



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: November 29, 2022
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5ths

TO: Board of Supervisors
FROM: Department Daniel L. B. Nielson, MPA, Interim Director
Public Health Department, (805) 681-5102
Contact Info: Antonette Navarro, LMFT, Director
Behavioral Wellness Department, (805) 681-5220
SUBJECT: Physician, Psychiatrist, and Health Care Practitioner Recruitment Incentives

County Counsel Concurrence

As to form: Yes

Other Concurrence: Human Resources

As to form: Yes

Auditor-Controller Concurrence

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 (PHD) to provide new hire incentives for Medical Doctors, Staff Physicians, Staff Physicians, Supervising, and Assistant Department Leader – Attorney/Physician up to \$90,000 per appointment and for Health Care Practitioners up to \$50,000 per appointment as permitted by the New Hire and Promotional Incentives Policy (Attachment A), not to exceed a maximum aggregate total of \$650,000 for the remainder of the fiscal year ending June 30, 2023 and if required, to distribute new hire incentives awarded prior to June 30, 2023 in subsequent years depending on the actual hire date and/or structured payment plan; and,
- b) Within existing funding, authorize the CEO to approve requests from the Behavioral Wellness Department (BWELL) to provide new hire incentives for Psychiatrists up to \$90,000 per appointment and for Health Care Practitioners up to \$50,000 per appointment as permitted by the New Hire and Promotional Incentives Policy (Attachment A), not to exceed a maximum aggregate total of \$460,000 for the remainder of the fiscal year ending June 30, 2023 and if required, to distribute new hire incentives awarded prior to June 30, 2023 in subsequent years depending on the actual hire date and/or a structured payment plan; and
- c) Approve the joint Budget Revision Request BJE Number 0008539 from PHD and BWELL to increase appropriations of \$216,667 in the Public Health Department Health Care Fund for

Services and Supplies funded by a release of Restricted Health Care Programs Fund Balance for physician recruitment incentives and increase appropriations of \$153,333 in the Behavioral Wellness Department Mental Health Services Act Fund for Services and Supplies funded by unanticipated 2011 Behavioral Health realignment growth.

- d) Determine that the above actions are not projects under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4) and 15378(b)(5) because they consist of government administrative or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the agenda for your Board to authorize the County Executive Officer to approve new hire incentives for Physicians and Psychiatrists up to \$90,000 per new hire and for Health Care Practitioners up to \$50,000 for FY 2022-23 for PHD and BWELL. 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 and Promotional Incentives Policy (Attachment A). Any new hire incentives approved during FY 2022-23 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 and BWELL have structured the payouts to be paid in three (3) equal payments over a two-year period to minimize the risk should the employee choose to leave the County prior to the two-year commitment stated in the New Hire and Promotional Incentives Policy.

Background:

PHD and BWELL have been experiencing significant difficulties recruiting new Staff Physicians, Psychiatrists, and Health Care Practitioners while simultaneously losing existing physicians and psychiatrists to other practices. This has made it extremely difficult for the Departments 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 and BWELL to maintain compliance with wait times for appointments as required by our Medi-Cal contracts.

The County's New Hire and Promotional Incentives Policy allows 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 BWELL 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). Based on continued success, PHD brought an extension before your Board during FY 2017-18, which was approved on March 13, 2018 (Attachment D).

PHD currently has five (5) open staff physician positions which have been vacant for over a year, and four (4) Health Care Practitioner positions. 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.

BWELL currently has thirteen (13) of twenty (20) Psychiatrist positions vacant. The vacant positions equate to nine (9) of a total sixteen (16) FTE. Thus, over half of BWELL's FTE are currently unfilled. As is the case with PHD, Psychiatrists are revenue generating positions for BWELL as well. Quickly filling these positions is imperative to reliable, timely, and quality patient care.

Performance Measure:

A recent McKinsey & Co. survey found that 40 percent of employees are somewhat likely to leave their jobs within three to six months. This incentive program is designed to attract and retain Physician and Psychiatrist talent with a commitment to serving the underserved.

The Performance Measure that PHD and BWELL will use to measure the success of this incentive program is: Track each recipient of the Physician and Psychiatrist New Hire Incentive and monitor the percentage of staff who successfully complete two years of employment within their perspective Department.

Contract Renewals and Performance Outcomes:

Not Applicable

Fiscal and Facilities Impacts:

Budgeted: No for Public Health; No for Behavioral Wellness

Fiscal Analysis:

PHD

<u>Funding Sources</u>	<u>Estimated FY 2022-23 Cost</u>	<u>Estimated FY 2023-24 Cost:</u>	<u>Estimated FY 2024-25 Cost</u>
General Fund			
State		\$ 54,167.00	\$ 54,167.00
Federal		\$ 162,500.00	\$ 162,500.00
Fees			
Other: Designation	\$ 216,667.00		
Total	\$ 216,667.00	\$ 216,667.00	\$ 216,667.00

Narrative:

While it is anticipated that the PHD will cover the amount of the physician incentives through existing appropriations and generated patient revenue from the successful recruitment of new physicians, a budget revision request for a \$ 216,667 release of designated fund balance for this unbudgeted FY 2022-23 expenditure is included for approval. Any amounts on a structured plan paid over additional years will be included in the Recommended Budgets for those fiscal years and should be covered by generated patient revenues from State and Federal sources.

BWELL

<u>Funding Sources</u>	<u>Estimated FY 2022-23 Cost</u>	<u>Estimated FY 2023-24 Cost:</u>	<u>Estimated FY 2024-25 Cost</u>
General Fund			
State	\$ 153,333.00	\$ 76,667.00	\$ 76,667.00
Federal		\$ 76,666.00	\$ 76,666.00
Fees			
Other: Designation			
Total	\$ 153,333.00	\$ 153,333.00	\$ 153,333.00

Narrative:

BWELL also anticipates that the physician incentives will be covered through existing appropriations, and generated patient revenue from the successful recruitment of new physicians. BWELL’s budget revision request of \$153,333, is funded by unanticipated Behavioral Health Subaccount realignment growth. Future years’ Recommended Budgets will include any amounts remaining on an active structured plan. Generated patient revenues will be anticipated to cover the additional costs incurred in subsequent years.

Key Contract Risks:

This program has demonstrated success as an important tool in recruiting and retention since first submitted in FY 2015/16 and again in FY 2016/17 and FY 2017/18. By staggering the payments over the first 2 years of employment with 3 separate payments it reduces the risk of the employees leaving and the County needing to pursue repayment.

Staffing Impacts:

Legal Positions:

FTEs:

Approval of this recommendation will not, in and of itself, add any positions.

Special Instructions:

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

Attachments:

- A. New Hire and Promotional Incentives 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
- D. Board Letter dated March 13, 2018 for New Hire Incentive Increase for PHD
- E. Budget Revision Request Public Health and BW: BJE 0008539

Authored by:

Darrin Eisenbarth, PHD Deputy Director Administration