



City & County of San Francisco

# HEALTH SERVICE BOARD

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

## Minutes

Regular Meeting  
(Combined with Rates and Benefits Committee Meeting)

Thursday, June 13, 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
  - Commissioner Sharon Ferrigno, arrived 1:09 p.m.
  - Commissioner Jean S. Fraser
  - Commissioner Randolph Scott
  - Commissioner Jordan Shlain, M.D., excused

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.
- 06132013-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
  - Regular meeting of May 9, 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 May 9, 2013, combined with Rates and Benefits

Committee.

Motion passed 5-0.

## RATES AND BENEFITS COMMITTEE MATTERS

- 06132013-02RB Discussion item Kaiser response to HSS' May 9<sup>th</sup> Board meeting presentation on Kaiser's HMO renewal history (Continued) (Kaiser)
- Documents provided to Board prior to meeting: Report prepared by Kaiser; questions from Health Service Board Commissioners; Kaiser's response.
- Cindy Striegel, Kaiser Permanente's Vice President of Strategic Accounts, presented Kaiser's response to the HSS presentation delivered on May 9, 2013. The purpose of her presentation was to address the three main areas Kaiser was asked to return to discuss with the Board—its fully-insured arrangement and margin, utilization changes and integrated care management ("ICM").
  - In a fully-insured arrangement, Kaiser assumes the risk; the results (either higher or lower) are borne by Kaiser and balanced over a five to ten year period to make up the difference.
  - Kaiser has an alternate funding arrangement in the marketplace that allows customers to receive credits or pay overages after the end of the year in which it occurs, instead of waiting until the fully-insured projection to reflect the change over that time period. Under such arrangement, Kaiser would return to HSS amounts projected too high as well as seek reimbursement for under projected amounts. This arrangement remains an option for future consideration.
  - Kaiser's Northern California target margin for its health plan and hospitals is 4% to 6%.
  - Andrew See, Kaiser Vice President of Actuarial Services, also addressed questions from Commissioners Fraser, Scott and Farrell regarding Kaiser's

medical loss ratio, the factors used to determine rate setting, data and compensation transparency as well as clarification of ICM.

- Mr. See responded that many of the answers to the commissioners' questions were proprietary and could not be shared in a public forum; however, Kaiser has offered to share monthly data and claims feeds with HSS that are necessary in preparing analytics.
- Kaiser also provided written answers to Commissioner Scott's follow-up questions.
- Commissioner Ferrigno arrived during this agenda item.
- Kaiser's written presentation and commissioners' questions and answers may be viewed on the myhss.org website.
- The full YouTube discussion of this agenda item may also be viewed on the myhss.org website.

Public comments: Bob Muscat, Chair of the Public Employees Committee ("PEC"), urged the Board to reject Kaiser's 5.25% rate increase since there has been no justification or information presented that supports the proposed increase for 2014.

Andris Skuja, Ph.D., a Kaiser psychologist with over 30 years' experience, reported that Kaiser has been cited by the Department of Managed Health Care ("DMHC") for serious deficiencies in its care in the mental health and chemical dependency areas. He stated that Kaiser is currently under state sanctions for not being in compliance with the specified regulatory standards of the DHMC by causing patients to wait inordinate amounts of time to be seen and not receive sufficient care. He provided the Board with copies of documents illustrating Kaiser's issues in the area of deficient mental health services.

Brenda Barros, 30-year City employee working at San Francisco General Hospital, urged the Board to reject Kaiser's proposed rate increase and to insist on a fair deal from Kaiser that is transparent.

David Flemming, registered nurse at San Francisco General Hospital, stated that everyone who works in San Francisco needs healthcare insurance and will not go without it, even if they cannot afford it. This makes healthcare a seller's market and gives Kaiser an unrestrained opportunity to make as much money as it can.

Karen Joubert, City employee and SEIU Local 1021 representative, urged the Board to reject Kaiser's proposed rate increase due to its lack of transparency.

