



City & County of San Francisco

HEALTH SERVICE BOARD

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

Minutes

Regular Meeting

Thursday, August 8, 2013

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 Mark Farrell, excused
Commissioner Sharon Ferrigno
Commissioner Jean S. Fraser, excused
Commissioner Randolph Scott
Commissioner Jordan Shlain, M.D.

The Health Service Board's regular meetings are now being broadcast live on SFGTV, cable channels 26 and 78. The Board meetings are also recorded by SFGovTV for replay. The videotaped meeting link and all meeting materials are posted on the myhss.org website.

This meeting was called to order at 1:08 pm.

08082013-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:

- Regular meeting of June 13, 2013 combined with Rates and Benefits Committee.

Staff 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 June 13, 2013 combined with Rates and Benefits Committee.

Motion passed 5-0.

□ 08082013-02 Discussion item **President's report** (President Breslin)

Documents provided to Board prior to meeting:
None.

- President Breslin reported that beginning today all regular Health Service Board meetings will be televised live on SFGovTV. Committee meetings will not be televised.
- President Breslin thanked Shaun Tai, founder of ZTY Media, for his professional dedication and technical expertise in videotaping the Health Service Board meetings since 2010. She read aloud a letter from the Board commending Mr. Tai for his excellent services and encouraged him to bid on future digital video services proposals issued by HSS.
- Mr. Tai was in attendance and thanked the Board for his commendation.
- President Breslin also reported that the Board's September agenda will include an item dedicated to the Kaiser transparency resolution passed by the Board of Supervisors during the rates approval process in July. The resolution requested that Kaiser improve transparency on its rates and rate setting. She stated that the Board wants transparency from all insurance providers.
- All members were urged to attend the September meeting as the Board is seeking member participation. Member input is being encouraged to introduce and formulate objectives well in advance of the rates and benefits deadline.

Public comments: None.

□ 08082013-03 Discussion item Director's Report (Lisa Ghotbi)

- HSS Personnel
- Finance, Operations, Communications, Data Analytics, 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, Data Analytics, Communications, Health Promotion and Wellness, and Employee Assistance Program.
- Lisa Ghotbi, HSS Acting Director, presented the Director's report, which may be viewed on the myhss.org website.
 - Ms. Ghotbi thanked interim CFO, Gregg Sass, for his assistance in the CFO interview process and external HSS audit preparation. Mr. Sass will also assist with onboarding the new CFO once he or she joins HSS.
 - HSS has created a new Data Analytics department. The new Data Analytics Manager joined HSS over one month ago and has been very busy working on the contribution model and HSS' wellness initiative.

Public comments: Claire Zvanski, former Health Service Board commissioner, expressed concern regarding City Plan's rate increases for actives and early retirees beginning in 2015 for the proposed 93-93-83 contribution model. She asked the Board to consider subsidizing City Plan at perhaps 50% to stabilize the rates across the board to prevent migration.

Lisa Ghotbi acknowledged Ms. Zvanski's concern and stated that HSS is committed to bringing an alternate model to the Board during the rates and benefits season that will save City Plan and, hopefully, turn it into a healthy plan again.

Gail Bloom, early retiree and City Plan member, asked the Board for guidance in handling out-of-network non-Medicare doctor visits not covered by UnitedHealthcare.

Ms. Ghotbi suggested that Ms. Bloom work with Mitchell Griggs, HSS Member Services Manager, to address her issues.

Dennis Kruger, representative for active and retired firefighters, concurred with Ms. Zvanski's concerns regarding the effect of the 93-93-83 contribution model on City Plan members. He stated that the City is leaving itself open for problems by increasing rates on medically-single employees and giving larger breaks to families.

