ROUTE SLIP

Date: 2/26/86

To: Jeff Amory
Room: 323

Remarks

Approval

Necessary action

Prepare reply

Comment

Note and return

Note and file

Investigate

Signature

Confer

As requested

For information

Per telephone conversation

(Fold here for return)

From: Anne Ruggieri

DEPARTMENT OF PUBLIC HEALTH
CITY AND COUNTY OF SAN FRANCISCO
GOOD AFTERNOON. THANK YOU FOR THIS OPPORTUNITY TO TESTIFY TODAY. MY NAME IS ANNE RUGGIERI AND I AM HERE ON BEHALF OF THE SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH. I HAVE BEEN ASKED TO SPEAK TO YOU TODAY ABOUT OUR ALTERNATIVE TEST SITE (ATS) PROGRAM.

LET ME BEGIN WITH A BRIEF OVERVIEW OF OUR PROGRAM. AS THE LEGISLATURE WAS DEVELOPING THE LEGISLATION TO REQUIRE ALTERNATIVE TEST SITES BE ESTABLISHED, WE WERE APPLYING FOR A CENTERS FOR DISEASE CONTROL (CDC) GRANT TO ESTABLISH OUR PROGRAM. WE WERE AWARDED APPROXIMATELY $1 MILLION DOLLARS. THE PROGRAM APPROVED BY CDC WAS MORE COMPREHENSIVE THAN THE PROGRAM ENVISIONED BY THE STATE. SPECIFICALLY, OUR PROGRAM PROVIDES:

1. PUBLIC OUTREACH AND EDUCATION
2. SERVICE PROVIDER EDUCATION
3. APPOINTMENT COORDINATION, ON-SITE EDUCATION AND BLOOD DRAWING
4. LABORATORY WORK
5. REPORTING RESULTS AND ON-SITE INTERVIEW/EDUCATION
6. MENTAL HEALTH SUPPORT AND FOLLOWUP SERVICES
THE LAST COMPONENT WAS DISCONTINUED WHEN OUR REVIEW OF THE PROGRAM SHOWED THAT LESS THAN 2% OF THE INDIVIDUALS TESTED UTILIZED THIS SERVICE. MENTAL HEALTH CARE IS AVAILABLE FOR THOSE IN NEED FROM A NUMBER OF PROVIDERS IN THE COMMUNITY SENSITIVE TO PERSONS WITH AIDS.

THE PROGRAM DESCRIBED ABOVE WAS REVIEWED AND APPROVED BY CDC PRIOR TO PROGRAM IMPLEMENTATION. AS YOU KNOW, THE NEED FOR THE ALTERNATIVE TEST SITE PROGRAM WAS TO ENSURE PROTECTION OF THE NATION'S BLOOD SUPPLY BY OFFERING AT-RISK POPULATIONS ACCESS TO ANONYMOUS TESTING. OUR PROGRAM IN SAN FRANCISCO HAS A SECOND GOAL: PREVENTION. A KEY ELEMENT TO THE DESIGN OF OUR SERVICES IS OUR EFFORT TO INTERVENE WITH THOSE AT HIGH RISK IN ORDER TO PROMOTE BEHAVIOR WHICH WILL REDUCE, IF NOT ELIMINATE, THE SPREAD OF AIDS. WE BELIEVE THAT INDIVIDUALS SEEKING THE TEST ARE VERY RECEPTIVE TO INFORMATION THAT WILL CHANGE THEIR AT-RISK BEHAVIORS. DATA SUPPORTING THIS IS BEING COLLECTED AND WILL BECOME AVAILABLE TO YOU AS SOON AS OUR STUDIES ARE COMPLETE.

WE ARE VERY PROUD OF OUR PROGRAM. IN FACT, THE FEDERAL AUDITORS VISITING OUR PROGRAM LAST FALL REPORTED TO US THAT SAN FRANCISCO'S ALTERNATIVE TEST SITE PROGRAM IS A MODEL FOR THE COUNTRY, AND WERE PARTICULARLY IMPRESSED WITH THE POST-TEST EDUCATION COMPONENT. WE ARE UNAWARE OF ANY OTHER PROGRAM IN THE STATE OFFERING THESE SERVICES, WHICH WE SUSPECT IS DUE TO PROGRAM LIMITATIONS IMPOSED BY THE STATE.