Dave Conham, Acting Director for SEIU Local 1021, reiterated the sentiments of previous commenters and urged the Board to reject Kaiser's proposed rate increase for its refusal to negotiate lower rates and lack of transparency.

Norm Tam, member of Kaiser's Community Advisory Panel (as well as Kaiser Plan member), stated that in past advisory meetings, the subjects of ethics and communication were discussed and Kaiser's leadership agreed that communication was important. He strongly urged the Board to reject Kaiser's proposed rate increase until transparency is in place and Kaiser is willing to communicate.

Jeff Duritz, representative for the Union of American Physicians and Dentists, spoke on behalf of the doctors working for the City. He urged the Board to reject Kaiser's proposed rate increase. He reported on another union from a jurisdiction outside the City and County of San Francisco that had rejected Kaiser's proposal several years ago and was unable to work out an agreement prior to the contract expiration. In that instance, negotiations continued and members maintained health insurance coverage. However, the subsequent agreement with Kaiser and the union was restrained by confidentiality, so the exact outcome was not disclosed.

Claire Zvanski, former Health Service Board Commissioner, thanked everyone for the difficult questions. She noted that the last time Kaiser came before the Board and could not answer transparency questions that they lost the ability to offer the vision benefit because they could not explain their rating methodology. She stated that Kaiser has an obligation to be transparent. If

Kaiser does not want to publicly discuss their rating methodology, they can work with HSS actuaries who help set the rates. She also asked that the consequences of not approving the rates be discussed.

Larry Bradshaw, Vice President of SEIU Local 1021 and paramedic, compared Kaiser to the robber barons who stole money from working people in the 19<sup>th</sup> century. He stated that while Kaiser may receive Board approval, SEIU plans to go to the Board of Supervisors, as well as the court of public opinion, and if necessary, prepare a ballot measure to get Kaiser under control.

- 06132013-03RB Discussion item  
(Continued)

Review of Kaiser HMO renewal history from 2007 through 2014 and consider recommendations for possible action including, but not limited to, directing Kaiser to restructure its method of calculating renewal premiums (Lisa Ghotbi)

Documents provided to Board prior to meeting:  
Report prepared by HSS; letters from Public Employees Committee; letter from United Educators of San Francisco.

- Lisa Ghotbi, HSS Acting Director, presented a follow-up to the Board's May 9<sup>th</sup> meeting on two issues:
  - The movement of procedures from inpatient to outpatient; and
  - The outpatient fee schedule reduction in 2012.
- The reduction in inpatient days per thousand was due to the reduction in medical and maternity admissions, as well as reduced lengths of stay in the hospital.
- HSS reviewed Kaiser's 2012 fee schedule reduction for outpatient procedures and the justification for moving those fees into ICM charges. HSS compared the fee schedule reductions to a Medicare fee schedule. See page 2 of presentation.
- Ms. Ghotbi stated that with reservation, HSS recommended approving Kaiser's proposed 2014 rate renewal of 5.25% and suggested immediate negotiations for a new pricing model for 2015, since the rates must be approved now to move

forward with Open Enrollment.

- HSS will also pursue other competitive cost alternatives to the Kaiser model for 2015 in the event that negotiations with Kaiser are not successful.
- HSS' presentation may be viewed on the myhss.org website.

Public comments: None.

- 06132013-04RB Action item (Continued)

Review final 2014 Kaiser HMO active and early retiree plan renewal premiums and consider plan changes including, but not limited to, possible changes in member copays, deductibles and pharmacy benefits (Aon Hewitt)

Staff Recommendation: Approve Kaiser HMO 2014 renewal for actives and early retirees.

