



City & County of San Francisco

# HEALTH SERVICE BOARD

1145 Market Street ♦ Suite 200 ♦ San Francisco, CA 94103

## Minutes

### Meeting

Thursday, February 9, 2012

1:00 PM

City Hall, Room 416  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94103

Call to order

Pledge of allegiance

Roll call      President Claire Zvanski  
                         Vice President Karen Breslin  
                         Supervisor Carmen Chu  
                         Commissioner Sharon Ferrigno  
                         Commissioner Jean S. Fraser, excused  
                         Commissioner Wilfredo Lim  
                         Commissioner Jordan Shlain, M.D., excused

All Health Service Board regular meetings are recorded and videotaped. Meeting audio links and YouTube videos are posted on the myhss.org website.

02092012-01    Action item      Approval (with possible modifications) of the minutes of the meeting set forth below:

- Regular meeting of January 12, 2012  
Combined with Rates and Benefits Committee.

Staff recommendation: Approve minutes.

Documents provided to Board prior to meeting:  
Draft minutes.

- President Zvanski noted one correction in the minutes on page 4 regarding Kaiser's office visit copay increase, which should have been \$20 instead of \$25.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the regular meeting minutes combined with the Rates and Benefits Committee of January 12, 2012, as corrected.

Motion passed 5-0.

□ 02092012-02 Discussion item

**President's Report** (President Zvanski)

Documents provided to Board prior to meeting: None.

- President Zvanski wished everyone a Happy Chinese New Year and Happy Valentine's Day.

Public comments: None.

□ 02092012-03 Discussion item

**Director's Report** (Catherine Dodd)

- HSS Personnel
- Finance, Operations, Communications, Wellness/EAP, Vendor Contracts
- Meetings with Key Departments
- Other additional updates

Documents provided to Board prior to meeting:

1. Director's report;
2. Reports from Operations, Communications, Health Promotion and Wellness Plan and Employee Assistance Program.
  - Catherine Dodd, HSS Director, introduced Mitchell Griggs, new HSS Member Services Manager. Mr. Griggs comes to HSS from the International Longshore and Warehouse Union ("ILWU") where he worked his way up in benefits administration from a benefits analyst to IT and then Assistant Director.
  - Mr. Griggs addressed the Board stating that he is looking forward to working at HSS and servicing the Health Service Board and HSS membership.
  - In addition to presenting her director's report, Dr. Dodd asked Lisa Ghotbi, HSS Chief Operating Officer, to update the Board on HSS Operations.
  - Ms. Ghotbi reported on the HSS processes for conducting the two open enrollments scheduled this year and proposed staffing to

handle the workload, which includes hiring former HSS employees through Prop. F.

- Ms. Ghotbi also stated that the upcoming PeopleSoft 9.0 transition will require conducting a full open enrollment in April. Therefore, every member's file must be opened to determine accuracy. If a discrepancy is found, it will need to be resolved in order to close the file. This process is necessary because once HSS converts to PeopleSoft 9.0, any discrepancy found in a file will cause termination of the member's benefits.
- Dr. Dodd noted that HSS will open and verify approximately 60,000 files during April's open enrollment compared to approximately 10,000 files.
- President Zvanski inquired about the possibility of holding the annual health fair during a different month, since Open Enrollment will be conducted in October.
- Dr. Dodd responded that union leaders have requested holding health fairs at locations closer to work sites, so HSS is trying to determine the feasibility of conducting smaller events at different locations. One consideration is providing flu shots for one day at certain locations, such as City Hall and 850 Bryant Street for the Sheriff, Public Defender, Coroner and Courts. The Police and Fire Departments provide flu shots for their employees.
- Commissioner Breslin also inquired about affordable diabetes classes for members in light of the focus on wellness and preventive care, and suggested that the ACOs provide such classes free of charge.
- Dr. Dodd stated that HSS will discuss Commissioner Breslin's suggestion with the ACOs for the next contract year.
- The entire audio and video discussion on this agenda item may be found on the Health Service System's website at [www.myhss.org](http://www.myhss.org).

- The complete written Director's Report and Management Team updates may be viewed on the Health Service System's website at [www.myhss.org](http://www.myhss.org).

Public comments: Gerry Meister, chair of UESF, Retired Division, inquired if anyone at HSS was notified of two retirement bonus deadlines for teachers and paraprofessionals, one of which is tomorrow. The other deadline is in May. Employees were instructed to contact HSS regarding their retirements. She was made aware of these deadlines yesterday.

Regarding locations for flu shots for School District employees, Ms. Meister suggested using centrally located elementary schools in each quarter of the City as potential sites.

□ 02092012-04 Discussion item

Update on Financial Reporting as of December 31, 2011 (Catherine Dodd)

Documents provided to Board prior to meeting:

1. Statement of Revenues and Expenses – FY 2011-2012 (summary and detail); and
2. Annual Administrative Budget – FY-2011-2012.
  - Dr. Dodd presented the financial update for Tracey Loveridge, HSS CFO, who was absent due to illness, and reported the following:
  - The Statement of Revenues and Expenses for FY 2011-2012 reflect a dental shortage, which is not unusual because dental utilization fluctuates.
  - The forfeitures from Flexible Spending Accounts are not reflected in the Statement of Revenues and Expenses for FY 2011-2012 as of December 31, 2011, but are expected to decrease because members are being more mindful of their dollars.
  - Blue Shield's profit pledge credit is reflected in the insurance products' projected annual net.
  - The variance in non-professional services in the Administration and Statement of Revenues and Expenditures will decrease since the contract with Aon Hewitt has now been signed and invoices for services can be paid.

