



HEALTH SERVICE BOARD

CITY & COUNTY OF SAN FRANCISCO

Minutes

Regular Meeting

Thursday, August 13, 2015

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 Randy Scott
Vice President Wilfredo Lim
Commissioner Karen Breslin
Supervisor Mark Farrell, excused
Commissioner Sharon Ferrigno, arrived 1:12 pm
Commissioner Stephen Follansbee, M.D.
Commissioner Gregg Sass

This Health Service Board meeting was recorded live by SFGovTV. Links to videotaped meetings and related materials are posted on the myhss.org website.

This meeting was called to order at 1:03 pm.

- 08132015-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
- Regular meeting of June 11, 2015
- 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 11, 2015.

Motion passed 5-0.

□ 08132015-02 Discussion item

General public comment on matters within the Board's jurisdiction not appearing on today's agenda

Public comments: Diane Urlich, retired HSS member, reported on her Kaiser dispute previously brought before the Board. She was notified by Kaiser that her request for coverage of follow-up visits for her sleep apnea oral device had been denied. When she asked for a written explanation, she was told by the Kaiser representative that Mitchell Griggs, HSS Chief Operating Officer, would call her. To date, she had not heard from anyone at HSS. She stated that she was entitled to an explanation.

President Scott made a formal request of Director Dodd that she follow-up with Ms. Urlich through a HSS staff member.

□ 08132015-03 Discussion item

President's Report (President Scott)

Documents provided to Board prior to meeting: None.

- President Scott reported on his attendance at an International Foundation of Employee Benefits Plans ("IFEBCP") Trustees and Administrators Institute held in San Francisco June 15-17, 2015. The presentations were wide-ranging and overall exceptionally well-done. He recently received a certificate of attendance, which required attending 13 sessions.
- President Scott downloaded a number of the IFEBCP presentations and stated that he would be happy to share the contents of those sessions with members of the Board. Topics included fiduciary responsibility, economic and healthcare trends, and the development and pricing of specialty drugs. He will send the downloaded presentations to Director Dodd to share with the Board and others as necessary.

- President Scott also reported on two reports:
 - the American Academy of Actuaries' report on the drivers of 2016 health insurance premium changes released in early August 2015 (through the IFEPB's daily updates link); and
 - a report by Deloitte on its survey regarding consumer behavior for people participating in exchanges, the first such nationwide report on the issue.
- President Scott will send both reports to Director Dodd for distribution to the Board. He suggested that they would be worthwhile reading for Board members in preparation for the forum to be held in November.
- Dr. Stephen E. Follansbee was welcomed by President Scott as the newest commissioner appointed to the Health Service Board by Mayor Lee. Dr. Follansbee had a very distinguished medical career in the Bay Area and most recently retired from Kaiser Permanente. This appointment filled the last vacancy on the Board.
- Dr. Follansbee stated that it was a privilege to be appointed to the Health Service Board. He became a resident of San Francisco in 1977 and began his training in internal medicine at UCSF at that time. He has practiced medicine in essentially every hospital in San Francisco, some of which are no longer in existence. He served as Chief of Staff at Davies Medical Center and spent half of his professional career in fee-for-service medicine starting at St. Luke's. He joined Kaiser Permanente Medical Group in 1998 in the disciplines of infectious diseases and HIV medicine and retired in February 2014. He was also President of the San Francisco Medical Society for a term.

Public comments: Claire Zvanski, President of RECCSF and former Health Service Board member, welcomed Dr. Follansbee to the Board.

Ms. Zvanski stated that it was very interesting hearing about President Scott's attendance at the IFEBP conference. She emphasized the value and importance of attending conferences in person and networking with others even though a number of presentations are now available electronically. In her earlier days on the Health Service Board, there were more opportunities to attend conferences. She encouraged all Board members to take advantage of any conference opportunities.

Ms. Zvanski also stated that the Retirement Board released its five-year demographics report the previous day. While its population is not the same as HSS', the report contained some very valuable information. If she can access an electronic copy of the report, Ms. Zvanski will send it to the Board through Director Dodd.

□ 08132015-04 Discussion item

Director's Report (Director Dodd)

- HSS Personnel
- Operations, Data Analytics, Communications, Finance/Vendor Contracts, Wellness/EAP
- 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, Finance and Contracting, Wellness and Employee Assistance Program.
 - Director Dodd reported on her written Director's Report, which may be viewed on the myhss.org website.
 - Two new HSS employees were in attendance and introduced:
 - Marie Murphy, PhD., HSS Research Assistant. Dr. Murphy wrote the testimony regarding CPT Codes on Advance Care Directives to be presented in agenda Item 6.
 - Vish Shenoi, Principal IS Programmer Analyst. Mr. Shenoi is assigned to the

Data Analytics team and is assisting with the PeopleSoft 9.2 upgrade.