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

- Anil Kochhar, Aon Hewitt actuary, reported on Kaiser's proposed 2014 rate renewal. Aon Hewitt's written presentation included benchmarking data comparing Kaiser's programs offered in Northern California, an overview of active and early retiree claims experience and generic information on a potential risk-sharing arrangement allowing HSS to take advantage of underwriting gains not available under the fully-insured arrangement.
- Kaiser's proposed 2014 rate renewal increase is 5.25% for actives and early retirees; 1.7% of that renewal is attributed to healthcare reform taxes.
- Page 18 of Aon Hewitt's presentation compares existing employee and early retiree contributions to the proposed 2014 renewal.
- Page 19 of Aon Hewitt's presentation illustrates the 90/10 contribution strategy rate renewal for actives and early retirees for the 2014 plan year. The employee-only would pay \$3.96 under that approach.
- ERRP funds have been allocated to lower premiums for members

- Mr. Kochhar briefly reviewed a risk sharing agreement proposed by Kaiser, at HSS' request, to pursue an alternate 2014 rate renewal. Such an agreement would allow an employer to receive payment three to six months after the close of the plan year if actual claims experience is better than the fully-insured rates. If the claims experience is worse than anticipated, Kaiser would be owed the calculated amount.
- Commissioner Scott questioned how a risk sharing arrangement can become an option in light of the transparency issues.
- Commissioner Fraser also expressed interest in the risk sharing agreement but shared Commissioner Scott's concerns about the risk that Kaiser is actually sharing. She stated that Kaiser has all the benefits of the nonprofit status without incurring any of the obligations, and warned that there is a risk when doctors, hospitals and health plans set their own costs.
- Mr. Kochhar stated that Aon Hewitt hopes to present a risk sharing agreement for the 2015 plan year, at the earliest, but needs more information on how ICM and other costs are handled in such an arrangement.
- Mr. Kochhar noted that the Board's vote on Kaiser's rate proposal includes two rate cards because of the difference in contributions as determined by union in the current contribution strategy and the 90/10 strategy.
- Commissioner Scott asked about the consequences of not approving Kaiser's rate increase at this meeting.
- President Breslin asked Ms. Ghotbi to address the question, who then suggested posing the question directly to Kaiser.
- Cindy Striegel, Kaiser representative, responded that should the Board not approve Kaiser's rate increase, negotiations would continue in good faith until a decision was reached. She stated

that if agreement was not achieved by January 1, 2014, Kaiser's general practice is to put members before contract negotiations.

- Commissioner Lim asked Ms. Ghotbi about HSS' timeline for Open Enrollment in October.
- Ms. Ghotbi stated that the rates must be submitted to the Board of Supervisors on June 17 to allow complete review for approval. A delay would prevent HSS from preparing the rates and meeting production in time for Open Enrollment in October.
- Commissioner Lim asked about the consequences should the Board of Supervisors not approve the rates at its July meeting.
- Ms. Ghotbi responded that HSS does not want to jeopardize the health benefits of 46,000 Kaiser members.
- Supervisor Farrell clarified that the issue is not budgetary but instead logistical in order for HSS to complete preparations in time for Open Enrollment in October.
- Aon Hewitt's recommendation was to accept Kaiser's fully-insured plan instead of the risk sharing agreement for plan year 2014.
- Aon Hewitt's presentation may be viewed on the myhss.org website.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve Kaiser's HMO renewal premiums for actives and early retirees for plan year 2014.

Motion passed 4-2.

Commissioners Breslin, Farrell, Ferrigno and Fraser voted in favor of the motion.

Commissioners Lim and Scott voted against the motion.

□ 06132013-05RB Action item

Approve final 2014 Kaiser Medicare Advantage fully-insured premiums (Aon Hewitt)

Staff Recommendation: Approve Kaiser HMO 2014 plan renewal for Medicare retirees.