WE HAVE BEEN FORTUNATE IN THAT OUR CDC FUNDS HAVE COVERED ALL DIRECT COSTS SINCE WE OPENED JULY 1, 1985. THESE FUNDS WILL BE EXHAUSTED MARCH 1, 1986. IN SPITE OF PASSAGE OF THE SPECIAL AIDS APPROPRIATION LAST FALL WHICH INCLUDED
CONTINUATION OF CDC-FUNDED ALTERNATIVE TEST SITES, IT IS OUR UNDERSTANDING THAT CONTINUED FUNDING WILL NO LONGER BE AVAILABLE AS A RESULT OF THE PASSAGE OF THE GRAMM-RUDMAN-HOLLINGS DEFICIT REDUCTION ACT.

OUR CURRENT PROGRAM COSTS AVERAGE ABOUT $55.00 PER TEST. THE STATE HAS AGREED TO REIMBURSE US AT $44.00 PER TEST. THE STATE FIGURE COVERS THOSE COMPONENTS OF THE PROGRAM WHICH ARE REQUIRED TO BE PROVIDED BY DESIGNATED COUNTIES PURSUANT TO AB 403. THE ELEVEN DOLLARS NOT INCLUDED IN THE STATE'S RATE IS FOR OUTREACH TO AT-RISK POPULATIONS, WHICH INCLUDES EDUCATION VIS-A-VIS ADVERTISING, PRESENTATIONS AT PUBLIC FORUMS, AND EDUCATIONAL BROCHURES DISTRIBUTED AT NON-TEST SITES, AND FOR POST-TEST EDUCATION SESSIONS FOR PERSONS WHO TEST NEGATIVE. SB 1251 PROVIDED FOR REIMBURSEMENT OF POST-TEST EDUCATION ONLY FOR PERSONS TESTING POSITIVE.

WE ARE IN THE PROCESS OF SEEKING FUNDS FROM CDC TO CONTINUE THESE TWO COMPONENTS OF OUR PROGRAM, WHICH WE VIEW AS CENTRAL TO MEANINGFUL PREVENTIVE INTERVENTION. SHOULD WE FAIL, THE CURRENT PROGRAM WOULD BE IN SERIOUS JEOPARDY. WE BELIEVE LEGISLATIVE ACTION IS NEEDED TO REQUIRE THESE SERVICES TO BE PROVIDED AT ALL ALTERNATIVE TEST SITES THROUGHOUT THE STATE WITH ADEQUATE STATE FUNDING TO DO SO. WE ARE CONvinced THAT IT IS WASTeful TO IGNORE THIS OPPORTUNITY TO EDUCATE AT-RISK INDIVIDUALS IN THIS SETTING. EVEN IF WE SUCCEED IN OBTAINING THE CDC FUNDS, WE STILL FEEL THE LEGISLATURE NEEDS TO ADDRESS THIS ISSUE IN ORDER FOR OTHER PROGRAMS TO PROVIDE THESE SERVICES AND STEM THE GROWING NUMBERS OF NEW AIDS CASES.

THE ALTERNATIVE TEST SITE PROGRAM IS A VERY IMPORTANT PART OF OUR PUBLIC HEALTH RESPONSE TO AIDS. ITS CONTINUATION IS VITAL, NOT ONLY TO ENSURE PROTECTION OF
THE BLOOD SUPPLY BUT ALSO BECAUSE OF THE IMPORTANT OPPORTUNITY GIVEN TO PUBLIC
HEALTH PROFESSIONALS TO INTERVENE AND REDUCE THE SPREAD OF THIS DREADFUL
DISEASE.

