



City & County of San Francisco

HEALTH SERVICE BOARD

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

Minutes

Thursday, September 13, 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 Karen Breslin
 - Vice President Wilfredo Lim
 - Supervisor Carmen Chu
 - Commissioner Sharon Ferrigno
 - Commissioner Jean S. Fraser, arrived 1:11 p.m.
 - Commissioner Jordan Shlain, M.D., excused
 - Commissioner Claire Zvanski
- All Health Service Board meetings are recorded and videotaped. Meeting audio links, YouTube videos and all meeting materials are posted on the myhss.org website.
- 09132012-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Regular meeting of August 9, 2012Staff recommendation: Approve minutes.
Documents provided to Board prior to meeting:
Draft minutes.
Public comments: None.
Action: Motion was moved and seconded by the Board to approve the regular meeting minutes of August 9, 2012.
Motion passed 5-0.

- 09132012-02 Discussion item **President's report** (President Breslin)

Documents provided to Board prior to meeting:
None.

 - President Breslin had nothing to report.

Public comments: None.

- 09132012-03 Discussion item **Director's Report** (Catherine Dodd)
 1. HSS Personnel
 2. Finance, Operations, Communications, Wellness/EAP, Vendor Contracts
 3. Meetings with Key Departments
 4. Other additional updates

Documents provided to Board prior to meeting:

 5. Director's report;
 6. Reports from Operations, Communications, Health Promotion and Wellness and Employee Assistance Program;
 7. HSB Committee roster;
 8. Book excerpt, "Health Policy – Crisis and Reform" co-authored by Catherine Dodd.
 - Dr. Catherine Dodd, HSS Director, presented her Director's report, which may be viewed on the myhss.org website.
 - In addition to her Director's report, Dr. Dodd reported on the Pacific Business Group on Health's meeting that she attended earlier in the day.
 - Dr. Dodd also reported on state legislation, SB1196, which requires providers (physician groups and hospitals but not health plans) to report costs and price data. This legislation is on the Governor's desk and is likely to be signed.
 - In response to Commissioner Zvanski's inquiry about the Yammer pilot, Dr. Dodd responded that Yammer is a San Francisco employee social media product being launched by the Mayor's office. Several HSS groups (IT, Wellness and Communications) have participated in the initial meetings.

Public comments: Dennis Kruger, representative for active and retired firefighters, asked if HSS responds to the member comments/questions posted on the website, which are also included in the public handouts. He specifically inquired about the question regarding Kaiser Optometry as an option to Vision Service Plan (“VSP”).

Dr. Dodd responded that the member comments/questions posted on the website are submitted anonymously, so it is not possible to respond directly to the member. She noted that Kaiser Optometry is not included in the HSS benefit package and that last year Kaiser and Blue Shield were asked to bid on a vision plan to replace VSP. However, VSP came in with the lowest cost for quality eye care services.

- 09132012-04 Discussion item [Update on Financial Reporting as of July 31, 2012](#)
(Tracey Loveridge)

Documents provided to Board prior to meeting:

1. Annual Administrative Budget – FY 2012-2013.
 - Tracey Loveridge, HSS CFO, reported on the first administrative financial report for fiscal year 2012-13, as of July 31, 2012.
 - Next month the administrative and trust fund reports will be presented.
 - Commissioner Zvanski asked if HSS’ carry forward request has been approved by the Mayor’s Budget Office and the Controller.
 - Ms. Loveridge responded that an answer is expected within the next two to three weeks and that she will report on the result of HSS’ carry forward request at the November Health Service Board meeting.

Public comments: None.

□ 09132012-05 Discussion item [Dashboard Update](#) (Aon Hewitt)

Documents provided to Board prior to meeting:
Report prepared by Aon Hewitt, “Q4 2011 Dashboard Summary Report, a Review of UHC Inpatient and Outpatient Trends.”

