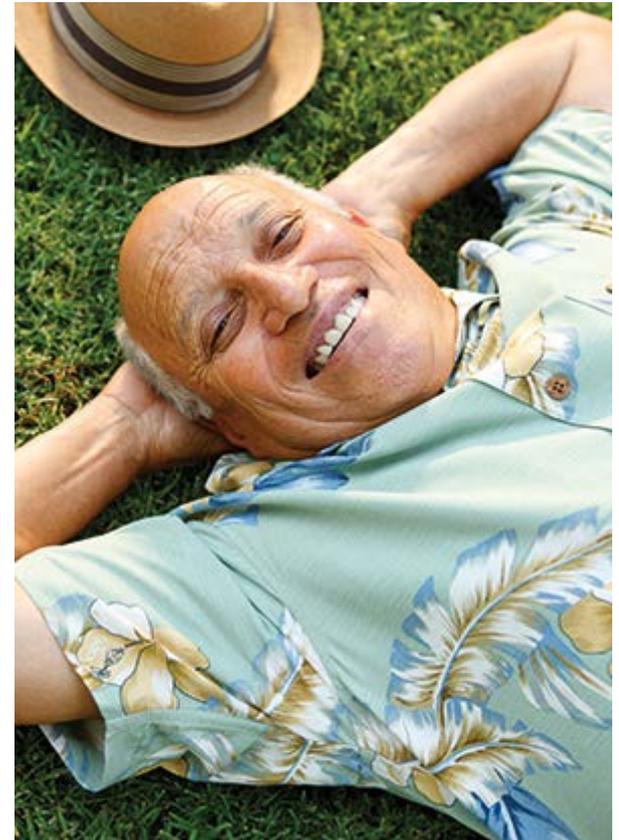


San Francisco Health Service System

Custom Contract Discussion Kaiser Permanente

Presented by:

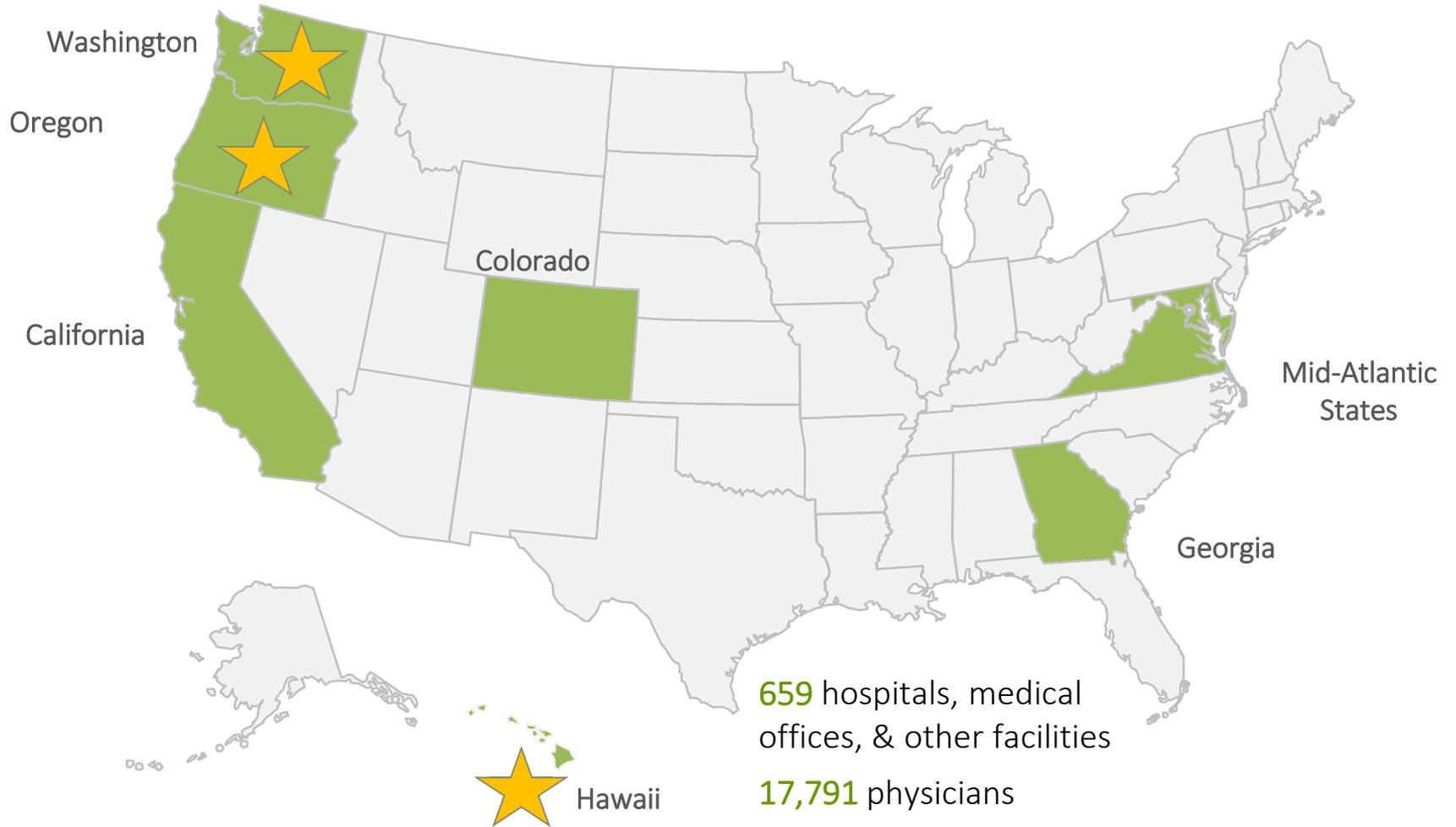
Cindy Green, Senior Executive Account Manager