- Stephanie Fisher, HSS Wellness Manager, was unable to present the quarterly Wellness report at this meeting due to a schedule conflict. However, the Q2 Wellness Center Activities Report and Q2 Worksite Wellness Report were included in the handouts.
- A new email address and telephone number have been created for members to contact the Health Service Board:
 - Email: health.service.board@sfgov.org
 - Telephone: (415) 554-0662
- See complete Director's Report at myhss.org.
- Commissioner Ferrigno arrived during this agenda item.

Public comments: None.

- 08132015-05 Discussion item [HSS Financial Reporting as of May 31, 2015](#) (Pamela Levin)

Documents provided to Board prior to meeting:

1. Financial update memo;
2. Report for the Trust Fund;
3. Report for the General Fund Administration Budget.
 - President Scott acknowledged and commended Director Dodd and her team for their tremendous work effort in the preparation and submission of the department's budget. He thanked and commended Pamela Levin, Chief Financial Officer, for her hard work and the positive budget outcome.
 - Prior to her presentation, Pamela Levin introduced new HSS Contracts Manager, Amara Malik.
 - Ms. Levin provided a summary of revenues and expenses of the HSS Trust Fund and General Fund Administrative budget through May 31, 2015.

- The Trust Fund balance projection as of June 30, 2015 is \$78.5M.
- The projected General Fund balance is \$1.3M by year-end due to delays in hiring.
- HSS will request to carryforward approximately \$200,000 in professional services and \$70,000 in work orders.
- The balance of \$1.0M will be returned to the General Fund.
- See financial update memorandum, dated August 13, 2015.
- Commissioner Sass asked if Blue Shield's \$12.7 unfavorable claims experience was related to the price of services or an issue more related to the volume of services.
- Ms. Levin asked Anil Kochhar, Aon Hewitt actuary, to respond to the question.
- Mr. Kochhar stated that Blue Shield's volume and prices have increased. Drug costs have escalated; especially specialty drugs. For example, several Hepatitis C drugs have increased drug costs by approximately \$4M of the \$12.7M in question.
- Mr. Kochhar stated that there were other issues, such as the lower than anticipated performance levels of the Accountable Care Organizations ("ACOs").
- Director Dodd noted that HSS has been receiving quarterly reports from Brown & Toland and Hill Physicians on the performance of the ACOs. Those reports will be made monthly instead due to the dismal performance of the ACOs.
- President Scott asked that he receive notification of the next ACO meeting.

Public comments: None.

□ 08132015-06 Action item

Approval of testimony on CMS regulations regarding reimbursement codes for Advance Care Planning (Director Dodd)

Documents provided to Board prior to meeting: Draft testimony.

- Director Dodd reported that the Centers for Medicare and Medicaid Services (“CMS”) has created two reimbursement codes or CPT Codes to allow for the billing of time spent with patients discussing critical end-of-life matters (often called advance care planning and advance directives).
- HSS has attempted to include the percentage of members who have advance directives in their electronic health records in the vendors’ performance guarantees. To date, no one is billing for this service or keeping track.
- Assigning a billing code will allow HSS to measure how well vendors are providing advance directives and including that information in medical records.
- Director Dodd commended Marie Murphy, HSS Research Assistant, for creating the testimony outlining the issues faced by families. Since the majority of Medicare dollars are spent at end-of-life, having advance directives in place will save money.
- Director Dodd asked that the Board approve the advance care planning testimony and recommend that it be sent to CMS.
- Commissioner Breslin asked if palliative care was covered and whether a special certificate was required.
- Director Dodd responded that palliative care was not listed in the Evidence of Coverage but stated her belief that all of HSS’ vendors practice palliative care. She stated that Medicare pays extra for medical specialties and asked Dr. Follansbee to speak to the issue.
- Dr. Follansbee stated that he was not clear on whether additional billing reimbursement is made for specialty training such as palliative

care. He stated that while he liked the prepared testimony and proposed CPT Codes, he also suggested the completion of a Physician Order for Life Sustaining Treatment or “POLST” form. This is a legal document that allows an individual who is admitted anywhere to have his or her wishes honored even if the healthcare system administering urgent care is not part of the individual’s system. This is not only a matter of cost savings but also carrying out one’s wishes for a dignified end.

Public comments: Sylvia Johnson addressed the Board. However, her comments were unclear.

Claire Zvanski, President of RECCSF, stated that some members may prefer to have a representative keep their advance care directive rather than having it on file at their doctor’s office. She asked for clarification on the most prudent way to handle advance care directives and also ensure that members understand the need to regularly review and update their wishes. She noted that sometimes retired members forget to update their beneficiary with the retirement system and need to be reminded. She stated that any insights would be appreciated as she intended to include the information in the retiree newsletter.

Director Dodd referred Ms. Zvanski to page 5 of the testimony, which addresses the frequency of reviewing one’s advance care directives.

Action: Motion was moved and seconded by the Board to approve the testimony on CMS regulations regarding reimbursement codes for Advance Care Planning.

Motion passed 6-0.

□ 08132015-07 Action item

Appointment of committee chairs and members for fiscal year 2015-2016 (President Scott)

- Governance Committee:
Karen Breslin, Chair
Randy Scott
Stephen E. Follansbee, M.D.
- Finance and Budget Committee:
Wilfredo Lim, Chair
Sharon Ferrigno
Gregg Sass

Documents provided to Board prior to meeting: None.

