



HEALTH SERVICE BOARD CITY & COUNTY OF SAN FRANCISCO

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HEALTH SERVICE BOARD MEETING

REGULAR MEETING MINUTES

Thursday January 10, 2019, 1:00 p.m.
City Hall, Room 416
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94103

1. **CALL TO ORDER:** 1:03pm
2. **PLEDGE OF ALLEGIANCE**
3. **ROLE CALL**

President Karen Breslin- Present
Vice President Stephen Follansbee, M.D.- Present
Commissioner Wilfredo Lim- Present
Commissioner Sharon Ferrigno- Present
Commissioner Randy Scott- Present
Supervisor Rafael Mandelman - Excused

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

Documents attached: Meeting minutes from December 13, 2018. The minutes are located on the SFHSS website at:
http://www.myhss.org/downloads/board/regular_meetings/2018/RM_121318_M.pdf

President Breslin affirmed that the Commissioners had reviewed the Regular Meeting Minutes from December 13, 2018. President Breslin then asked if the Commissioners if there were any corrections to the minutes. There were no corrections offered.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved the minutes.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

5. **GENERAL PUBLIC COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION: (Discussion)**

PUBLIC COMMENT:

Dennis Kruger, a retired firefighter, shared that he had received a letter from United Healthcare regarding his Medicare benefits. He stated that the information written in this letter was confusing and contradictory to what SFHSS outlines for benefits SFHSS member enrollment. Mr. Kruger asked SFHSS management to send a second letter to the United Healthcare members explaining that the contents of the original letter did not apply to the SFHSS members.

President Breslin asked Executive Director Abbie Yant if she had seen the mentioned letter. Executive Director Yant stated that she had not seen this letter. Commissioner Scott asked that a representative from United Healthcare respond to this member's concerns and explain why this letter was mailed to the SFHSS members. Commissioner Scott requested that United Healthcare send a follow-up letter to the 94 members who received the original letter explaining that the letter was sent in error.

Shannon Hass, United Healthcare Representative, stated that she understood that 94 letters were mailed to the SFHSS members. Ms. Hass mentioned that the number of letters mailed could be higher, but she would have to check with her team. Ms. Hass shared that the intent of the letter was to inform Medicare members that Medicare changed guidelines for any printed materials with Medicare information. The change of printed materials became effective on 01-01-2019. United Healthcare understands that this language does not apply to the SFHSS group coverage, and Ms. Hass apologized for the error on behalf of United Healthcare.

Ms. Diane Ulrich, a retiree, had a few questions regarding the SmileWay Dental Program through Delta Dental. Ms. Ulrich called Delta Dental so that she could enroll herself, and her husband into the SmileWay program as her dependent. Ms. Ulrich stated that she was able to enroll herself into the program, however, her husband's request was denied. Ms. Ulrich called the SFHSS membership division and spoke to a benefits analyst. She was told by the benefits analyst that her husband should be covered under the SmileWay as her dependent, but the analyst would have to talk to Delta Dental to confirm this information.

President Breslin asked if the Delta Dental representative could answer Ms. Ulrich's questions regarding the SmileWay program's dependent enrollment. Executive Director Yant shared that the representative from Delta Dental was unable to make the meeting, but Chief Operating Officer Mitchell Griggs would be able to respond to the questions. Mr. Griggs confirmed that SFHSS members and their dependents are covered in the SmileWay program.

Ms. Gail Ow, a retiree, reported to the Board that Kaiser's HMO benefits offer fitness memberships and health care "extras," to their members. Ms. Ow mentioned that while she was looking through some of the classes offered by Kaiser she was disappointed by the types of wellness classes that are offered in San Francisco. Ms. Ow stated that in San Francisco there are only 115 classes and seminars, whereas in Sacramento there are 146 seminars and classes offered. Ms. Ow wondered how Kaiser could work with the members within San Francisco so that San Francisco could offer more types of classes to its members.

President Breslin asked if SFHSS or if Kaiser would follow up on this question directly. Executive Director Yant confirmed that the SFHSS team would investigate this further, and Ms. Judy Brady from Kaiser Permanente Medicare confirmed that she took notes on this question. Ms. Brady stated that she would take these questions back to her team and follow up with SFHSS directly.