- Dr. Paige Sipes-Metzler, Aon Hewitt representative, presented a dashboard update for the City Plan compiled from data from the 4th quarter 2007 through the 4th quarter 2011.
- Aon Hewitt reviewed inpatient, outpatient and prescription utilization and cost trends for the City Plan for the dashboard report.
- Medicare retiree enrollment is increasing annually.
- Active and early retiree enrollment has declined over the past four years due to out-of-pocket premium costs and coinsurances.
- City Plan costs continue to be significantly higher than Blue Shield and Kaiser for actives and early retirees.
- Outpatient costs have been increasing faster than inpatient costs in the City Plan.
- For a complete review of City Plan’s dashboard, see Aon Hewitt’s report posted on the myhss.org website.

Public comments: None.

□ 09132012-06 Discussion item [Demographics Presentation after July 2012 Open Enrollment](#) (Catherine Dodd)

Documents provided to Board prior to meeting:
Membership Demographics Report as of July 1, 2012.

- Dr. Dodd presented the HSS member demographics report as of July 1, 2012.
- Since July 1, 2011, enrollment in HSS medical plans has increased by 1,271 members, reflecting a total of 108,027 covered lives. This total does not include the 3,342 individuals (or 5.2%) who waived coverage but are eligible, as well as 526 members dropped from coverage for nonpayment of premiums.

- Kaiser's increase in enrollment was largely due to the addition of new hires and new retirees.
- Blue Shield's enrollment dropped by 225 lives.
- The complete demographics report may be viewed on the myhss.org website.

Public comments: Dennis Kruger, representative for active and retired firefighters, complimented Dr. Dodd and HSS on the extensive breakdown of the demographics report.

GOVERNANCE COMMITTEE MATTERS

- 09132012-07 Discussion item **Results of Health Service Board Performance Evaluation Survey** (Committee Chair Lim)

Documents provided to Board prior to meeting:
Results of evaluation survey.

 - Committee Chair Lim reported on the Health Service Board's performance evaluation, which was completed anonymously by each member of the Board. Only the number of members responding to each question was indicated in the survey.
 - President Breslin stated that several years ago the Board worked with Cortex, an outside consultant, to establish the Board's governance policies and terms of reference.
 - Dr. Dodd noted that due to budgetary constraints, no funds have been available for consulting with Cortex in the last few years.
 - Commissioner Zvanski suggested that the Board could benefit from Cortex's guidance, since it set up the evaluations for the Board and HSS Director. She also expressed appreciation and a desire to work with Cortex again to continue best practices on the Board.
 - Supervisor Chu asked whether HSS staff intends to respond to any of the comments or recommendations presented in the evaluation.

- The Health Service Board's performance evaluation, including comments, may be viewed on the myhss.org website.

Public comments: Gerry Meister, UESF Retired Division, stated that it appears Board members are speaking to each other rather than addressing the public in their deliberations. She also noted the increased use of acronyms by Board members in their discussions.

REGULAR BOARD MEETING MATTERS

□ 09132012-08 Action item

Consideration of Special Health Service Board meeting in lieu of regular meeting on October 11, 2012 regarding HSS predictions for future cost increases (Catherine Dodd)

Documents provided to Board prior to meeting: None.

- Dr. Dodd reported that in response to requests from unions and members, a special evening meeting is being proposed on October 11, 2012 in lieu of the Board's regular meeting to discuss the predictions for future healthcare cost increases.
- Many of the Board members agreed on the importance of holding a special evening meeting but the timing was questioned due to Open Enrollment and members' anticipated participation in pre-election activities.

Public comments: Gerry Meister, Chair of UESF Retired Division, stated the importance of the Board immediately deciding on a date for the special evening meeting because of anticipated member participation in phone banking for the November 6 election.

Dennis Kruger, representative for firefighters and retired firefighters, suggested that a special meeting be scheduled in early October due to the anticipated push to reach the public in the last week or so prior to the election.

Brooke Demmerle, SEIU 1021 representative, also recommended scheduling the special evening meeting in early October since many members will

be working on getting the word out regarding some of the statewide propositions, such as Prop. 32.