Background

- Discuss Kaiser Permanente's (KP) capability to cover early retirees and Medicare eligible retirees outside of CA who move to another KP region.
- SFHSS receives many requests from existing Kaiser Permanente members who upon retirement move out of California and want to maintain the ability to keep Kaiser Permanente as a health care offering.
- To offer Kaiser Permanente outside of California, SFHSS is evaluating contracting with three Kaiser Permanente regions; Oregon, Washington and Hawaii.

Kaiser Permanente Service Regions



659 hospitals, medical offices, & other facilities

17,791 physicians

49,778 nurses

10.1 million members

KP Facts by Region



HAWAII

249,867 Members
1 Hospital*
29 Medical offices
27 Outpatient surgery centers
448 Physicians
4,389 KP employees



NORTHWEST

552,651 Members
2 Hospitals
55 Medical offices
1,127 Physicians
11,623 KP employees



WASHINGTON

651,000 Members
25 Medical offices**
5 Urgent Care Clinics
4 Outpatient surgery centers
1,097 Physicians
6,730 KP employees

*Kaiser Permanente Hawaii is headquartered on Honolulu with local markets in Kauai, Hawaii, Maui and Oahu. In January 2016, Kaiser Permanente took over Maui hospitals' operations to provide and expand healthcare services in Maui, Kula and Lanai.

**Kaiser Permanente's has officially expanded access to integrated care and coverage across the state of Washington — from Seattle to Spokane and Everett to Olympia — with its Group Health acquisition. Kaiser Permanente has committed to invest \$800 million to support the communities throughout Washington over the next decade and to invest \$1 billion over the next 10 years to expand and modernize facilities and technology and improve both care and service.

Eligible Employees Inside a KP Region Residing Outside of CA

Subscriber Count	Oregon	Washington	Hawaii
Early Retirees	38	32	15
Medicare Retirees	160	139	40
Total	198	171	55

Waived Early Retirees	36	20	14
Waived Medicare Retirees	18	16	7
Total	54	36	21

Considerations

- Allows members who had KP insurance as an active employee to keep a KP plan if inside another KP region (Hawaii, Oregon, Washington)
- Allows another choice for retirees when moving out of state if within a KP region
- KP account team would provide training for SF HSS Operations staff on eligibility and administrative process prior to OE if custom contracts implemented
- Evaluating possibility to develop one blended rate for all three regions
- Aligning benefits to match home region as close as possible
- Retiree would need to complete new enrollment form upon moving to new Region
- KP and SF HSS will evaluate administrative impact of additional contracts on SF HSS team

Plan and Process Alignment

	Home Region	Washington	Oregon	Hawaii
Benefits	✓	<i>Matching Home Regions</i>		
CA Account Management Team is Single Point of Contact and Coordination	✓	<i>California Account Team is Sole Contact</i>		
Custom Contract & EOC	✓	✓	✓	✓
Electronic Billing	✓	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
Eligibility <ul style="list-style-type: none"> • Electronic Interface • Enrollment 	✓	✓	✓	✓
Group Id numbers would vary by region	✓	✓	✓	✓
Rates	✓	<i>TBD</i>		

Plan and Process Alignment

	Home Region	Washington	Oregon	Hawaii
Timing of Rate Availability - Medicare	Early release rate in April	TBD	TBD	TBD
Timing of Rate Availability - Early Retirees	Early April	Timing could vary		
Open Enrollment	✓	✓	✓	✓
Data Reporting	✓	No Reporting Available		

Next Steps

- Provide rates and benefits to SF HSS
- Provide additional information on process, timing and capabilities
- Evaluate offering for a 2018 effective date

Thank you