6. PRESIDENT'S REPORT: (Discussion)

President Breslin's report was brief, and she reminded the Board members that the Health Service System is entering the Rates and Benefits planning process. President Breslin quoted an article from International Foundation of Employee Benefits, that tied the Board's responsibility of benefit planning to the Board Commissioners and to our SFHSS membership. The quote stated, "Trustees can't put the general good of the entire population as their highest priority. They must act for the sole benefit of the beneficiaries." President Breslin concluded this portion of the President's report with a reminder that the HSB Commissioners are trustees and fiduciaries, which means they must work for the benefit of the SFHSS members.

PUBLIC COMMENT: There were no public comments.

7. DIRECTOR'S REPORT: (Discussion)

Documents attached: Director's Report is located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Directors_Report.pdf

Executive Director Yant began her report by endorsing President Breslin's comments regarding the initiation of the Rates and Benefits Cycle. Executive Director Yant shared that the SFHSS team has prepared full meeting agendas for the upcoming Rates and Benefits Board meetings. Executive Director reminded the Board members that the Black Out Period from October 2018 will continue throughout the 2020 Rates and Benefits Cycle. Executive Director Yant stated that the SFHSS Strategic Plan implementation plan is being inputted into electronic tool called Cascade. This program inputs all the components of SFHSS' Strategic Plan and tracks the progress. This program also creates reports on the Strategic Plan's activity and outcomes.

Executive Director Yant explained that Ms. Leticia Pagan, Senior Health Program Planner, attended a CALPERS hearing where the CALPERS Administrators considered redistricting the CALPERS regions. Ms. Leticia Pagan, Senior Health Planner, shared that in the "Next Steps" section of the report the Commissioners would find some information regarding the HMO regional factors decision and the possible creation of the cost range. Ms. Pagan stated that she would track these changes and inform the Board of any update on this plan as they arise.

Executive Director Yant shared that SFHSS management is working with the City's Risk management division to update the risk management policy. Additionally, Aon is working on the Cataract Surgery updates for the Board, and SFHSS is working with Worker's Compensation to build out a more robust data-sharing relationship.

Vice President Follansbee had a few questions for Executive Director Yant regarding the Cascade program. Vice President Follansbee wondered how the Board members would interact with Cascade. Executive Director Yant assured the Board Commissioners that the Cascade program will be utilized by the Leadership team and that reports will be generated at various levels to share the progress of the Strategic Plan Implementation. Vice President Follansbee asked about the status update for the 7th member of the Health Service Board. Executive Director Yant shared that she has been in contact with the Mayor's Office regarding the appointment, and she has also offered two names for consideration by the Mayor's office.

DEVA PRESENTATION:

Mr. Griggs, Chief Operating Officer, presented the Dependent Verification Audit (DEVA) report. This report included a summary of outcomes and lessons learned throughout the DEVA audit. Mr. Griggs stated that SFHSS contracted a benefits administration company, Alight Solutions, to conduct the audit of 26,319 dependents. Overall, Alight received about 65,000 documents to review for the 26,000 dependents. Alight also received 12,517 calls from our members regarding the audit. The SFHSS member service team took over the audit processes at the end of July 2018 through the 2018 October Enrollment period. The SFHSS team received 1800 documents, that supported the verification process. The SFHSS member service team took about 3000 calls during the audit period and through the end of the audit period in October. SFHSS staff had a total of 641 face to face visits with members regarding the audit in the SFHSS office space.

Mr. Griggs stated that of the 26,319 total audited dependents, 25,511 dependents had been verified as of January 10, 2019. Mr. Griggs noted that Alight had projected about 2-5% of total dependents who were apart of the audit, would not be verifiable. In total, there were 808 dependents who were not verified due to ineligibility, and this is about 3% of the total number audited.

This type of audit will take place again, and it is anticipated to occur every three years. The estimated annual cost savings is almost \$3 million dollars. (This number is based on 2018 plan rates.)

Commissioner Scott asked if the SFHSS management team anticipated that the workload would increase for the SFHSS member service team. Mr. Griggs confirmed that he and his management team anticipated the increased workload. President Breslin asked what happens to the remaining 800 unverified dependents. Mr. Griggs stated that these dependents do not meet eligibility guidelines and included these the dependents that SFHSS did not hear from. Mr. Griggs pointed out the dependent verification distribution across all the SFHSS provider plans. Mr. Griggs

stated that most of the dependents who were unable to verify were from the Kaiser plans. Kaiser is one of the larger plan providers so this makes sense in terms of higher dependent verification for the Kaiser plan.