Dr. Dodd stated that it will take staff a significant amount of time to prepare for the special evening meeting, so a meeting in early October is not feasible. Also, Open Enrollment will be taking place during the entire month of October.

Karen Joubert, SEIU 1021 representative and Laguna Honda employee, suggested considering all factors when scheduling the special evening meeting.

Supervisor Chu inquired into the urgency of holding a special evening meeting in October since it is a very busy time for HSS and members who are involved in election-related activities. She asked if scheduling a December evening meeting date would be too late to get input from members and allow the Board to take action on matters of importance or direct the actuaries to present information or scenarios.

Dr. Dodd responded that a December evening meeting date would generally not be too late for taking Board action or giving direction to the actuaries. However, there will be some matters outside the Board's jurisdiction requiring labor and management agreement.

Action: Motion was moved and seconded by the Board to substitute the regular meeting scheduled on November 8 with a special evening meeting to present various healthcare topics as discussed.

Motion passed 6-0.

Action: Motion was moved and seconded by the Board to cancel its regular meeting scheduled on October 11, 2012.

Motion passed 6-0.

□ 09132012-09 Discussion item

[Report on network and health plan issues \(if any\)](#)
(Respective plan representatives)

Public comments: Janet Findlay, Vision Service Plan ("VSP") Regional Vice President, responded to Mr. Kruger's earlier inquiry regarding bringing Kaiser Optical into the VSP network. She stated that in July 2011, VSP increased its out-of-network schedule to include Kaiser and Costco. VSP's commitment is to pay Kaiser claims within five working days, but their average is approximately 48 hours. Last year VSP paid approximately 500 Kaiser claims out of a total

of 39,000 claims. VSP directly bills Costco and paid approximately 1,000 Costco claims last year.

Ms. Findlay asked the Board's permission to reenter discussions with Kaiser on behalf of Health Service System members for a direct monthly billing plan.

- 09132012-10 Discussion item Opportunity to place items on future agendas
 - Commissioner Zvanski asked if HSS had plans to visit to members in Tuolumne during Open Enrollment.
 - Lisa Ghotbi, HSS COO, stated that the trips to Tuolumne have always been of value and that she intended to go. She extended an invitation to any Board member who would like to join her.
 - Commissioners Zvanski and Lim stated that they would like to visit Tuolumne with Ms. Ghotbi.

Public comments:

- 09132012-11 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

Public comments: None.

- Supervisor Chu departed the meeting.

- 09132012-12 Action item Vote on whether to hold closed session to discuss member's appeal. (California Constitution Article I, Section 1; the Confidentiality of Medical Information Act, Cal. Civ. Code §§56 et seq; and the Health Insurance Portability and Accountability Act, 42 U.S.C. §§1320d et seq.) (President Breslin)

Staff recommendation: Hold closed session.

Public comment on all matters pertaining to the closed session: None.

Action: Motion was moved and seconded by the Board to hold a closed session to discuss member's appeal.

Motion passed 5-0.

Closed session pursuant to California Constitution Article I, Section 1; the Confidentiality of Medical Information Act, California Civil Code §§56 et seq; and the Health Insurance Portability and Accountability Act, 42 U.S.C. §§1320d et seq.

- 09132012-13 Action item Finalization of member appeal continued from September 9, 2012 (Erik Rapoport)
Documents provided to Board prior to meeting: None.

Reconvene in Open Session

- 09132012-14 Action item Possible report on action taken in closed session (President Breslin)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to report on action taken in closed session.
Motion passed 5-0.
- 09132012-15 Action item Vote to elect whether to disclose any or all discussion held in Closed Session (President Breslin)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to disclose any of the discussion held in closed session.
Motion passed 5-0.

Adjourn: 3:49pm

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>

Disability Access

The meeting will be held at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416. The closest accessible BART Station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #42 Downtown Loop, and the #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call (415) 923-6142. There is accessible parking in the vicinity of City Hall at Civic Center Plaza adjacent to Davies Hall and the War Memorial Complex.

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 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.

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.

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.