OTHER AIDS ISSUES

ALTHOUGH I WAS ASKED TO SPEAK TO THE ISSUE OF ALTERNATIVE TEST SITES, LET ME
ALSO MAKE A FEW REMARKS ABOUT OTHER AIDS ISSUES OF CONCERN TO SAN FRANCISCO.
WE TOO HAVE EXPERIENCED DIFFICULTIES WITH THE STATE DEPARTMENT OF HEALTH SERVICES REGARDING CONTRACTS FOR PROGRAMS ESTABLISHED BY SB 1251.

SAN FRANCISCO SPENT OVER $10 MILLION ON AIDS PROGRAMS AND SERVICES IN THE LAST FISCAL YEAR (1985-86), MOST OF IT ON EDUCATION AND ALTERNATIVE CARE RESOURCES.
THE AVERAGE LENGTH OF STAY IN A SAN FRANCISCO HOSPITAL CONTINUES TO BE THE LOWEST IN THE NATION. WE HAVE PROVEN THAT THIS SUCCESS IS DUE TO THE AVAILABILITY OF ALTERNATIVE SOURCES OF CARE, PRIMARILY HOME HEALTH AND HOSPICE CARE. YET, OUR LOCAL TAX PAYORS HAVE HAD TO UNDERWRITE THESE COSTS, DESPITE SIGNIFICANT SAVINGS TO THE STATE'S MEDI-CAL PROGRAM VIS-A-VIS REDUCED HOSPITALIZATION. AS THE DEMAND FOR CARE BEGINS TO EXCEED OUR RESOURCES WE ARE INCREASINGLY DEPENDENT UPON STATE ASSISTANCE. WE HAVE ALREADY HAD TO LIMIT THE AVAILABILITY OF OUR SERVICES TO ARC (AIDS RELATED COMPLEX) PATIENTS.

WE ARE VERY CONCERNED THAT THE HOME CARE RFP (REQUEST FOR PROPOSALS) HAS YET TO BE RELEASED. IN FACT, WE HAVE BEEN INQUIRING ABOUT THIS FOR SOME FOUR MONTHS AND HAVE BEEN TOLD CONSISTENTLY THAT THE RFP WOULD BE AVAILABLE "SOON". THE DEMAND FOR THESE SERVICES IN SAN FRANCISCO HAS BEGUN TO EXCEED AVAILABLE RESOURCES; IN FACT, THE WAITING LIST FOR HOME CARE HAS INCREASED DRAMATICALLY IN THE PAST MONTH, DUE PRIMARILY TO AN UNEXPECTED INCREASE IN HOSPITALIZATIONS
AND INCREASED REFERRALS OF PERSONS WITH AIDS SUFFERING FROM ORGANIC BRAIN SYNDROME, WHICH REQUIRES A SIGNIFICANTLY HIGHER LEVEL OF STAFFING. THESE FUNDS ARE ABSOLUTELY CRITICAL TO OUR CONTINUED SUCCESS IN KEEPING THE OVERALL COSTS OF CARE AT A MINIMUM.