Vice President Follansbee questioned Mr. Griggs on the future steps, particularly planning steps for new audits. Vice President Follansbee was curious as to how SFHSS might avoid some of the vendor miscommunication concerns in planning for future audits. Mr. Griggs reassured the Commissioners that the SFHSS management team will be preparing for the future audits in advance, this will include a strong communication plan, and staffing plan.

President Breslin asked if a member is getting divorced from their spouse, and the court has ordered that our member must pay for their insurance, can the member pay full price to keep the ex-spouse on the plan. Mr. Griggs stated that the ex-spouse would no longer be eligible for the San Francisco benefits/plan because the SFHSS member is now responsible to provide health insurance for their ex-spouse. San Francisco City and County benefits are not available to this an individual who is no longer a married or domestic partner to the SFHSS member. However, if notified within 30 days of the divorce or dissolution of domestic partnership, SFHSS offers COBRA to prior spouses and domestic partners.

Commissioner Scott commended Mr. Griggs and the entire operations team for work that went into this audit. Commissioner Scott offered his support for future audits, especially with the support of an external entity rather than using internal resources to support the execution of the audit. Commissioner Scott agreed the delegation of the work operationally was strategically planned well. Commissioner Scott hopes that SFHSS can create best practices from this experience, and keep this audit as a dynamic activity, externally supported, and managed by the SFHSS management team on behalf of the Board. Vice President Follansbee also congratulated the SFHSS management team and Mr. Griggs for conducting this audit.

Q3 EXPRESS DASHBOARD PRESENTATION:

Ms. Coleridge shared an update on the newly designed SFHSS website. Ms. Coleridge stated that the website development began in mid-2018, and the website is now completely structurally done. Ms. Coleridge explained that the website team is in the final stages of content migration and aiming for a launch date in early February 2019.

Ms. Coleridge began her presentation of the **Non-Medicare Dashboard** stating that the overall health characteristics of our member population have remained consistent during the third quarter. This dashboard includes active employees and Non-Medicare retirees. Ms. Coleridge specified that across the various metrics- whether cost or utilization, any episodes of care, and any services member's utilized - the metric outcomes have remained constant in both the Medicare and Non-Medicare dashboards.

Ms. Coleridge directed the Board's attention to the claimant section of the dashboard. Ms. Coleridge stated that the overall average cost of employee claims has remained constant, with a "few hundred dollars increase" from last year's claims. The areas that are seeing an increase in cost are outpatient services, pharmaceuticals, and some of the lab visits. Ms. Coleridge notes that the utilization trends are similar to what SFHSS experienced last year. Ms. Coleridge mentioned that the City Plan had an increase for (hospital) admissions, and City Plan acute admissions were decreasing. In terms of plan performance, Ms. Coleridge mentioned that Kaiser is performing "slightly better" than the Blue Shield plans. Ms. Coleridge noted that this performance difference can be attributed to the risk factors that are factored into the member's needs for each plan. Ms. Coleridge shared that the prevention screenings across all the plans were lower than the national average. Ms. Coleridge also noted that the screening numbers that are in this presentation are not based on the HEDIS measures but look at who is due for a screening and did they get screened.

Vice President Follansbee was concerned about the low number of members who were receiving screenings. Executive Director Yant offered that the data presented by pointing out that there is a flaw in data collection, that this collection is done through population management. This means that SFHSS does rely on the providers to share accurate data with the appropriate communication lines from the providers to the SFHSS systems. The medical providers are expected to share the member history; however, members leave plans and providers at their own luxury which affects the data collection. Executive Director Yant also mentioned that she is meeting with the Providers to discuss how they are reporting data with SFHSS.

Ms. Coleridge presented the top 10 summary group statistics. Ms. Coleridge pointed out that these numbers have been “pretty static this year,” with 37% of our costs are solely contributed by 1.8% of the population. The “healthy and stable” members are about 72.5% of our population. Ms. Coleridge pointed out that diabetes continues to be SFHSS’ costliest condition, and our pharmaceutical costs are related to the high cost in specialty drugs. Ms. Coleridge noted that 14 out of 15 drugs our members purchase regularly are specialty, and the HIV drugs account for about 55% of the top 15 pharmaceutical spending. Specialty drug utilization is trending up with an increase of 10.1%.

