



HEALTH SERVICE BOARD

CITY & COUNTY OF SAN FRANCISCO

Randy Scott
President

Mary Hao
Vice President

Karen Breslin
Commissioner

Chris Canning
Commissioner

Connie Chan
Supervisor (District 1)
Commissioner

Stephen Follansbee, M.D
Commissioner

Claire Zvanski
Commissioner

Abbie Yant, MA, RN
Executive Director
Health Service System

Holly Lopez
Executive Secretary

TEL (628) 652-4646
FAX (628) 652-4703
<http://www.sfhss.org/>

HEALTH SERVICE BOARD

NOTICE AND REGULAR MEETING MINUTES **DRAFT**

Thursday, August 11, 2022, 1:00 pm
City Hall, Room 416
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

and

VIRTUAL PRESENTATION BY SFGOV TV and Webex

Remote Meeting Access

Watch at 1:00 pm on August 11, 2022 (via [SFGovTV schedule](#))

Click the link to join the meeting - <https://bit.ly/3Obg4Mp>

Public Comment Call-In: 415-655-0001 / Access Code: 2496 365 9185

Providing Public Comment:

Dial **415-655-0001** and then enter access code **2496 365 9185** then #

1. **Press #** again to enter the meeting as an ATTENDEE
2. You will hear a beep when you join the meeting as a participant.
 - a. Stop and LISTEN
 - b. Wait for Public Comment to be announced.
3. When Public Comment is called, dial * then **3** to be added to the speaker line.
4. You will then hear “You have raised your hand to ask a question, please wait to speak until the host calls on you.” Callers will hear silence when waiting for their turn to speak.
5. To withdraw your question, press * then **3**. – you will hear: “You have lowered your hand.”
6. When the system message says “Your line has been unmuted” - **THIS IS YOUR TIME TO SPEAK.**
7. When the President or Commission Secretary states “Welcome Caller,” you are encouraged to state your name clearly. As soon as you speak, you will have **3 minutes** to provide your comments.
8. Once your 3 minutes have expired, you will be moved out of the speaker line and back as a participant in the meeting. You will hear “Your line has been muted.”
9. Participants who wish to speak on other public comment periods can stay on the meeting line and listen for the next public comment opportunity.

Best Practices when calling in for Public Comment:

- Call from a quiet location
- Speak slowly and clearly
- Turn down any televisions or radios around you
- Address the Commission as a whole, do not address individual Commissioners

Written Public Comment

Persons unable to attend the meeting may submit written public comments regarding an agenda item. These comments will be made part of the official public record and shall be brought to the attention of the Health Service Board. Written public comments expected to be part of the official record should be submitted to the Board email, health.service.board@sfgov.org, and **received by 5 pm on Wednesday, August 10th** before the meeting. Members can also call 628-652-4646 with any questions.

All comments received by the deadline will be forwarded to Board members, summarized and read aloud by the Board Secretary during the specific agenda item, and included in the meeting minutes. In the body of your email, indicate the meeting date and the specific agenda item number. If you do not specify an agenda item, your emailed public comment will be read under general comment.

1. **CALL TO ORDER:** 1:05 pm

2. **ROLL CALL:**

President Randy Scott- Excused
Vice President Mary Hao- Present
Commissioner Karen Breslin- Present (Virtual)
Commissioner Chris Canning- Present
Supervisor Connie Chan- Excused
Commissioner Stephen Follansbee, M.D- Present (Virtual)
Commissioner Claire Zvanski- Present

3. **RESOLUTION ALLOWING TELECONFERENCED MEETINGS UNDER CALIFORNIA GOVERNMENT CODE SECTION 54953(e): (Action)**

The Health Service Board Resolution Findings to Allow Teleconference Meetings Under California Government Code Section 54953(e) is available on the SFHSS webpage <https://bit.ly/3bZYaOz>

Commissioner Canning moved to approve the Health Service Board Resolution Findings to Allow Teleconference Meetings Under California Government Code Section 54953(e). Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

VOTE

Aye: Breslin, Canning, Follansbee, Hao, Zvanski

Noes: None

Excused: Supervisor Chan, Scott

ACTION: The Health Service Board unanimously approved the Health Service Board Resolution Findings to Allow Teleconference Meetings Under California Government Code Section 54953(e).