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

- Anil Kochhar reported that, as a result of healthcare reform, taxes are being assessed on the Medicare Advantage rates for actives and early retirees. The assessed tax is on the full value of the Medicare rate.
- Mr. Kochhar also stated that his colleague, Gabriel Briggs, would make the presentation to the Board.
- Lisa Ghotbi clarified that in a Medicare Advantage Plan, members are supplemented by Medicare. Medicare pays part of the premium and HSS pays the other part. Taxes are assessed on the full premium amount, not just the portion that HSS pays.
- Gabriel Briggs, Aon Hewitt actuary, reported that Kaiser's Medicare renewal increase is not fixed since final approval has not yet been received from CMS. Once the rate is confirmed, Kaiser will reconcile the difference between the estimated rate and the final rate. The difference will then be applied to the 2014 calculated Medicare rate.
- Kaiser's estimated increase is 5.1% over the 2013 Medicare retiree rates.
- Kaiser's 2014 Medicare retiree renewal rates and contributions are illustrated on page 4 of Aon Hewitt's report, as well as a comparison of 2013 and 2014 amounts.
- ERRP funds have been allocated to lower premiums for members
- Kaiser's HMO MAPD/COB monthly rate card is exhibited on page 5 of Aon Hewitt's report.

- Commissioner Scott asked if Kaiser will disclose the beginning and ending numbers in reconciling the estimated and final amounts once determined, as well as calculation of the difference.
- Andrew See, Kaiser actuary, stated that Kaiser will show the buildup of both amounts and how the result was achieved for the 2015 reconciliation of the 2014 plan year.
- Aon Hewitt recommended that the Board accept Kaiser's 5.1% rate increase over the 2013 Medicare retiree rates.
- Commissioner Lim asked if Kaiser had received a tentative projection from Medicare.
- Mr. See responded that the numbers are still being reviewed and Kaiser is awaiting final approval from CMS.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve Kaiser's Medicare Advantage fully-insured premiums as presented for plan year 2014.

Motion passed 6-0.

□ 10 Minute Recess

Board recess from 2:40 to 2:50 p.m.

Commissioner Ferrigno departed the meeting during the break.

□ 06132013-06RB Action item

Approve final 2014 Blue Shield Medicare Advantage fully-insured premiums (Aon Hewitt)

Staff Recommendation: Approve Blue Shield HMO 2014 plan renewal for Medicare retirees.

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

- Gabriel Briggs reported that Blue Shield's Medicare Advantage rate increase is final, so there will be no reconciliation needed in the future.
- Blue Shield has requested a 5.9% rate increase over the 2013 fully-insured Medicare rates. The 2014 monthly rate cards include the 5.9% increase (see page

4 of Aon Hewitt report for MAPD/COB rates).

- ERRP funds have been allocated to lower premiums for members.
- Mr. Briggs noted that Blue Shield's rate increase is due entirely to the Affordable Care Act fees; otherwise, there would have been a decrease in the rates.
- Aon Hewitt's recommendation to the Board was to accept the 5.9% increase to the 2013 fully-insured Medicare rates.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve Blue Shield's Medicare Advantage fully-insured premiums as presented for plan year 2014.

Motion passed 5-0.

□ 06132013-07RB Action item

Approve final 2014 Blue Shield Active and Early Retiree premium rate cards, with an additional premium rate card with a premium subsidy for specified active members in unions with the 90/10 contribution model (Aon Hewitt)

Staff Recommendation: Approve employee premium subsidy to support care consistency through the 2014 plan year by preventing one year migration.

Documents provided to Board prior to meeting: Report prepared by Aon Hewitt which includes final 2014 Blue Shield Active and Early Retiree premium rate cards.

- Anil Kochhar reported that on April 11, 2013 the Board approved two Blue Shield rate cards for actives and early retirees for the flex-funded plan, which took effect on January 1, 2013.
- At the request of HSS, Aon Hewitt presented an additional rate card that includes a trust fund premium subsidy to bring the employee contribution for Blue Shield to the same amount as Kaiser under the 90/10 contribution strategy for active employee-only members.