Ms. Coleridge transitioned the focus **to the Medicare Dashboard**. Ms. Coleridge mentioned that there was an error in reporting the pharmaceutical numbers, particularly for Kaiser members and United Healthcare members. This error occurred within the Truven database, and the algorithm will be changed prior to the next report. Ms. Coleridge focused the attention on the risk score section of the report, sharing that the risk scores from the first year of the United Healthcare MA PPO were much lower because it was the first year. Those risk scores are increasing as the population in the plan increases and providers learn more about this population. Ms. Coleridge stated that the chronic conditions for the Medicare retiree population are affecting this risk score, the top three conditions are hypertension, diabetes, and lower back pain. Ms. Coleridge noted that the screening rates for the Medicare population are higher than the active rates. Ms. Coleridge mentioned that the risk band profiles for the Medicare retirees have lower percentages that are “stable and healthy,” where a majority of the population are “struggling, in crisis, or at risk.”

HSB BOARD MEETING DECEMBER 13, 2018 - MEDICARE ADVANTAGE PRESENTATION FOLLOW UP:

Mike Clarke, Aon, presented an updated statistic that was connected to the Medicare Advantage program presentation from December 2018. Mr. Clarke quoted an approximate \$30 million-dollar savings figure for the plan years 2017-2019 that was shared between the SF Agencies as well as the retirees. Mr. Clarke clarified that 90%, or approximately \$27 million dollars, of that savings, was attributable to the SF Agencies and the remaining 10%, or approximately \$3 million dollars, of that savings, was attributable to the retirees who cover one or more dependents. There is no member contribution for a Medicare retiree in the single-tier coverage.

PUBLIC COMMENT: There were no public comments.

8. SFHSS FINANCIAL REPORT AS OF NOVEMBER 30, 2018: (Discussion)

Documents Attached: Financial memo, Report for the Trust Fund, Report for the General Fund Administration Budget are located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Financial_Report.pdf

Ms. Levin stated that this report was a summary of the actual revenues and expenses of the Employee Benefit Trust Fund and the General Fund as of November 30, 2018. This report provided the projection for the full fiscal year ending on June 30th, 2019. Ms. Levin reported that the Trust Fund balance on June 30th, 2018 was 77.4 million and the updated balance is based on the activity that took place through November 30, 2018. Ms. Levin stated the updated Trust Fund balance is approximately 79.6 million. Ms. Levin reported that the Fiscal Year-end balance for the Healthcare Sustainability Fund is approximately \$1.3 million.

Ms. Levin stated that SFHSS is seeing favorable claims for the UHC City Plan and unfavorable claims for Blue Shield Access+ and Trio plans. Additionally, there continues to be favorable claims experience for the Delta dental plan. Ms. Levin shared that SFHSS did not receive any pharmacy rebates in November 2018, however, the year-to-date total for pharmacy rebates is approximately \$1.8 million. Ms. Levin stated that a total of \$47,000 has been paid through the adoption and surrogacy assistance plan. Ms. Levin shared that the SFHSS Contract Management team has not received performance guarantee reports from any providers as of January 9, 2019.

Ms. Levin shared that the KPMG audit is almost ready for the Board’s review, stating that she is working “very closely with the KPMG audit team to have this report ready for February’s Board meeting.” Ms. Levin shared that the KPMG audit team has written the report and is in the final process of reviewing all the outcomes for the report. Ms. Levin anticipates having a final draft of the report by early February 2019. Ms. Levin mentioned that the latest draft of the audit report had “unqualified outcomes.” Commissioner Scott commended Ms. Levin and her team for all the work they completed during this audit process, especially with some of the San Francisco City Government’s

changes within the financial systems over the past year. Ms. Levin thanked the Commissioner for his positive recognition and patience during this process. Ms. Levin also recognized the Operations and Management teams for all their support and efforts during the audit process.

PUBLIC COMMENT: There were no public comments.