- 08082013-04 Discussion item **Update on Financial Reporting as of June 30, 2013** (Gregg Sass)

Documents provided to Board prior to meeting:

1. Memo to Health Service Board;
 2. Statement of Revenues and Expenses;
 3. Annual Administrative Budget – FY-2012-2013.
- Gregg Sass, HSS Interim CFO, reported that this may be his last presentation before the Board, since HSS expects to hire a permanent CFO soon.
 - Mr. Sass presented a financial update as of June 30, 2013. He noted that all of HSS' financial results are subject to KPMG's audit, which will begin on August 12 and continue through the end of October.
 - See financial reporting memo and attachments posted on myhss.org.

Public comments: None.

- 08082013-05 Action item **Eliminate \$75,000 lifetime cap on UHC Transgender Benefit for active and early retiree plans** (Lisa Ghotbi)

Documents provided to Board prior to meeting:

(1) HSS transgender benefit update and recommendation, (2) Letter No. 12-K from Department of Managed Health Care, (3) UHC's Summary of Plan Description effective January 1, 2013, (4) Kaiser's Evidence of Coverage, and (5) Blue Shield's Combined Evidence of Coverage.

- Lisa Ghotbi reported that on April 9, 2013, the State of California's Department of Managed Health Care ("DMHC") issued a memo eliminating lifetime limits on gender reassignment benefits for any plan licensed

under its jurisdiction. This information was recently brought to HSS' attention by Kaiser, which is why it is now being brought to the Board for approval rather than previously during the rates and benefits process.

- This mandated legislative change was immediately implemented by Kaiser and Blue Shield since both plans are administered through the DMHC.
- To maintain consistency across all of the plans, HSS requested approval by the Board to eliminate City Plan's (UHC) \$75,000 lifetime cap on transgender benefits for actives and early retirees. The DMHC's mandate does not apply to City Plan's MAPD plan.
- Notice of the elimination of the \$75,000 lifetime cap on transgender benefits will be included in the Open Enrollment benefit guides.
- Commissioner Scott stated that while being in favor of eliminating the \$75,000 lifetime cap, he questioned why HSS was not previously notified of DMHC's mandate and asked if HSS has a checklist or process for keeping current on regulatory matters.
- Ms. Ghotbi stated that Aon Hewitt is responsible for reviewing state and federal regulatory changes prior to commencing the rates and benefits process to ensure compliance with new rules. Unfortunately, the DMHC's mandate was missed by Aon Hewitt and Kaiser notified HSS last week. HSS intends to follow up with all health plans to ensure that nothing else has been overlooked.

Public comments: None.

Action: Motion was moved and seconded by the Board to adopt the removal of UHC's \$75,000 lifetime cap on transgender benefits for the active and early retiree plans.

Motion passed 5-0.

- 08082013-06 Discussion item Presentation of Blue Shield Dashboard (Aon Hewitt)
- Documents provided to Board prior to meeting:
Report prepared by Aon Hewitt.
- This item is continued to the September 12, 2013 Health Service Board meeting.
- Public comments: None.

MEMBERSHIP RULES COMMITTEE

- 08082013-07 Action item Adopt and make editorial changes to the Health Service System Membership Rules and Regulations including, but not limited to, the following:
- (President Breslin)
- Add federal eligibility requirements per Patient Protection and Affordability Care Act (“PPACA”);
 - Clarify eligibility requirements for retirees hired after January 10, 2009;
 - Clarify eligibility rule for surviving dependents of safety officers killed in the line of duty;
 - Allow HSS to terminate benefits if member address and contact information are incorrect and HSS has been unable to contact member for over one year;
 - Clarify Medicare enrollment requirements for dependents of active members;
 - Clarify Cal-COBRA eligibility;
 - List Benefit Coverage Periods for 2014.
- Staff recommendation: Approve changes to Membership Rules.
- Documents provided to Board prior to meeting:
(1) Summary of proposed policy changes to Membership Rules; and (2) draft of revised Membership Rules.
- Public comments: None.
- Action: Motion was moved and seconded by the Board to adopt changes to the HSS Membership Rules as presented to and approved by the Membership Rules Committee.
- Motion passed 5-0.