4. **GENERAL PUBLIC COMMENT – An opportunity for members of the public to comment on any matter within the Board’s jurisdiction that is not on the agenda, including requesting that the Board place a matter on a future agenda.**

PUBLIC COMMENT: None

5. **APPROVAL (with possible modifications) OF THE MINUTES OF THE MEETINGS SET FORTH BELOW: (Action)**

June 9, 2022, HSB Regular Meeting Minutes are available on the SFHSS webpage <https://bit.ly/3bW2I8J>

Commissioner Zvanski moved to approve the June 9, 2022, Health Service Board Meeting Minutes. Commissioner Canning seconded the motion.

PUBLIC COMMENT: None

VOTE

Aye: Breslin, Canning, Follansbee, Hao, Zvanski

Noes: None

Excused: Supervisor Chan, Scott

ACTION: The Health Service Board unanimously approved the June 9, 2022, Health Service Board Meeting Minutes.

6. PRESIDENT’S REPORT: (Discussion)

No written or verbal report this month.

PUBLIC COMMENT: None

7. BOARD PRESIDENT ASSIGNS COMMITTEE MEMBERS TO THE FINANCE AND BUDGET COMMITTEE/GOVERNANCE COMMITTEE FOR FISCAL YEAR 2022-2023: (Action)

The HSB Proposed Committee Assignments for 2022-2023 are available on the SFHSS webpage <https://bit.ly/3C3QC8h>

Vice President Hao presented the Board Member Committee Assignments and affirmed each member’s willingness to serve on the Committees. The following assignments have been confirmed:

- Governance Committee:
 - Stephen Follansbee-Chair
 - Randy Scott-Member
 - Claire Zvanski-Member
- Finance Committee:
 - Karen Breslin-Chair
 - Chris Canning-Member
 - Mary Hao-Member

Commissioner Canning moved to approve the proposed Health Service Board Committee Assignments for 2022-2023. Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

VOTE:

- Aye: Breslin, Canning, Follansbee, Hao, Zvanski
- Noes: None
- Excused: Supervisor Chan, Scott

ACTION: The Health Service Board unanimously approved the Health Service Board Committee Assignments for 2022-2023.

8. DIRECTOR’S REPORT: (Discussion)

September 8, 2022, Director’s Report is available on the SFHSS webpage <https://bit.ly/3poyRJj>

Abbie Yant, SFHSS Executive Director presented the following items:

- COVID-19 Update
- Monkeypox
- Rates and Benefits Approved for Plan Year 2023
- Kaiser Permanente Senior Advantage Benefit Change
- Reproductive Services Update
- Public Safety Mental Health and Substance Use Disorder Treatment

- Strategic Planning Update
- Board Education Update
- Diversity, Equity, and Inclusion Update
- UC Berkeley & SFHSS ACO Study Evaluation
- Administrative Updates
 - Health Service Board Email Outcome Report for May-July 2022
 - Additional Future State Education: June 9, 2022
- Division Reports
 - Personnel
 - Operations Updates
 - Finance and Budget
 - Contracts
 - Well-Being

Commissioner Zvanski asked what drove the increase in Employee Assistance Program (EAP) call volumes in May and June. Executive Director Yant pointed out that 20% of people experience anxiety, depression, or mental health disorder so increased call volume is good because it means members are using the services. Executive Director Yant noted that increased recent utilization is attributable to May being Mental Health Awareness Month which communication campaigns promoted, a new (as of April) 24/7 third-party vendor absorbing calls in off hours for the EAP team, and the unfortunate uptick in recent critical incidents in the City. Commissioner Zvanski noted the Senior EAP Counselor position is vacant. Executive Director Yant also acknowledged the system's continued need for therapists and confirmed recruitment efforts are in progress.

Vice President Hao expressed her appreciation for Kaiser and Blue Shield of California's Partnership with the International Association of Fire Fighters (IAFF) to provide services as well as Kaiser's benefit improvement for Senior Advantage members.

PUBLIC COMMENT: None

9. SFHSS FINANCIAL REPORT AS OF MAY 31, 2022: (Discussion)

The SFHSS Financial Reporting as of June 30, 2022, Memo and Presentation are available on the SFHSS webpages <https://bit.ly/3w5DX0Q> and <https://bit.ly/3pllx8p>

Iftikhar Hussain, SFHSS Chief Financial Officer presented the following items:

- SFHSS Financial Report Highlights
 - Employee Benefit Trust Fund
 - Health Sustainability Fund
 - General Fund Administrative Budget

Commissioner Canning thanked Iftikhar Hussain and his team for the detailed information as it's very helpful at the high level to analyze throughout the year.

