



City & County of San Francisco

HEALTH SERVICE BOARD

1145 Market Street + Suite 300 + San Francisco, CA 94103

Minutes

Regular Meeting

Thursday, January 12, 2017

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, arrived 3:15 pm
 - Commissioner Sharon Ferrigno, excused
 - Commissioner Stephen Follansbee, M.D.
 - Commissioner Gregg Sass
- 01122017-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Regular meeting of December 8, 2016Staff recommendation: Approve minutes.
Documents provided to Board prior to meeting:
Draft minutes.
 - Commissioner Lim moved to approve the regular meeting minutes of December 8, 2016.
 - Commissioner Follansbee seconded the motion.Public comments: None

Action: Motion was moved and seconded by the Board to approve the regular meeting minutes of December 8, 2016.

Motion passed 5-0.

- 01122017-02 Discussion item [General public comment on matters within the Board's jurisdiction not appearing on today's agenda](#)

Public comments: Richard Rothman, retired City employee, asked for improved transportation options to/from Kaiser's Owens Street location. He stated that Kaiser's website contained only driving directions for this location but no information on Muni or shuttle transportation services were provided. He stated the hardship on seniors and those with disabilities in walking to bus stops. He noted the usefulness of UCSF's shuttle services and questioned why Kaiser cannot provide transport services to its various campuses for actives and retired members. He requested that the Board ask Kaiser Permanente to explain its current and future transportation plans to/from Owens Street and other locations for HSS members as Kaiser's second largest group in the Bay Area.

Herbert Weiner, retired City employee, complained to the Board about MTA's placement of bus stops that requires retirees and the disabled to walk nearly a quarter of a mile. He thinks MTA's logic is that the buses will run faster spreading out the stops; however, as he reported to the Board of Supervisors recently, the placement of bus stops is a thinly veiled cruelty for the many retirees and disabled affected. He asked the Health Service Board to make Ed Reiskin, MTA Director, aware of this issue.

- 01122017-03 Discussion item [President's Report](#) (President Scott)

Documents provided to Board prior to meeting:
None.

 - President Scott acknowledged last month's presentation by Aon Hewitt on market trends and made a formal request that continued updates be made to the Board, especially during the rates and benefits cycle. He commended Aon for a great job of outlining future possibilities in healthcare, stating that there will be more clarity in time.

- President Scott read aloud Catherine Dodd's letter of resignation as HSS Director, dated December 19, 2016, in which she announced eligibility for retirement after 10 years of employment with the City and County of San Francisco. Her original retirement date was January 31, 2017 and has since been extended until March 15, 2017 to set the rates and benefits process in motion, establish the department's budget with the Mayor's office and assist in launching the search for a new HSS Director.
- President Scott acknowledged the receipt of a resolution from the Protect Our Benefits Political Action Committee immediately prior to the meeting requesting participation in the selection process of the HSS Executive Director.
- President Scott recited a quote from Benjamin Franklin, "For Want of a Nail." He stated it was regrettable that Director Dodd's exceptional and superior performance during her tenure at HSS had only been minimally recognized this performance cycle by those responsible for the compensation of CCSF department heads. Despite repeated requests and recommendations by the Board, certain actions occurred that have led to the Executive Director's impending departure. He stated his wish that there had been a different outcome, noting that he had worked publicly and behind the scenes to achieve that result.
- President Scott commended Director Dodd for agreeing to remain in her position for a period of time to assist with the transition. He wished her every success, personal and otherwise.
- Miki Callahan, Director of the Department of Human Resources ("DHR"), was invited by President Scott to address the Board regarding the City's recruitment process.
- Director Callahan stated that it was bittersweet to discuss HSS' recruitment process with the Health Service Board and that she was saddened that the City would be

losing Director Dodd, whose achievements have been nothing short of remarkable.