9. MAYOR'S BUDGET INSTRUCTIONS FOR THE SAN FRANCISCO HEALTH SERVICE SYSTEM FOR FISCAL YEAR 2019-20 and FY 2020-21 GENERAL FUND ADMINISTRATIVE BUDGET: (Discussion)

Documents Attached: Mayor's Budget Instructions for SFHSS FY 2019-2020 and FY 2020-21 are located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Budget_Instructions_FY2019_2021.pdf

Ms. Levin presented the San Francisco City and County Mayor's Budget Instructions to the Board. The budget instructions cover fiscal years 2019-2020 and 2020-2021. Ms. Levin began her presentation by sharing the Mayor's Office budget planning expectations. Ms. Levin stated that the Mayor's Office is projecting a budget deficit of \$107.4 million during the Fiscal Year 2019-2020 and \$183.4 million during the Fiscal Year 2020-2021. Ms. Levin noted that these figures are higher than last year's deficit numbers. Ms. Levin shared that the Mayor Breed's priorities are: building more housing, reducing homelessness, addressing behavioral health needs, cleaning the city streets and making them safer, creating equitable opportunities for everyone and making government more accountable. Ms. Levin shared that the Mayor's instructions explicitly state that all departments are not to add new positions to their budget submissions.

Ms. Levin further shared that the Budget Instructions directed all departments to propose ongoing reductions equal to approximately 2% of their general fund growth. The 2% reduction in 2019-2020 must be ongoing and during the 2020-2021 budget planning, each agency is being asked to reduce their budgets by another 2%. Additionally, all contingency proposals must total \$33,000 in 2019-2020. The contingency proposals for the 2020-2021 budget planning must total an additional \$33,000. Ms. Levin stated that these numbers were calculated in foresight of the labor negotiation's possible impacts, and the totals of ongoing city revenues.

Ms. Levin explained that the SFHSS budgets have been designed with the SFHSS Strategic Plan Goals in mind. Ms. Levin also shared that the SFHSS budget planning process is an inclusionary process. The SFHSS Management Team is looking at additional ways that they can increase our member engagement/member feedback within the process. Ms. Levin concluded her presentation by stating that in February 2019, she will review the FY 2019- 2020 and FY 2020-2021 budgets with the Health Service Board Finance and Budget Committee.

Commissioner Lim asked Ms. Levin why the Mayor's Office is projecting a deficit for the next two budget cycles when the city has had surplus savings over the past eight years. Ms. Levin noted that this year she is seeing a citywide movement to spend down on surpluses, and possibly set those annual savings aside as "reserves." President Breslin asked if the pensions were calculated into the savings or the deficit funding issues. Ms. Levin confirmed that the city pensions are included in these calculations.

PUBLIC COMMENT:

Mr. Herbert Weiner, a retiree, commented on the deficit spending versus the end of the year surplus that was mentioned. Mr. Weiner suggested that other reports be ordered for the Mayor Breed and that these reports be provided from non-city agency resources. Mr. Weiner stated that any negative impacts of a deficit within the overall city budget will "negatively impact the retirees and active employees' contributions". Mr. Weiner acknowledges that Ms. Levin and the Health Service Board play a critical role in this budget planning and "having to comply with all the regulations makes their jobs very difficult."

10. APPROVE RESOLUTION ORDERING 2019 HEALTH SERVICE BOARD ELECTION FOR TWO EXPIRING TERMS AND AUTHORIZING STAFF TO INITIATE AND PROCEED WITH THE ELECTION: (Action)

Documents Attached: The SFHSS Health Service Board 2019 Election Resolution documents are located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_HSB_Election_Resolution.pdf

Executive Director Yant presented the Health Service Board 2019 Election Resolution packet. Within the election resolution packet were the following documents: the SF Department of Elections notice, the SFHSS member notice, the SFHSS member letter, the 2019 election schedule, and the SFHSS nomination form with the sponsor pages. Executive Director Yant noted that this health Service Board election is being conducted because two Commissioner Seats are expiring in May 2019.

Executive Director Yant stated that the Election process officially begins January 11, 2019 and concludes at the end of May 2019. The Election will close on May 29, 2019, after the ballots are collected by the Department of Elections. Then on May 30, 2019, the Department of Elections counts the ballots and announces the results. Executive Director Yant stated that the newly elected Commissioners will begin their terms officially at the June 13, 2019, Health Service Board meeting. Executive Director Yant mentioned that the Health Service Board Secretary, Natalie Ekberg, will be maintaining, collecting, and processing all Nomination Forms submitted by SFHSS membership. Please contact, Natalie Ekberg, if there are any questions or comments regarding the election processes.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved the Health Service Board Election Resolution.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

RATES AND BENEFITS

11. PRESENTATION OF 2019 RATES AND BENEFITS CALENDAR FOR PLAN YEAR 2020: (Action)

Documents Attached: The 2019 Rates and Benefits Calendar for Play Year 2020 is located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_2019_Rates_Benefits_Calendar.pdf

Executive Director Yant presented and reviewed the 2020 Rates and Benefits Calendar with the Health Service Board. Executive Director Yant shared that the Health Service Board Secretary has added additional meetings to the Board Calendar as “placeholders” in the anticipation that we may need to have a second meeting during the Rates and Benefits Cycle this year.

