

GUIDING PRINCIPLES OF BUDGET REDUCTION STRATEGIES

San Francisco Human Services Network

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The San Francisco Human Services Network is an association of over 110 community-based health and human service nonprofits. We present these recommended principles as the City moves to address a projected \$576 million deficit for FY 2009-10, a shortfall so enormous that the resulting budget reductions are likely to force a far-reaching redesign of our service system. We suggest these principles to address our short-term crisis. At the same time, we call for a comprehensive and inclusive planning process to ensure the longterm capacity, sustainability and effectiveness of safety-net services to care for vulnerable San Franciscans.

- (1) Protect vulnerable populations
- (2) Use the lowest appropriate level of care; reduce reliance on more expensive
 - Where appropriate, prefer community to institutional and to out-of-county
- (3) Principles of recovery
 - Preserving programs that operate from a recovery and resilience model
- (4) Reduce services with the best ability to staff back up vs. closing facilities
- (5) Minimize cuts to leveraged services
 - MediCal, state and federal funds, private to some degree
- (6) Avoid cutting services whose closure will increase higher-end costs
 - Note: problem because cuts to one department increase costs in another, such as police
 - Need supporting documentation
- (7) Need a planning process with fundamental elements
 - Measurable criteria (e.g. how cutting will increase costs) (e.g. outcomes)
 - Comprehensive planning that considers costs, inputs and outcomes
- (8) Efficiencies / Service Disparities
 - Streamline to get the most we can out of reduced services
 - Other ways for service providers to coordinate functions
 - Deploy service capability based on the level of need, assuring access to appropriate, culturally competent services across neighborhoods and communities to address health disparities, while avoiding unnecessary overlap
- (9) Consolidation
 - Continuum of consolidation options; new models to share administrative functions while retaining service capability and autonomy
 - Use administrative savings to expand service capability
 - Creativity to keep organizations open and maintain continuity of care, especially if their services fill a special need
- (10) City and nonprofit equalization
 - Apply principles across the board to all providers, CBO and city, to provide the most cost-efficient and effective services to vulnerable populations
 - Need outcomes for all services, not just nonprofits
 - Fair competition for who provides a service, including whether it's CCSF or CBO