- The entire audio and video discussion on this agenda item may be found on the Health Service System's website at [www.myhss.org](http://www.myhss.org).
- The financial reports may be viewed on the Health Service System's website at [www.myhss.org](http://www.myhss.org).

Public comments: None.

□ 02092012-05 Discussion item [Dashboard Update](#) (Aon Hewitt Team)

Documents provided to Board prior to meeting:  
Report prepared by Aon Hewitt.

- Dr. Dodd reported that in reviewing Kaiser's data with Aon Hewitt, Lisa Ghotbi discovered several errors in calculations and misinformation from Kaiser, which HSS is attempting to rectify.
- Paige Sipes-Metzler, Aon Hewitt representative, reported the following:
  - This dashboard presentation covers Kaiser's in-patient and outpatient utilization for active members only, since they are the primary drivers of overall costs.
  - It is Aon Hewitt's intent to present dashboard data for Blue Shield and United Healthcare/ City Plan in the coming months.
  - Kaiser reports neonatal intensive care as part of its medical services. For those medical vendors who report neonatal intensive care separately, that data will be moved to medical services for comparison of similar data elements.
  - Kaiser's active membership has increased over the past four years by approximately 3,800 members. There are currently 36,500 members.
  - Over the past four years, Kaiser's total inpatient costs per day have increased by 69%. Maternity costs have experienced a similar increase even though utilization has decreased by 45%.
  - Kaiser's outpatient services have not changed significantly over the past four years with the exception of laboratory services. Overall, outpatient services have increased by 33% in the past four years.

- If Kaiser had held its cost increase to 3% (the cost of medical inflation over the past five years), HSS would have seen a savings of approximately \$45 per member per month.
- The data indicates that members are not utilizing more services; services are costing more.
- Commissioner Breslin inquired how HSS can control costs, since they are not member driven.
- Dr. Sipes-Metzler suggested working closely with Kaiser during negotiations on how its costs are presented to better understand pricing.
- Commissioner Breslin stressed the importance of transparency with the health plans.
- The entire audio and video discussion on this agenda item may be found on the Health Service System's website at [www.myhss.org](http://www.myhss.org).
- Aon Hewitt's report, "Q2 2011 Dashboard Summary Report, a Review of Kaiser Inpatient and Outpatient Trends," may be viewed on the Health Service System's website at [www.myhss.org](http://www.myhss.org).

Public comments: None.

□ 02092012-06 Action item

Approval of Revised Annual Calendar of Board Reports for Calendar Year 2012 (Catherine Dodd)

Documents provided to Board prior to meeting:  
Revised Annual Calendar of Board reports.

- Dr. Dodd reviewed the Health Service Board's revised annual calendar outlining reports and agenda items for the calendar year 2012. Since the format was confusing, the calendar will be further revised for clarity.
- The entire audio and video discussion on this agenda item may be found on the Health Service System's website at [www.myhss.org](http://www.myhss.org).
- The revised annual calendar may be viewed on the Health Service System's website at [www.myhss.org](http://www.myhss.org).

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the revised annual calendar of Board reports for calendar year 2012.

Motion passed 5-0.

- 02092012-07 Discussion item Report on network and health plan issues (if any)  
(Respective plan representatives)  
Public comments: None.
- 02092012-08 Discussion item Opportunity to place items on future agendas  
Public comments: None.
- 02092012-09 Discussion item Opportunity for the public to comment on any  
matters within the Board's jurisdiction  
Public comments: None.

Adjourn: 2:20 p.m.

## Summary of Health Service System Rules Regarding Public Comment

- Speakers are urged to fill out a speaker card in advance, but may remain anonymous if so desired.
- A member of the public has up to three minutes to make pertinent public comments before action is taken on any agenda item.
- A member may comment on any matter within the Board's jurisdiction at the designated time at the end of the meeting. The complete rules are set forth in Section A(6) of the Health Service System Rules and Regulations. A copy of these Rules and Regulations is available at any time upon request. Call the Administrative Services Manager, Laini K. Scott for further assistance at (415) 554-1727.

**Health Service Board and the Health Service System Web Site: <http://www.myhss.org>**

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Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

The following services are available upon request:

- American Sign Language interpreters will be available upon request.
- A sound enhancement system will be available upon request at the meeting.
- Minutes of the meeting or hearing are available in alternative formats.

If you require the use of any of these services, please contact Administrative Services Manager, Laini K. Scott, at (415) 554-1727 or by email at [laini.scott@sfgov.org](mailto:laini.scott@sfgov.org) at least 72 hours prior to the meeting.

In order to assist the City's effort to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

### Knowing Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact Adele Destro by mail to Interim Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94103-4689; by phone at (415) 554-7724; by fax at (415) 554-7854; or by email at [sotf@sfgov.org](mailto:sotf@sfgov.org).

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Ms. Destro or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org/sunshine/>

### Lobbyist Registration and Reporting Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code § 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site [www.sfgov.org/ethics](http://www.sfgov.org/ethics).

### Summary of Health Service Board Rules Regarding Cell Phones and Pagers

- The ringing and use of cell phones, pagers and similar sound-producing electronic devices is prohibited at Health Service Board meetings and its committee meetings.
- The chair of the meeting may order the removal from the meeting room of any person(s) in violation of this rule.
- The chair of the meeting may allow an expelled person to return to the meeting following an agreement to comply with this rule.

The complete rules are set forth in Chapter 67A of the San Francisco Administrative Code and in the Rules and Regulations of the Health Service System.

If any materials related to an item on this agenda have been distributed to the Health Service Board after distribution of the agenda packet, those materials are available for public inspection at the Health Service System during normal office hours. For more information, please contact Laini K. Scott at (415) 554-1727 or email at [laini.scott@sfgov.org](mailto:laini.scott@sfgov.org).