President Breslin asked if the Board Secretary could possibly plan the Rates and Benefits board meeting times earlier rather than planning additional meetings. President Breslin stated that it would be more convenient for board members if the board meetings were extended one hour earlier or one hour later. Board Secretary, Natalie Ekberg, stated that she is planning with both the Transbay Authority Commission Secretary and the Human Rights Commissioner Secretary to extend the regular board meeting times. At this time the February 14, 2019 Board meeting is tentatively planned to start at 12:30 pm and will end at 4:30 pm.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved the Rates and Benefits Calendar for Plan Year 2020.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

12. REVIEW INCURRED BUT NOT REPORTED (IBNR) AND CONTINGENCY RESERVE FUND STATUS: (Discussion)

Documents Attached: The Review Incurred but Not Reported and Contingency Reserve Fund Status is located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_IBNR_Fund_Status_Report_Aon.pdf

Mike Clarke, Aon, presented some of the histories of the SFHSS health plan reserve policies and the three distinct reserves that help to maintain each self-funded/flex-funded health plan. Mr. Clarke's presentation focused on two of the three reserve items, these two reserves were the Incurred But Not Reported (IBNR) and Contingency reserves. The updated numbers for these two reserves were calculated as of June 30, 2018.

Mr. Clarke stated that the IBNR reserves for the BSC plans, UHC City Plan, and Delta Dental PPO plan are currently fully funded. Blue Shield's year-end reserve balance is \$21,513,532, United Healthcare's year-end balance is \$3,367,885, Delta Dental's year-end balance is \$2,943,414. These reserve figures will be reset as of June 30, 2019, after the close of the current fiscal year. Mr. Clarke also shared that the Contingency reserves for the BSC plans, UHC City Plan, and Delta Dental PPO plan are currently fully funded. Blue Shield's year-end reserve balance is \$14,058,155, United Healthcare's year-end balance is \$5,886,198, Delta Dental's year-end balance is \$2,984,855. These reserve figures will be reset as of June 30, 2019, after the close of the current fiscal year.

Commissioner Lim asked if the IBNR Reserve was reviewed and audited by KPMG. Mr. Clarke confirmed that KPMG is reviewing this reserve and the calculations that are attached to the presentation. Mr. Clarke stated that he has not received any questions or feedback from the auditors regarding the calculations that were presented to the Board.

PUBLIC COMMENT: There were no public comments.

GOVERNANCE COMMITTEE MATTERS

13. START FISCAL YEAR 2017-2018 HEALTH SERVICE BOARD ANNUAL SELF-EVALUATION PROCESS: (Action)

Documents Attached: The FY 2017-2018 Health Service Board Draft Annual Self-Evaluation is located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Board_Self_Evaluation_2016_Draft.pdf

Governance Committee Chair Scott shared that the Health Service Board has undertaken the process of an annual Board self-evaluation so that they can reflect on the HSB year's accomplishments and areas for improvement. Committee Chair Scott mentioned that the self-evaluation was not completed during the 2016-2017 Fiscal Year. Committee Chair Scott explained that the Board Self-Evaluation was not conducted due to the Executive Director hiring process, and the extensive work the Board engaged during the entire hiring process. Committee Chair Scott introduced Kate Howard, Managing Deputy Director, San Francisco Department of Human Resources, to the Board. Committee Chair Scott shared that Ms. Howard attended the December 17, 2018, Governance Committee meeting and shared the evaluation process with the committee. Committee Chair Scott invited Ms. Howard to share this process and information with the Full Board at today's meeting.