- President Scott commended Commissioner Breslin on her role as Chair of the Governance Committee last fiscal year. He also noted that Commissioner Follansbee will be appointed as a member of that committee as well.
- President Scott noted that the Board's committees had been reduced from four to two: Governance Committee and Finance and Budget. The Rates and Benefits Committee (committee of the whole) and Membership Rules Committee have been folded into the work of the full Board.

Public comments: None.

Action: Motion was moved and seconded by the Board to accept the Health Service Board's Committee appointments.

Motion passed 6-0.

- 08132015-08 Discussion item [Introduction to voluntary benefits](#) (Director Dodd)

Documents provided to Board prior to meeting:
Memo from Director.

- Director Dodd reported that voluntary benefits have not previously been provided to any members except the Municipal Executive Association ("MEA") as part of its MOU.
- Each year Director Dodd receives calls from different department heads inquiring about a vendor attempting to set up a card table in their lobby in order to sell various kinds of insurance to City employees (i.e., disability, long term care, etc.). Many of these companies try to tag along, not only during the open enrollment season, but also throughout the year. These vendors are not HSS-approved and as such, are not authorized to sell voluntary benefits to HSS members.
- HSS' intent is to make voluntary benefits available to all CCSF employees to allow a better sense of protection. This would require additional administrative work for HSS finance

and benefits staff but would not require an additional fee.

- President Scott clarified that HSS would not endorse particular vendors but rather determine in a systematic structure what would be marketed to employees.
- Commissioner Follansbee asked whether a vendor had been hired in the past to vet the salespersons setting up tables in public spaces. He also asked how employees could receive assistance if a problem occurred with their voluntary benefits.
- Director Dodd stated that currently anyone can set up a table, noting that some of the unions, particularly police and fire, have established long-standing payroll deductions with several vendors. HSS intends to conduct a quasi-RFP to select an aggregator who will vet vendors and it will work with eMerge to set up payroll deductions for employees.
- MEA members' voluntary benefits are administered through Employee Benefits Specialists ("EBS"), who offers wellness programs, accident insurance, long term and short term disability insurance, pet insurance, etc. HSS staff refers all issues to EBS who works with the insurance company on the employee's behalf.

Public comments: Claire Zvanski, retired City employee, stated that in her nearly 40 years of experience as a City employee, she encountered problems with unauthorized vendors numerous times regarding various issues. She noted that Local 21 has an Employee Benefits Specialists program that offers a cafeteria plan very similar to the MEA's. The issue of unauthorized vendor access to CCSF employees had been brought before Health Service Board in the past and notices were sent to department heads and managers indicating those benefits were not sanctioned by HSS. In addition, the City's payroll system had issues with these benefits. She stated her belief that there is a policy indicating access to City employees during work hours is not

allowed. She suggested starting a dialogue and working with the unions, since many unions have an aggregate of other services that they offer to their members. Members are not always sure that those services are offered through their union and not the City, especially if there is a payroll deduction. She stated that there will be many hurdles to overcome and that a dialogue will be necessary to discover the companies offering services, who has already vetted them and who will provide the services.

Diane Urlich, UESF Retired Division representative, asked if retirees would be able to take advantage of voluntary benefits.

Director Dodd stated that the benefit would be available only to active employees through payroll deductions.

Sylvia Johnson addressed the Board. However, her comments were unclear.

- 08132015-09 Discussion item **Report on network and health plan issues (if any)**
(Respective plan representatives)
Public comments: None.

- 08132015-10 Discussion item **Opportunity to place items on future agendas**
 - President Scott announced, as a heads up, that the October meeting will likely be cancelled, and a Board forum will be held in November on a wide range of topics instead of holding the regular meeting. Approval of both of these items will be on a future agenda.Public comments: Herbert Weiner, retired City employee, asked for details on the Board forum. He stated many people work during the time the forum will be conducted and asked how members will get input.
President Scott stated that the Board forum will be open to the public and additional details will be forthcoming.

- 08132015-11 Discussion item **Opportunity for the public to comment on any matters within the Board’s jurisdiction**
Public comments: None.

- Adjourn: 2:21 pm

Summary of Health Service Board 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 (3) 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 as designated on the agenda.

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

Disability Access

Regular Health Service Board meetings are held at City Hall, 1 Dr. Carlton B. Goodlett Place, in Hearing Room 416 at 1:00 PM on the second Thursday of each month. 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.

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.

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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 of San Francisco 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, visit the Sunshine Ordinance Task Force website at <http://www.sfgov.org/sunshine>.

Lobbyist Registration and Reporting Requirements

Individuals and entities influencing or attempting 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 are prohibited at Health Service Board and committee meetings.
- The Chair of the meeting may order the removal of any person(s) in violation of this rule from the meeting room.
- 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.

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) 554-0662 or email at laini.scott@sfgov.org.

Health Service Board email: health.service.board@sfgov.org.

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