PUBLIC COMMENT: None

10. BOARD EDUCATION: GENOMICS AND PHARMACY HIGH-COST DRUGS:(Discussion)

The Board Education: Genomics and Pharmacy High-Cost Drugs presentation is available on the SFHSS webpage <https://bit.ly/3ApJI16>

Almaz Dawit, Vice President of Pharmacy Services, Aon presented the following items:

- Drugs to marker-Manufacturer Strategy
- FDA Novel Drug Approvals for 2022
- FDA Pipeline Agents 2022-2023
- Deeper Dive into Rare Disease/Cost Perspective
- Gene Therapies
- Expansion of Specialty Medications
- Solutions
- Biosimilars-“Generics” of Branded Biologics
- Biosimilars-Driving Cost Down
- Newsom’s CalRx Biosimilar Insulin
- Prescription Drug Provisions in the Senate Reconciliation Proposal
- Pharmacy Benefit Manager (PBM) Transparency Act

Commissioner Canning thanked Almaz Dawit for presenting the complex and sophisticated material in a way that was easy to understand. Commissioner Zvanski also thanked Almaz Dawit for the comprehensive presentation.

Commissioner Follansbee noted the European Union and Canada were trying more to guide drug dispensing based on quality-of-life factors (i.e., “value for dollar spent”), and wondered if the United States was doing this as well. Almaz Dawit stated the U.S. is starting to head in a value for dollar spent direction via the Consolidated Appropriation Act (CAA) provisions to review prescription drug spending. An example is seen in the government response with the FDA handling of the Alzheimer's drug (Aduhelm). Commissioner Follansbee asked for any comments on drug advertising and in particular how advertisers promise in drug commercials to guarantee to reimburse back if the medication does not work. Almaz Dawit said the CAA promotes drug cost transparency and should shed some light on how drug dollars are spent. Commissioner Zvanski said advertisers also suggest individuals ask if they qualify for assistance with the cost of medication and wondered if there are arrangements with manufacturers to provide drugs at an affordable cost or no cost at all. Almaz Dawit stated coupon programs may help offset costs for some individuals who are not on federal government plans (e.g., Medicare, Medicaid, etc.).

Commissioner Zvanski asked about the cost of insulin. Almaz Dawit stated the cost of insulin has steadily increased for some time and hence the focus on limiting a member’s cost for insulin in the current federal legislation that just passed (though now only focused on Medicare-as the private insurer element was removed from the legislation.) Almaz Dawit also said for private payers like HSS, member cost shares via copayments are not as high. Dr. Follansbee pointed out insulin was invented 101 years ago and though there are 34 approved manufacturers of insulin in the world, only 3 have a combined 99% market share. Almaz Dawit said new legislation passed in the U.S. Senate will put a cap on how much the manufacturers can increase the cost of drugs by capping it at the inflation rate, meaning if the inflation rate is 6%, manufacturers can only increase the drug prices by 6% year over year. This is good news, but we cannot control the original release price.

VP Hao asked what is typical for the timing of a biosimilar release to market. Almaz Dawit stated many are delayed as debate over whether a given proposed biosimilar is indeed the same drug and litigations over patents by the original drug manufacturers. Once a brand drug is out on the market, it’s protected for close to 10 years with a patent. We will see more biosimilars entering the market with Humira being one of the most notable drugs where its biosimilar will hopefully be available in 2023—and some insulin biosimilars are now available. Commissioner Hao said if different formularies carry different drugs, how are the drugs selected. Almaz Dawit stated the rate

of incorporation into formulary/preferred drug status for a given payor can easily vary by carrier or pharmacy benefit manager (PBM).

PUBLIC COMMENT: None

11. DELTA DENTAL QUARTERLY REPORT TO HEALTH SERVICE BOARD: (Discussion)

The Delta Dental Quarterly Report to the Health Service Board is available on the SFHSS webpage <https://bit.ly/3dAIDFi>

Julie Fernandez, Account Manager, National & Special Accounts, Delta Dental presented the following items:

- Cleanings through Q2 2022 Active and Retiree
- Distribution of Services Active and Retirees
- SmileWay Wellness Benefit Program
- Member Engagement
- Network Update

Commissioner Canning said he received his member postcard in the mail and will be interested to see if the pattern of higher appropriate plan utilization continues when we review 2022 experience vs. 2021 experience with the Board in early 2023.