- 08082013-08 Action item Approve revised Section 125 Cafeteria Plan for 2014 calendar year, effective January 1, 2014 (President Breslin)
- Staff Recommendation: Approve changes to Section 125 Cafeteria Plan.
- Documents provided to Board prior to meeting:
(1) Summary of proposed changes to Section 125 Cafeteria Plan; and (2) draft Section 125 Cafeteria Plan.
- Public comments: None.
- Action: Motion was moved and seconded by the Board to adopt changes to the Section 125 Cafeteria Plan as presented to and approved by the Membership Rules Committee.
- Motion passed 5-0.

REGULAR BOARD MEETING MATTERS

- 08082013-09 Action item Election of Health Service Board officers (President and Vice President) for fiscal year 2013-2014 (President Breslin)
- Staff Recommendation: None.
- Documents provided to Board prior to meeting: None.
- Public comments: None.
- Action: Motion was moved and seconded by the Board to re-elect Commissioner Karen Breslin as President and Commissioner Wilfredo Lim as Vice President of the Health Service Board for fiscal year 2013-2014.
- Motion passed 5-0.
- 08082013-10 Action item Appointment of Chair and members of the following committees: (President Breslin)
- Rates and Benefits (committee of the whole)
 - Finance and Budget
 - Membership Rules
 - Governance
- Staff recommendation: None.

Documents provided to Board prior to meeting:
None.

Public Comments:

- President Breslin recommended the following committee assignments:
 - Rates and Benefits Committee
(committee of the whole):
Chair – Commissioner Randy Scott.
 - Finance and Budget Committee:
Chair – Supervisor Mark Farrell
Members – Commissioner Wilfredo Lim
and Commissioner Randy Scott.
 - Membership Rules Committee:
Chair – Commissioner Sharon Ferrigno
Members – Commissioner Wilfredo Lim
and Commissioner Karen Breslin.
 - Governance Committee:
Chair – Commissioner Wilfredo Lim
Members – Commissioner Jordan Shlain
and Commissioner Jean Fraser.

Documents provided to Board prior to meeting:
None.

Public Comments: None.

Action: Motion was moved and seconded by the Board to approve the committee assignments as presented.

Motion passed 5-0.

- 08082013-11 Discussion item [Report on network and health plan issues \(if any\)](#)
(Respective plan representatives)

Public comments: Diane Urlich, retired HSS member, inquired into Delta Dental's coverage for follow up services on oral appliances (originally provided by Kaiser) used for sleep apnea.

Ms. Ghotbi responded that HSS staff will look into the issue for Ms. Urlich.

- 08082013-12 Discussion item Opportunity to place items on future agendas
 - Commissioner Scott suggested proactive preplanning for the next rates and benefits cycle and recommended that all members (not just those represented) explicitly share their views in writing to the Board regarding health plan benefits. As Chair of the Rates and Benefits Committee, he is hoping for an opportunity to meet with HSS staff this fall to determine broad-based outcomes.
 - Lisa Ghotbi stated that HSS has begun negotiations with Kaiser for the 2015 plan year. Two meetings have been held to date (August 1 and August 8). Commissioner Scott will be included in future meetings.

Public comments: Dennis Kruger congratulated the newly elected and appointed Health Service Board members on their designated positions. He also commended the Board on its approval of the elimination of UHC's \$75,000 lifetime cap for transgender benefits bringing it in line with Kaiser and Blue Shield.

Claire Zvanski also congratulated the newly elected and appointed Health Service Board members on their designated positions. She suggested that Commissioner Scott send a special letter to the retiree organizations, unions, and the Public Employee Council inviting them to meet with one or two commissioners (to avoid a quorum) to discuss their concerns and issues.

President Breslin suggested that all members be invited to any proposed meeting, not just the unions or retirees, which means that every member should receive a letter encouraging them to weigh in on issues of concern because not all members are represented by a union.

- 08082013-13 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

Public comments: Herbert Weiner, retired City employee, suggested that the Employee Assistance Program ("EAP") work on legislation regarding bullying in the workplace. He would like the subject addressed in the future.

Adjourn: 1:53 pm

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 soff@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.