- HSS recommended a trust fund premium subsidy for employee-only enrollees whose unions have agreed to a 2015 flat premium contribution strategy by July 31, 2013.
- The subsidy supports healthcare continuity for members by stopping migration in 2014 that will likely reverse in 2015.
- The subsidy accomplishes the following goals for HSS:
  - Prevents further migration to Kaiser;
  - Supports the ACO efforts;
  - Encourages 2015 premium contributions for all coverage tiers that support the pillars of health benefits.
- The first Blue Shield flex-funded rate card illustrates the current contribution strategy approved on April 11, 2013 (page 4 of Aon Hewitt's report).
- The second Blue Shield flex-funded rate card includes the 90/10 contribution strategy approved on April 11, 2013 (page 5 of Aon Hewitt's report).
- Under the 90/10 contribution strategy, employee-only Blue Shield members will pay \$60.17 monthly.
- The third Blue Shield flex-funded rate card includes the 90/10 contribution strategy with the HSS trust fund subsidy of \$2M, which requires Board approval (page 6 of Aon Hewitt's report).
- The employee-only monthly rate would drop to \$3.96 (matching Kaiser) if the Board approves the third rate card.
- Gregg Sass, HSS interim CFO, reported that he is confident that the trust fund is well positioned to absorb the \$2M subsidy for Blue Shield's flex-funded plan. At the beginning of the year, the trust fund had approximately \$53M in net assets available for employee benefits. HSS is projecting that that amount will increase to

approximately \$69M in 2013.

- The self-insured City Plan is projecting approximately \$16M in utilization savings.
- The projected utilization savings in the Blue Shield flex-funded plan is \$4M.
- Commissioner Scott asked if HSS intends to continue recommending rate subsidies each year.
- Mr. Kochhar responded that this is the last year a rate subsidy will be recommended.

Public comments: Bob Muscat, Chair of the Public Employees Committee, expressed support for the premium subsidy proposal on behalf of the Committee. He stated that the Committee sent a letter to DHR agreeing to the general conditions.

Claire Zvanski, former Health Service Board Commissioner, spoke on behalf of SEIU 1021 West Bay retirees. She asked if the \$2M subsidy for unions agreeing to the 90/10 contribution strategy excludes SEIU's 12,000 members. She expressed concern about the cost of adding SEIU members if they are not currently included in the subsidy agreement.

Lisa Ghotbi responded that all employees are incorporated in the premium subsidy proposal, including SEIU. The \$2M calculation includes SEIU for six months because of the term of its contract. She clarified that any union that has not completed its agreement by July 31, 2013 would not be eligible for the subsidy in 2014.

Action: Motion was moved and seconded by the Board to approve Blue Shield's active and early retiree premium rate cards, with an additional premium subsidy for specified active members in unions with the 90/10 contribution model for plan year 2014.

Motion passed 5-0.

□ 06132013-08RB Action item

Approve final 2014 City Plan Active and Early Retiree premium rate cards, with an additional premium rate card with a premium subsidy for specified active members in unions with the 90/10 contribution model (Aon Hewitt)

Staff Recommendation: Approve employee premium subsidy to support care consistency through the 2014 plan year by preventing one year migration.

Documents provided to Board prior to meeting: Report prepared by Aon Hewitt which includes final 2014 City Plan Active and Early Retiree premium rate cards.

- Anil Kochhar reported that on April 11, 2013, the Board approved two City Plan rate cards for active, early retiree and Medicare members.
- HSS is requesting approval of a third rate card with a trust fund premium subsidy to make the employee City Plan contribution the same amount as Kaiser under the 90/10 contribution strategy for active employee-only members.
- HSS recommends a trust fund premium subsidy for employee-only enrollees whose unions have agreed to a 2015 flat premium contribution strategy by July 31, 2013.
- The subsidy supports healthcare continuity for members by stopping migration in 2014 that will likely reverse in 2015.
- The subsidy accomplishes the following goals for HSS:
  - Prevents further migration to Kaiser;
  - Supports the ACO efforts;
  - Encourages 2015 premium contributions for all coverage tiers that support the pillars of health benefits.
- The first City rate card illustrates the current contribution strategy approved on April 11, 2013 (page 4 of Aon Hewitt's report).

