Endorsement Process – *Debbi Lerman*: Under HSN's process for endorsing ballot measures, any member may request that the Steering Committee discuss the potential benefits and impacts of an HSN position on a ballot measure. The Steering Committee votes on whether to send it to the next member meeting. Members there discuss the issue and vote by majority on whether to send it to the full membership for consideration.

By unanimous vote on March 9, HSN's Steering Committee recommended that HSN take a position on two measures. They recommend that members vote for HSN to:

- Support Prop A, the Homicide Prevention Plan ballot measure, and
- Oppose Prop D, the Laguna Honda Hospital Special Use District ballot measure.

If a majority of members at this meeting agrees, HSN will send the two measures to the full current membership for an email vote by the designated main contact person for each agency. In order for HSN to take a position, a quorum of at least 50% of the current paid membership (45 of the 90 organizations) must vote either to support or oppose; abstentions will not count towards the quorum. At least 2/3 of those voting must support the proposed position. A vote does not mean that any individual member organization has endorsed the measure; it means only that HSN should endorse it. Any public announcement would be issued on HSN letterhead without the names of any member agencies. HSN may also take appropriate actions to publicize our positions, including campaign involvement.

Laguna Honda Hospital (LHH) Special Use District – *Jim Illig*: Prop D, Zoning Changes to Limit Services at Laguna Honda Hospital and Other Residential Care Facilities, changes the Planning Code to make the LHH property a "special use district" that places several restrictions on patients, including the following: "Persons who pose a danger to themselves or to others, **or** who pose a threat to the maintenance of a safe environment at LHH shall not be admitted or retained." The second "or" means that someone who poses a danger to themselves or others must be discharged, even if they can be managed in such a way that they do not pose any threat.

Disability rights advocates assert that the measure is discriminatory. It states that "only persons whose need for skilled nursing care is based on a medical diagnosis that is not primarily

psychiatric or behavioral shall be admitted.” These two restrictive provisions in the Ordinance could lead to the discharge of more than 300 patients with Alzheimer’s disease, schizophrenia, dementia, AIDS and those with traumatic brain injury. There are no other facilities in San Francisco that could accept these patients. Therefore, they would be placed in other counties, away from friends and family, and San Francisco would be forced to pay for their care. The Controller has estimated that implementation could cost the City \$27 million per year.

As written, the Zoning Administrator would make decisions on which patients are appropriate, yet patient confidentiality rules prohibit the disclosure of much necessary information to make such a decision. San Francisco’s Zoning Administrator has written that the Ordinance would be an incorrect application of the Planning Code, and that the Planning Department does not have the capacity or tools to distinguish between appropriate and inappropriate patients.

The measure was spearheaded by several LHH staff members who were upset with the transfer of some patients with mental illnesses from SF General Hospital (SFGH) to LHH for skilled nursing care. These transfers were made because it is significantly less expensive to treat patients who need a skilled nursing facility at LHH than at SFGH. However, the initial process for transferring some of the patients did not work well, so DPH has reverted to their prior policy.

DPH Director Mitch Katz and Louise Renne have come together to lead the opposition. The Health Commission also opposes it. The independent legal nonprofit, Protection & Advocacy, Inc., has determined that the measure discriminates on the basis of disability and intends to sue to stop implementation if it is approved by the voters. LHH could lose Medi-Cal and Medicare funding if it is found to be discriminating against patients by implementing this measure.

Prop D is not related to rebuilding LHH, however the zoning change would allow for-profit skilled nursing facilities to be built on the City-owned property.

Homicide Prevention Plan Charter Amendment – *Debbi Lerman*: Prop A, Additional Funding for Homicide Prevention Services, is a Charter Amendment sponsored by Supervisors Daly, Ammiano, Maxwell, Mirkarimi, Peskin and Sandoval. The measure sets up a Planning Council, creates a Survivors’ Advocate, and establishes a Violence Prevention Fund, appropriating \$10 million/year for three years to fund violence prevention programs. The measure excludes funding for the Police Department. The Planning Council will have 11 voting members from affected communities (the Mayor appoints five and the Supervisors appoint six), as well as non-voting Departmental members. The Council is charged with drafting a homicide prevention plan by November 1, 2006, which must be adopted by April 1, 2007 and implemented by the Mayor’s Office. The plan sets priorities for violence prevention programs to be funded. The funded services must be delivered by culturally competent community based organizations. The Mayor must fund all the activities prioritized in the plan. The Board of Supervisors can increase funding for any of the services, but cannot cut funds. This measure is a set-aside in the City budget. FY 04-05 will be the baseline year.

HSN’s Steering Committee decided that while HSN generally opposes the principle of City budget set-asides because they are a poor mechanism for making policy, this is an important issue and the targeted communities desperately need the funding. Therefore, the Steering

Committee recommends that HSN members vote for HSN to endorse the measure. Members raised the following pros and cons during the discussion:

PROS: 1) The measure will improve the organization and coordination of the various community services; 2) the measure will create a dialogue and empower nonprofits; and 3) while this measure may not solve the City's homicide problem, something visible must be done, and increasing funding to culturally competent nonprofits is a key step to improve the situation.

CONS: 1) Set-asides are a bad way to make policy and budget decisions; 2) the measure does not mention the successful community policing program; and 3) tracking progress and measuring program outcomes for homicide prevention, which is important, will be difficult to assess.

HSN Member Vote on the Ballot Measures: In accordance with HSN's process, we asked those present at HSN's March 17 member meeting to vote on whether HSN should submit these measures to the full membership for an endorsement vote. (Note – only members who have paid 2005 or 2006 dues may vote, with one vote per member agency.)