ANOTHER PROGRAM OF SPECIFIC CONCERN HAS BEEN THE SUBSTANCE ABUSERS WITH AIDS PROGRAM. OUR OVERALL PROBLEM HERE HAS BEEN THE STATE'S SLOWNESS IN ADVISING US AS TO THE STATUS OF FUNDING, AND WHAT WE BELIEVE TO BE AN OVERLY RESTRICTIVE INTERPRETATION AS TO WHO SHOULD BE SERVED BY THIS PROGRAM. WE BELIEVE THERE IS AN URGENT NEED TO PROVIDE PREVENTIVE AS WELL AS TREATMENT SERVICES TO THIS POPULATION, WHICH REPRESENTS THE LARGEST POTENTIAL FOR NEW AIDS CASES. SB 1251 CONTAINS PROVISIONS ALLOWING THE STATE TO FUND THE PREVENTION PROGRAM WE ARE PROPOSING; SB 1251 ALSO CONTAINS A PROVISION DESCRIBING A PROGRAM WHICH IS INTENDED TO SERVE ONLY PERSONS DIAGNOSED WITH AIDS OR WITH AIDS RELATED CONDITIONS. WE BELIEVE THAT THERE IS MERIT TO OUR PROPOSING TO SERVE PERSONS TESTING SEROPOSITIVE BUT NOT YET DIAGNOSED AS HAVING AIDS IN ORDER TO REDUCE THE SPREAD OF AIDS IN THE SUBSTANCE ABUSER POPULATION. 70% OF THE NEW YORK AIDS CASES ARE IV DRUG USERS. WE ARE CURRENTLY EXPERIENCING THE LEVEL OF SEROPOSITIVES THAT THEY HAD FIVE YEARS AGO. THE STATE OF NEW YORK IS EXPERIENCING VERY SERIOUS PROBLEMS IN TRYING TO CONTROL THE SPREAD OF AIDS WITHIN THIS AT-RISK POPULATION. THIS IS A DIFFICULT POPULATION TO REACH AND EDUCATE AND THE KINDS OF MEDICAL CONDITIONS FOUND AMONG SUBSTANCE ABUSERS WITH AIDS ARE MORE SERIOUS AND EXPENSIVE TO TREAT.

LASTLY, WE ARE EXPERIENCING A SIGNIFICANT INCREASE IN COSTS FOR ECF (EXTENDED CARE FACILITY) CARE, WHICH IS PROVIDED AT GARDEN SULLIVAN HOSPITAL. $190,000, 25% OF THE COSTS INCURRED, WAS PROVIDED BY SAN FRANCISCO. THIS YEAR, WE HAVE SPENT $270,000 SO FAR AND ANTICIPATE AN ADDITIONAL $95,000 IS NEEDED. WHILE WE
HAVE NOT COMPLETED OUR REVIEW OF THIS 90% INCREASE, PRELIMINARY ANALYSIS INDICATES IT IS DUE TO THE LOCAL MEDI-CAL FIELD OFFICE APPROVING FEWER DAYS.

WE APPRECIATE THAT IT IS THE STATE'S RESPONSIBILITY TO ENSURE THE LAW IS FOLLOWED WITH RESPECT TO THESE PROGRAMS. HOWEVER, WE DO FEEL THAT THE STATE SHOULD BE FOCUSING MORE ON TRYING TO FIGHT THE SPREAD OF AIDS, AND EXPEDITING THEIR PART OF THE EFFORT. COMBATTING THIS EPIDEMIC REQUIRES ALL LEVELS OF GOVERNMENT WORK TOGETHER TO DEVELOP VIABLE SOLUTIONS TO THIS VERY SERIOUS EPIDEMIC. SAN FRANCISCO HAS CONSISTENTLY BEEN AT THE FOREFRONT IN DEVELOPING PROGRAMS AND SERVICES TO ADDRESS THE AIDS PROBLEM. WE CONTINUE TO OFFER THE STATE OUR INSIGHTS IN THIS REGARD.

FINALLY, LET ME ALSO TAKE THIS OPPORTUNITY TO ADVISE YOU THAT WE HAVE RECENTLY CONVENED YET ANOTHER TASK FORCE IN SAN FRANCISCO TO ADDRESS THE AIDS EPIDEMIC. THE GOAL OF THIS GROUP IS TO DEVELOP A COMPREHENSIVE PLAN WHICH WILL, HOPEFULLY, ASSURE THAT WE ARE DOING ALL THAT WE CAN DO LOCALLY AND TO IDENTIFY PROGRAM GAPS AND POLICY ISSUES IN NEED OF STATE AND/OR FEDERAL RESOLUTION. WE WILL KEEP YOU INFORMED OF OUR PROGRESS.

AGAIN, THANK YOU FOR THIS OPPORTUNITY.