- The second City Plan rate card includes the 90/10 contribution strategy approved on April 11, 2013 (page 5 of Aon Hewitt's report).
- The third City Plan rate card includes the 90/10 contribution strategy with the HSS trust subsidy of \$1.4M, which requires Board approval (page 6 of Aon Hewitt's report).
- Under the 90/10 contribution strategy, employee-only City Plan members will pay \$320.47 monthly.
- The employee-only monthly rate would drop to \$3.96 (matching Kaiser) if the Board approves the third rate card.
- ERRP funds have been allocated to lower premiums for members.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve City Plan's active and early retiree premium rate cards, with an additional premium subsidy for specified active members in unions with the 90/10 contribution model for plan year 2014.

Motion passed 5-0.

□ 06132013-09RB Action item

**Approve final Dental Plan rates for Plan Year 2014**  
(Aon Hewitt)

Staff Recommendation: Approve 2014 dental plan rates.

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

- Gabriel Briggs reported that the final rates have been previously approved for the six dental plans (one self-insured and five fully-insured).
- The Delta Dental's self-funded active PPO plan previously approved by the Board reflects a 3.9% increase for plan year 2014.
- Delta Dental's fully-insured PPO plan for retirees reflects a 6.27% increase for the 2014 plan year.

- DeltaCare HMO for actives and retirees reflects an increase of 3.64% for the 2014 plan year.
- Pacific Union HMOs for actives and retirees had no increases due to rate guarantees through the end of 2014.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the final dental plan rates for plan year 2014.

Motion passed 5-0.

□ 06132013-10RB Action item

Approve final Vision Service Plan rates for Plan Year 2014 (Aon Hewitt)

Staff Recommendation: Approve 2014 vision plan rates.

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

- Gabriel Briggs reported that Vision Service Plan's rates increased 5.5% over the 2013 rates. These rates are guaranteed through the end of 2015.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve Vision Service Plan's final rates for plan year 2014.

Motion passed 5-0.

□ 06132013-11RB Action item

Resolution approving the 10-County Survey results for Calendar Year 2014 and resolution certifying the 10-County amount to the Board of Supervisors (President Breslin)

Committee recommendation: Approve survey results as presented at Rates and Benefits Committee meeting on April 11, 2013.

Documents provided to Board prior to meeting: Resolution with 10-County Survey.

- President Breslin reported that the 10-County Survey results were presented and approved at the Board's April 11, 2013 meeting. The resolution certifies the 10-County amount to the Board of Supervisors for the 2014 plan year.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the resolution approving the 10-County Survey results for calendar year 2014 and resolution certifying the 10-County amount to the Board of Supervisors.

Motion passed 5-0.

## REGULAR BOARD MEETING MATTERS

- 06132013-12      Discussion item      **President's report** (President Breslin)  
  
Documents provided to Board prior to meeting:  
None.
  - President Breslin welcomed Commissioner Randy Scott to the Board and thanked him for his full participation in the meeting.Public comments: None.
  
- 06132013-13      Discussion item      **Director's Report** (Lisa Ghotbi)
  - HSS Personnel
  - Finance, Operations, Communications, Wellness/EAP, Vendor Contracts
  - Meetings with Key Departments
  - Other additional updatesDocuments provided to Board prior to meeting:
  1. Director's report;
  2. Reports from Operations, Communications, Health Promotion and Wellness, and Employee Assistance Program.
  - Lisa Ghotbi, HSS Acting Director, reported that Catherine Dodd, HSS Director on medical leave, congratulated the Board on completing the rates and benefits cycle for the 2014 plan year.
  - HSS' new Data Analytics Manager started two days ago. She will introduce herself to the Board and state her background at the next regular meeting.
  - The full Director's Report may be viewed on the myhss.org website.