Vice President Hao asked if Delta Dental outreaches to members besides postcards and how Delta Dental outreaches to a member who may be sight impaired. Julie Fernandez said postcards have been used throughout the pandemic and preventative email campaigns are available. Julie Fernandez said the website is accessibility compliant and will report back on the various campaign options. Vice President Hao requested resources be available for multi-lingual access as well, especially for those whose first language may not be English. Commissioner Breslin appreciated the postcard and asked if postcards could be sent every 6 months. Commissioner Breslin also requested email campaigns. Executive Director Yant encouraged members to provide email addresses to the health services system so communications can be sent in multiple forms.

Commissioner Hao asked if the provider turnover rate experienced by dentists that SFHSS members use is typical. Julie Fernandez said the turnover rate is average in terms of retirements and providers selling practices and it is not above the national rate. Julie Fernandez also stated that new dentist recruitment to the Delta Dental network is ongoing.

Commissioner Breslin said members have complained about their providers leaving Delta Dental because their reimbursement level was so poor. Julie Fernandez said Delta Dental will continue to monitor.

Commissioner Follansbee asked had been an improvement in pediatric dentist stability in the network/ability to access, as the list can be difficult to navigate. Julie Fernandez said Delta Dental appreciated the feedback and updated provider directories to assure accurate information, including annual information verification with network dentists. Michelle Bodie, Director of Account Services at Delta Dental, said the member who spoke to public comment at a previous meeting had concerns in Contra Costa County and the Delta Dental team outlined adequate access within the county-specific to pediatric dentists. Julie Fernandez said the upcoming webinars for Open Enrollment will focus on the website navigation, so members know how to utilize the refined search function.

PUBLIC COMMENT: None

1145 MARKET STREET 3RD FLOOR, SAN FRANCISCO, CA 94103

12. REPORTS AND UPDATES FROM CONTRACTED HEALTH PLAN REPRESENTATIVES: **(Discussion)**

PUBLIC COMMENT:

Kaiser Permanente: Kate Ferrante announced that Kaiser received a notice from NUHW, the union that represents their Behavioral Health Specialists, stating that these employees intend to begin a strike next Monday at 6:30 a.m. should there not be a resolution to labor negotiations before then. Kaiser has worked with the union for over a year on this contract negotiation and Kaiser is hopeful, that an agreement will be reached Kaiser will ensure that all facilities remain open. Kaiser will be contacting some members to reschedule some routine appointments and will work to accommodate anyone who needs immediate care and ensure they continue to get the excellent care that they deserve.

13. ADJOURNMENT: 2:38 pm

Health Service Board and Health Service System Website: <http://www.sfhss.org>

Summary of Health Service Board Rules Regarding Public Comment

1. A member of the public has up to three (3) minutes to make pertinent public comments before action is taken on any agenda item.
2. A member may comment on any matter within the Board's jurisdiction as designated on the agenda.
3. Members may submit their comments by email to health.service.board@sfgov.org by 5 pm the day before the meeting start time. These comments will be made part of the official public record and shall be brought to the attention of the Health Service Board. All comments received by the deadline will be forwarded to Board members, summarized and read aloud by the Board Secretary during the specific agenda item, and included in the meeting minutes. In the subject line of your email, indicate the meeting date and the specific agenda item number. If you do not specify an agenda item, your emailed public comment will be read under general comment.

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 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>.

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 outlined in Chapter 67A of the San Francisco Administrative Code.

Disability Access and Accommodation

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 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. To obtain a disability-related modification or accommodation, including auxiliary aids or services, to participate in the meeting, please contact Holly Lopez, at 628-652-4646 at least 48 hours before the meeting, except for Monday meetings, for which the deadline is 4:00 pm the previous Friday.

Sensitivity to Chemical-based Products

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.

Location of Materials

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 Holly Lopez at 628-652-4646 or email holly.lopez@sfgov.org. The following email has been established to contact all members of the Health Service Board: health.service.board@sfgov.org. Health Service Board telephone number: 628-652-4646

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.