Ms. Howard introduced herself and shared her responsibilities to the Health Service Board in terms of the evaluation processes. Ms. Howard began by asking the Commissioners if they had reviewed the 2016 Board Self-Evaluation prior to the meeting. Ms. Howard confirmed that the Commissioners reviewed this document and asked if there was any objection to using the same evaluation/questions for the FY 2017-2018 Board evaluation. Ms. Howard received no objections to the use of the 2016 Board Self Evaluation questions. Ms. Howard explained that this survey would be digitally compiled and emailed to the Board members on January 11, 2019. The Commissioners would have until January 22, 2019, to complete this survey. Ms. Howard assured the Commissioners that this survey would be anonymous. Ms. Howard stated that she would be the only person to review the results and draft the report for the Governance Committees review on January 31, 2019. Committee Chair Scott thanked Ms. Howard for the

evaluation process and expected timeline. Committee Chair Scott reminded the Board members that the Board Self-Evaluation is part of the SFHSS Governance Terms of Reference and Policies, and all members are expected to complete the survey.

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved the initiation of the FY 2017-2018 Health Service Board Annual Self-Evaluation.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

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

PUBLIC COMMENT: There were no public comments.

15. OPPORTUNITY FOR THE PUBLIC TO COMMENT ON MATTERS WITHIN THE BOARD'S JURISDICTION: (Discussion)

PUBLIC COMMENT: There were no public comments.

16. OPPORTUNITY TO PLACE ITEMS WITHIN THE BOARD'S JURISDICTION ON FUTURE AGENDAS: (Discussion)

PUBLIC COMMENT:

Mr. Dennis Kruger retired SF Fire Fighter asked the Commissioners and the SFHSS management team for an update regarding the cataract laser surgery. Mr. Kruger mentioned that the current medical plans only offer traditional cataract surgery, and he would like to have some support financially through the medical plans to pay for the laser surgery. President Breslin asked Executive Director Yant if there were any updates on this plan option. Executive Director Yant shared that the SFHSS management team is working on a response to this request. Mr. Mike Clarke, Aon, stated that he and his team are currently researching what the plans offer in terms of cataract surgeries. Mr. Clarke noted that some plans to provide coverage for the laser-assisted service, but they do not offer any additional reimbursement relative to the traditional method. Mr. Clarke stated that he will continue to work through this research and planning with the SFHSS management Team.

Mr. Herbert Weiner, a retiree, agreed that people should have various options when it comes to eye surgeries. Mr. Weiner suggested a co-payment model for those insurance companies who do not want to pay for the procedure.

17. VOTE ON WHETHER TO HOLD CLOSED SESSION FOR PUBLIC EMPLOYEE PERFORMANCE EVALUATION – SFHSS EXECUTIVE DIRECTOR: (Action)

Action Taken: The Health Service Board unanimously approved the Closed Session for the initiation of the Public Employee Performance Evaluation- SFHSS Executive Director.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

Government Code Section 54957(b)(1) and San Francisco Administrative Code Section 67.10(b): Public Employee Performance Evaluation

18. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (Action)

Documents Attached: The FY 2017-2018 Health Service Board Draft Public Employee Performance Evaluation is located on the SFHSS website at:

http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Performance_Evaluation_Survey_Director_2016.pdf

The SFHSS Health Service Board Self Board Evaluation and the Public Employee Performance Evaluation timeline is located on the SFHSS website at:

[http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Board_Self_Evaluation_Timeline.p
df](http://www.myhss.org/downloads/board/regular_meetings/2019/RM_011019_Board_Self_Evaluation_Timeline.pdf)

Action Taken: The Health Service Board unanimously approved the initiation of the Public Employee Performance Evaluation- SFHSS Executive Director.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

RECONVENE IN OPEN SESSION

19. POSSIBLE REPORT ON ACTION TAKEN IN CLOSED SESSION REGARDING PUBLIC EMPLOYEE PERFORMANCE EVALUATION: (Action)

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved to not report on action taken in closed session regarding the Public Employee Evaluation.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

20. VOTE TO ELECT WHETHER TO DISCLOSE ANY OR ALL IN DISCUSSION HELD REGARDING PUBLIC EMPLOYEE PERFORMANCE EVALUATION IN CLOSED SESSION: (Action)

PUBLIC COMMENT: There were no public comments.

Action Taken: The Health Service Board unanimously approved to not disclose any or all of the discussion that took place during closed session regarding the Public Employee Performance Evaluation.

Ayes: Breslin, Lim, Scott, Ferrigno, Follansbee

Nays: (none)

21. ADJOURNMENT: 3:30pm

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.sfhss.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.

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>.

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) 554-1727 or email Natale.Ekberg@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: (415) 554-0662