Public comments: None.

- 06132013-14 Discussion item

Update on Financial Reporting as of April 30, 2013 (Gregg Sass)

Documents provided to Board prior to meeting:

1. Statement of Revenues and Expenses;
2. Annual Administrative Budget – FY-2012-2013.
  - Gregg Sass, HSS Interim CFO, presented a memo on the status of HSS’ financial statements and administrative budget, which may be viewed on the myhss.org website.

Public comments: None.

- 06132013-15 Discussion item

Update on Mayor’s Proposed Budget for HSS for FY 2013-14 and FY 2014-15. (Gregg Sass)

Documents provided to Board prior to meeting:

1. Summary Memo;
2. Selected Schedule from Mayor’s Budget;
3. Proposed HSS Organizational Chart.
  - Gregg Sass reported positive news regarding the HSS budget. On page 16 of the Mayor’s Executive Summary, HSS was credited with saving the City more than \$52.M over the next two years as a result of its innovative work through the ACOs and the health plans to ensure quality care, cost containment and joint collaboration.
  - Mr. Sass’ summary memo outlined HSS’ two-year budget, which included an increase in the department’s FTEs by 11 positions, totaling 46 FTEs.
  - HSS is awaiting the draft report from the Budget Analyst’s office and intends to work closely with that office on its findings.
  - Mr. Sass briefly reviewed the new HSS organization chart and some of the proposed new positions. HSS intends to hire a new Administrative Services Manager, a role the commission secretary has been performing for the past seven years, to allow her to focus on her

commission secretary duties. A wellness manager and two additional positions in the wellness division have also been proposed. Other additional positions include three benefits analysts, two contract compliance positions and an upgrade to the Chief Financial Officer position.

Public comments: Claire Zvanski, former Health Service Board Commissioner, congratulated everyone who worked on the budget, stating that it was gratifying to see HSS now has an opportunity to increase its positions. She also suggested increasing the number of EAP counselors in the future. In addition, she stated that the Commission Secretary position should be reclassified from secretarial to one more appropriate because of the uniqueness of the role, which requires specific knowledge and expertise. She suggested that the Health Service Board Secretary be recognized for her achievements and the level at which she works.

□ 06132013-16 Acton item

[Vote on whether to cancel July 2013 Health Service Board meeting](#) (President Breslin)

Documents provided to Board prior to meeting: None.

Staff Recommendation: Approve cancellation.

Public comments: None.

Action: Motion was moved and seconded by the Board to cancel the July 11, 2013 regular Health Service Board meeting.

Motion passed 5-0.

□ 06132013-17 Discussion 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.

- This item is continued to the next Board meeting.

Public comments: None.

Action: Continued to next meeting.

- 06132013-18 Discussion item Report on network and health plan issues (if any) (Respective plan representatives)  
Public comments: None.
- 06132013-19 Discussion item Opportunity to place items on future agendas  
Public comments: None.
- 06132013-20 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction  
Public comments: None.
- 06132013-21 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.  
Commissioner Fraser departed the meeting after the vote.

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.

- 06132013-22 Action item Vote on member's appeal (President Breslin)  
Documents provided to Board prior to meeting:

  1. Memo from HSS with supporting documentation; and
  2. Cover letter from member to Health Service Board dated February 20, 2013 with supporting documentation.

Staff recommendation: Uphold HSS decision.  
Public comment on all matters pertaining to the closed session: None.

## Reconvene in Open Session

- 06132013-23      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 4-0.
  
- 06132013-24      Action item      Vote to elect whether to disclose any or all  
discussion held in Closed Session (San Francisco  
Administrative Code 67.12(a)) (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 4-0.
  
- Adjourn: 4:12 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>**

### 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](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).