AR/
TO: AIDS Contractors
FROM: Helyne Meshar
Sacramento AIDS Foundation

STATE SPENDING PRIORITIES DISCUSSED/DEBATED

State Department of Finance Director Jess Huff and Legislative Analyst William Hamm presented an overview of the Governor's Proposed State Budget for FY 1986/87 to the State Senate's Budget and Appropriations Committee earlier last month. Mr. Huff defended the Governor's $37 Billion state budget stating the budget reflects the Governor's concern for education, toxics, and Mental Health. The budget also addresses the Governor's concern for returning the state's reserve accounts to $700 million. Huff reported that budget was based on assumptions of continued growth in the economy and continued slow inflation rates. He predicted the state's growth would continue at 10% for the remainder of the year.

William Hamm on the other hand did not paint such a rosy picture for the State Budget. Three major issues will impact the budget this year:

1. Gann Spending Limitations will become effective this year if state spending increases. Under provisions of Proposition 4 which was adopted by the voters in 1980, state expenditures are limited by the inflation rate and population size through a complicated formula. Because the economy has been steadily growing over the past few years and the inflation rate has slowed, the provisions of the Gann Initiative will become operative if state spending increases by another $100 million this year.

2. Gramm-Rudman-Hollings Deficit Reduction Bill. No one will know for certain what the impact of Gramm-Rudman will have on federal budget and its impact on state budget. The possibility of subventing federal programs with state dollars is a possibility. Also the possibility of transferring state funds to local governments to subvent the loss of federal funds to local governments was also raised. It was recommended by the Legislative Analyst that the Budget committee request the Governor to begin to formulate alternative plans if Gramm-Rudman should take effect as scheduled in March, 1986. Finance Director Huff believed that it was not necessary to use state reserves to pick up the federal cuts nor to set aside funds for anticipated cuts. Rather, he recommended prudent budgeting at the state level and adoption of priorities for vital health and safety if there should be a federal cut in funds.
3. Redirection of Tidelands Oil Funds. The Governor's budget proposes to redirect use of Tidelands Oil Funds (revenue from oil leases) for General Fund operations which are one-time expenditure in nature. The proposal has raised concern among the members of the Senate Budget Committee since Tidelands Oil funds are designated for education capital outlay purposes. The redirection of funds is dependent upon passage of legislation amending the law governing the Tidelands Oil Fund. The major concern is that the Tidelands funds will be used for ongoing state programs and will replace general fund expenditures. This concern is heightened by the falling price of oil which will reduce the amount of funds received into the Tidelands Oil Fund account.

Hamm also predicted that the Legislature may be faced with cutting approximately $285 million of the proposed state budget if his economic analysis is correct.

STATE AIDS BUDGET UNDERGOES REVIEW

While the Governor's Budget was officially introduced last month, the Department of Finance is now preparing its annual Finance Letter to the Legislature. The Letter is a document which allows the Administration to make changes in budget items based on new spending projections and to make corrections to errors and omissions in the original budget document. The proposed FY 1986/87 AIDS budget contains some minor errors which should be clarified in the Finance Letter.

A chart illustrating the state's revenue and expenditures along with a description of the State Budget Process is enclosed.

SUMMARY OF PENDING LEGISLATION

A listing of AIDS bills which have recently become law or are currently pending in the State Legislature is attached. The listing is current as of February 3, 1986. Copies of any of the bills listed can be obtained through your elected officials' district office. (Be sure to include chapter numbers of bills which have already become law when ordering!)
AB 403 (Chapter 22), Agnos. Protects the privacy of persons undergoing AIDS antibody blood testing; prohibits anyone from testing a person's blood for AIDS antibodies without the written consent of the subject; prohibits the results of AIDS antibody blood testing from being used to determine insurability or suitability for employment; provides for penalties for disclosing the results of such testing. Effective 4-3-85.

AB 488 (Chapter 23), Roos. Requires blood banks and plasma centers to test for AIDS antibodies; prohibits the use of blood that has not been tested and labeled nonreactive for humans; requires all blood donors be given written notice and to sign a written confirmation of notice; requires blood banks and plasma centers to report names of individuals who test positive for AIDS antibodies to the State Department of Health Services to be included in the Donor Referral Register. Effective 4-3-85.