As mentioned above, HSN's Steering Committee recommended that HSN take a position on both measures. They recommend that members vote to:

- support the Homicide Prevention Plan ballot measure, and
- oppose the Laguna Honda Hospital Special Use District ballot measure.

Twenty-three members voted unanimously that HSN should send the Laguna Honda measure to the membership. Twenty-one of 23 members voted to send the Homicide Prevention Plan to the members. HSN will now send the two measures to each current member agency's designated main contact person for an email vote, report the results by e-mail and at our next member meeting, and take appropriate follow-up actions to publicize our endorsements.

VII. Budget and Revenue Updates – *Debbi Lerman*

The new Joint Report by the Controller, Mayor's Budget Office and Board Budget Analyst indicates that for FY '06-07, San Francisco will have a \$12.5 million deficit. However, this assumes that the entire \$137 million surplus from this year is put into next year's budget. Therefore, we do not really have a surplus. In addition, all the labor MOUs are open for negotiation. The City will resume full payment of the employees 7.5% share of pension contributions. The Controller's report also assumes no contract increases. An increase of 1.6% for City employees would add \$15–16 million to the City's budget. The report also assumes the City will not backfill any Federal cuts, such as CDBG or Ryan White. (The report is available at http://www.sfgov.org/site/uploadedfiles/controller/budget_information/3year/08-09.pdf.)

The Governor will release his May Revise budget in approximately seven weeks. Debbi Lerman will summarize the relevant sections and distribute this to members as soon as the budget is available.

Supervisor Daly is holding hearings on supplemental requests for this year's budget. Many HSN members turned out for the first hearing. Many people encouraged the Board to slow down the

process to allow more public input. The next hearing will be March 22. HSN supports funding for affordable housing, community-based violence prevention programs, the Community Living Trust Fund, and the environmental and engineering studies necessary to rebuild SF General Hospital. There are several small budget cuts on the table, including funding for St. Boniface's shelter. DAAS has to propose \$1 million in baseline and contingency cuts; the Commission on Aging rejected all contingency cuts. HSN urges members to attend these hearings and speak up about funding priorities for supplemental budget requests and for next year.

VIII. Minimum Compensation Ordinance and Other Wage Legislation – *Debbi Lerman*

The Board is still considering MCO amendments that would require nonprofits to pay the same amount as for-profits, currently at \$10.77/hour but potentially rising to \$11.04, along with a mandatory annual CPI increase, even if pass-through funds are not available. HSN has met with Supervisors, but the legislation has a good chance of passing. The delay is due to its cost; the funding request to compensate nonprofits is part of the supplemental budget requests, with a price tag of \$23 million for FY 06-07; most of this amount would cover IHSS workers. In addition to the pass-through, HSN is concerned with wage compaction if lower-paid workers are brought up without funding to raise other employee salaries. We believe the City should handle IHSS separately. We also believe that the high price tag will diminish the funding available for COLAs and cost-of-doing-business increases, which would raise everybody's salary. HSN asked for feedback from those members who were present. None of them had a significant problem with an increase to \$10.77, but three had trouble with \$11.04.

Debbi provided information on two other pieces of wage-related legislation. Supervisor McGoldrick introduced an ordinance that would bring GA and PAES workers under the MCO. Right now, their maximum required working hours are based on minimum wage. If this law passes, the hours will be based on the MCO rate. This has implications for nonprofits that use workfare workers. At \$342/month, they will be required to work seven hours/week instead of eight. Supervisor Mirkarimi has introduced an ordinance that will require employers to pay a fee to help fund enforcement of the minimum wage law; however, nonprofits will be exempt.

IX. Next Meeting and Adjournment

- HSN's next membership meeting will be held on **Friday, April 21, from 9:30 a.m. – 11:30 a.m. at the Progress Foundation, 368 Fell Street (between Grove and Hayes). Please note the location change is for the April meeting only.** Guest speaker: Fiona Ma, Democratic Candidate for State Assembly.
- HSN's next Public Policy Committee Meeting: Wednesday, March 29 at 10 am at the Progress Foundation, 368 Fell Street (between Gough and Octavia).
- The meeting adjourned at 11:30 a.m.

ATTENDEES AT HSN GENERAL MEMBERSHIP MEETING, MARCH 17, 2006

Sherilyn Adams, Larkin Street
Brett Andrews, Positive Resource Center
Bob Bennett, Family Service Agency
Nancy Brundy, Institute on Aging
Merrill Buice, HSN
Debberra Burrell, BVHP Foundation
Keith Bussey, HAFCI
Donna Calame, IHSS Public Authority
George Clark, LightHouse for the Blind
Steve Crabel, Toolworks
Margi Dunlap, IISF
Ben Eiland, HAFCI
Don Frazier, Walden House
Richard Heasley, Conard
Alecia Hopper, MHA-SF
Denise Howell, CCCYO
Marie Jobling, LTCCC
Debbi Lerman, HSN
Herb Levine, ILRCSF
Ellen Lord, LightHouse
Doren Martin, Shanti
Michael Medema, CHP
Eve Meyer, SF Suicide Prevention
Tony Michelini, CCCYO
Marea Murray, Continuum
Nancy Nielsen, Lutheran Social Services
Patrick Regan, CVE
Erica Roth, SAGE Project
Sandra Santana-Mora, Edgewood
Andrea Spagat, CHD
Rachell Thieme, SF Food Bank
Lawrence Villegas, Oakes Children's Center
Kim Watts, CCCYO
Calvin Welch, CCHO