



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health
Department No.: 041
For Agenda Of: March 13, 2018
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Van Do-Reynoso, MPH, PhD, Director
Director(s) Public Health Department 681-5105
Contact Info: Dr. Polly Baldwin, Medical Director, Public Health Department
681-5608
SUBJECT: Staff Physician Recruitment Incentives

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: CEO/Human Resources

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider the following recommendations:

- a) Within existing funding, authorize the CEO to approve requests from the Public Health Department to provide new hire incentives for staff physicians up to \$75,000 per appointment as permitted by the New Hire Recruiting Incentives and Reimbursements Policy (Attachment A), not to exceed a maximum aggregate total of \$75,000 for the remainder of the fiscal year ending June 30, 2018 and if required, to distribute new hire incentives awarded prior to June 30, 2018 in subsequent years depending on the actual hire date and/or a structured payment plan; and,
- b) Determine that the above action is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4) and 15378(b)(5) because it consists of government administrative or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

The Santa Barbara County Public Health Department (PHD) has been experiencing significant difficulties recruiting new staff physicians. This has made it extremely difficult for the department to meet the demands of an increasing number of Medi-Cal patients and provide timely clinical care. Staffing vacancies overburden existing staff, jeopardize the quality and timeliness of care, and make it

difficult for PHD to maintain compliance with wait times for appointments as required by our Medi-Cal contracts.

The County's New Hire Recruiting Incentives and Reimbursements Policy (Attachment A) allow departments to offer incentives and reimbursements up to \$20,000 per candidate and provides for higher amounts with the approval of the County Executive Officer and the Board of Supervisors. On November 10, 2015, the Board of Supervisors approved the request from PHD and Behavioral Wellness to allow for an increased hiring incentive for physicians and psychiatrists (Attachment B). This request increased the new hire incentive for physicians and psychiatrists to \$75,000 per new hire. Because of the success of this incentive, PHD brought an extension before your Board during FY 2016-17, which was approved on August 23, 2016 (Attachment C).

This request is to continue to provide for higher new hire incentive amounts with the approval of the County Executive Officer and the Board of Supervisors up to \$75,000 per new hire for FY 2017-18 for PHD. Individual incentive amounts will continue to be determined based on the unique circumstances and merits of each candidate in accordance with established criteria per the New Hire Recruiting Incentives and Reimbursement Policy (Attachment A). The maximum aggregate amount of \$75,000, to be paid from existing appropriation, will be used to hire one north county physician during FY 2017-18. Any new hire incentives approved during FY 2017-18 and not paid as a result of the delayed start date or structured payment plans will be included in the proposed budgets for subsequent fiscal years. PHD structured the \$75,000 payouts to be paid in three equal payments over a two-year period to minimize the risk should the physician chose to leave the County prior to the two-year commitment stated in the new hire incentive policy.

Background:

An increase in the demand for medical services and a decrease in the number of available physicians, coupled with the department's difficulties with recruitment of medical providers, have led to recruitment difficulties for staff physicians in PHD. As noted above, on November 10, 2015 and on August 23, 2016, the Board of Supervisors approved requests from PHD to allow for an increased hiring incentive for physicians. These requests increased the new hire incentive for physicians up to \$75,000 per new hire. The request before you will have a maximum aggregate amount of \$75,000 during FY 2017-18.

Prior to the increase in the new hire incentive, PHD was severely understaffed and had physician openings at every one of our health care centers. Some vacancies had been unfilled for over a year, and some centers were down more than one physician. At that time, 13 physician candidates had been offered positions, but declined to accept the positions because they had competing employment offers with more generous hiring incentives and salaries. Since the approval of the increased new hire incentive, PHD has hired eight physicians with some incentives that did not exceed the allowable amount of up to \$20,000. Individual amounts were determined based on the unique circumstances of each new physician and may have included consideration of relocation expenses, student loans, other special needs such as tail insurance buyout, or competition with other offers.

PHD currently has one open staff physician position which has been vacant for over a year. PHD has contracts and commitments to CenCal Health and Health Resources and Services Administration (HRSA) to expand access to care and to see patients in a timely manner, and without enough physicians these commitments will be a challenge to honor. Staff Physicians are revenue generating positions for

PHD. Primary care providers generate approximately \$100,000 to over \$200,000 more than the cost of their salaries and benefits annually, so it is imperative that we fill vacant positions quickly.

Fiscal Analysis:

Budgeted: Yes

It is anticipated that the PHD will cover the amount of the physician incentive for FY 2017-18 within existing appropriations, most likely through Information Technology consulting services which were budgeted and no longer anticipated to be used. Any amounts on a structured plan paid over additional years will be included in the Recommended Budgets for those fiscal years.

Staffing Impacts:

Approval of this recommendation will not increase FTEs or legal positions for the PHD.

Special Instructions:

Please send an electronic copy of the Minute Order to the PHD Contracts Unit at PHDCU@sbcphd.org and CEO/Human Resources Position Control.

Attachments:

- A. New Hire Recruiting Incentives and Reimbursement Policy
- B. Board Letter dated November 10, 2015 for New Hire Incentive Increase for PHD and BW
- C. Board Letter dated August 23, 2016 for New Hire Incentive Increase for PHD and BW

Authored by:

Nicci Plata, PHD Human Resources Manager