ACR 94, W. Brown. Recommends a commendation for actress Elizabeth Taylor for her contributions to AIDS research. Adopted by Assembly and sent to Senate Committee on Rules. No hearing date set.

SENATE BILLS

SB 292 (Chapter 1519), Marks. Prohibits the disclosure of confidential information obtained in the course of AIDS research; permits records to be disclosed only with prior written consent of the research subject; requires an informed consent be obtained from an individual before participation in a research study; provides for penalties if such confidential information is disclosed. Became effective 1-1-86.

SB 678 (Chapter 871), Roberti. Extends the life of the AIDS Advisory Committee in the State Department of Health Services from July 1, 1986 to July 1, 1990; adds 2 ex officio nonvoting members to the committee. Became effective 1-1-86.

SB 1251 (Chapter 767), Roberti. Requires the State Department of Health Services to issue contracts to evaluate the effectiveness of its AIDS information and education program; requires pilot projects to demonstrate the cost effectiveness of home health, attendant and hospice care for persons with AIDS and AIDS-related conditions. Effective 9-18-85.

SB 1327, Marks. Would provide that individuals diagnosed as having a catastrophic illness be eligible to have Medi-Cal pay health insurance premiums for a period of 36 months if the individual was enrolled in a medical insurance plan through his or her place of employment, the individual has the right to conversion of coverage, and the individual is no longer employed. On the Senate floor for a vote.

SB 1328, Marks. Would provide that an individual diagnosed as having a catastrophic degenerative illness shall be eligible for Medi-Cal services. Individuals whose income is not more than $504 per month shall not be liable for any share of monthly medical costs. Referred to Senate Committee on Appropriations.
SB 1478 (Doolittle) Would require AIDS antibody blood testing for individuals applying for a marriage license. Hearing set for February 12th in Senate Health and Human Services Committee

SB 1513 (Doolittle) Requires AIDS antibody testing for anyone convicted of a misdemeanor or a felony who is sentenced to jail for more than three days or to a term in state prison and the term is not suspended. Results of the test are to be disclosed to the sheriff or the warden of the state prison. Set for hearing on February 11th in the Senate Judiciary Committee

SB 1542, Doolittle. Provides that no person shall prohibit a parent from donating blood to be used directly for that person's child or from directing that only blood received from the parents be used in any blood transfusion to that person's child. Awaiting hearing in Senate Health and Human Services Committee.
THE BUDGET PROCESS

From a Staff Writer

SACRAMENTO—Introduction of the governor’s budget proposal Friday—something required by Jan. 10 each year by the state Constitution—is the beginning of a lengthy process that is supposed to result in adoption of a budget by July 1, the start of the new fiscal year. Here is a step-by-step guide to the process:

■ January. The proposal is introduced separately in the Senate and Assembly, usually by the chairman of the Senate Finance Committee and the Assembly Ways and Means Committee.

■ February. Those fiscal committees usually take action until late February, to allow the state legislative analyst—the Legislature’s nonpartisan fiscal adviser—time to review the proposal.

■ March-April. Budget subcommittees in the Senate and Assembly conduct independent hearings on spending proposed for areas including health, welfare, labor, government services and prisons.

■ May. The state Department of Finance offers its final estimates of revenues for the coming fiscal year to the budget subcommittees.

■ May. Subcommittee reports are collected by the Finance Committee and the Ways and Means Committee and incorporated into separate versions of the state budget adopted by the full committees.

■ June. Budgets are adopted by the two houses by required two-thirds majorities. Differences are worked out in marathon sessions of a two-house conference committee, which is working under the pressure of a June 15 deadline for the Legislature to adopt a final spending plan, a deadline missed more often than it is not.

■ The compromise version of the budget is adopted by the two houses, again on two-thirds votes.

■ The Legislature send the budget to the governor, who has 12 working days to sign it. The governor can veto any individual line item appropriations that the Legislature has added to his proposal, but he cannot restore proposals that the Legislature deleted. The Legislature, by a two-thirds vote, can override the vetoes.