- Director Callahan spoke in general about the recruiting process and DHR's ability to assist boards in their search for executive directors. She also distributed an informational sheet to the Health Service Board that included a list of pre-qualified recruiters. Utilizing the services of an approved vendor allows the process to commence in a timelier manner than going through the City's contracting procedures.
- DHR used the recruiting services of Alliance Resource Consulting last year in its search for an Employee Relations Director.
- DHR also assisted in the recent recruitment of the new San Francisco Police Chief. Over the last few years, DHR assisted in the recruitment of executive directors for the Court Commission, Building Inspection Commission and the Art Commission.
- The cost of retaining a search firm can range from approximately \$20,000 to \$50,000. The funds will come from the HSS budget.
- The Board will need to determine whether it wants to conduct the search as a full board or establish a subcommittee for the process. Director Callahan suggested the creation of a subcommittee to report back to the full Board. For example, the subcommittee could approve the solicitation letter, recommend or approve the search firm and the initial screening.
- Should the Health Service Board elect to conduct the search itself, DHR would provide support in the form of sample letters, sample interview questions, setting up interviews etc.
- Director Callahan introduced Chanda Ikeda, DHR's Director of Finance and Administration, who runs the recruitment processes. She also introduced Christina Brusaca who has provided support to various boards and commissions in their searches.

- The Health Service Board should contact Ms. Ikeda or Ms. Brusaca to initiate the process with DHR.
- Director Callahan stated that in the interim, DHR will provide anything that will assist with the HSS Executive Director's job description as well as the generic Department Head IV classification. DHR will also provide sample accepted proposals for searches.
- Commissioner Breslin stated that she was in possession of the previous HSS Executive Director's job description when the department initially became independent. She agreed to forward it to the Board Secretary.
- In response to Commissioner Sass's inquiry, Director Callahan stated that a retiring director may participate in the selection of a successor in an advisory capacity. It is entirely the Board's decision to allow such participation. She noted that there is a provision in the Annual Salary Ordinance that allows a position to be double filled with an overlap of the person exiting a position and the person coming onboard.
- For confidentiality reasons, applications will be sent directly to the recruitment firm, not DHR.
- President Scott stated that the recruitment process will be broad, open and transparent. The four employers will be asked to weigh in, as well as the retirees. He envisioned that the search firm will be in consultation with a variety of constituents.

Public comments: Crispin Hollings, President of the Municipal Executives Association ("MEA"), commended Director Dodd for her years of outstanding service to the Health Service System. He stated that part of MEA's mission is to promote professional excellence for City managers. It is in that context that he acknowledged Director Dodd for her work in the design, negotiation and administration of health benefits for over 113,000 CCSF employees, retirees and dependents. Director Dodd has shown herself to be a brilliant professional whose accomplishments include professionalizing

the customer interface within HSS and improving customer service such that HSS is a fierce advocate for health outcomes for its members. He also praised Director Dodd for implementing the wellness program for employees and retirees and establishing data analytics to emphasize transparency in cost and quality. He stated that perhaps most impressively was Director Dodd's efforts in successfully bending the cost curve from a 13% trend to -3% in 2015 and less than 3% in 2016. On behalf of the MEA, Mr. Hollings commended Director Dodd for her years of public service and wished her all the best in her retirement.

Herbert Weiner, retired City and County employee, read aloud a resolution from the Protect Our Benefits Political Action Committee "POB," signed by Larry Barsetti, Chairman. The resolution requested that as a representative group protecting the health benefits of all CCSF retirees, the POB play a part in the hiring process of the HSS Executive Director. The resolution will be posted on the HSS website.

Eileen Hirst, former MEA president and current employee in the Sheriff's Department, stated that she did not envy the Board's task in replacing Director Dodd. While the previous statements of Crispin Hollings outlined MEA's high opinion of Director Dodd, she added two accomplishments that she considered spectacular—the promotion of wellness, including employee health fairs wherein members could get flu shots, blood pressure and cholesterol checkups, and the addition of exercise classes at City Hall. Ms. Hirst stated that Director Dodd made health accessible and that many City employees are healthier because of her influence.

Dennis Kruger, representative for active and retired firefighters, their spouses and widows, stated that as the second longest attendee at Health Service Board meetings beside Claire Zvanski, there has never been a HSS director more qualified to run the department than Director Dodd. He stated that HSS was fortunate to have her in the position of Executive Director. He was glad to see that the Board intended to take a wide view to replace her because it will be very difficult.

Claire Zvanski, RECCSF President, stated that she has watched a long succession of HSS directors over the years and none have had the qualifications,

expertise or accomplishments of Director Dodd. She stated that the Executive Director position will be difficult to fill and wished the Board well in the process. She offered to assist in any way that the Board may need. Because Director Dodd set such a high threshold, it is important that the best search possible is conducted to find a suitable replacement. Ms. Zvanski also noted that talented staff has joined HSS under Director Dodd's leadership, even though the department is still operating with smaller than desired personnel.

□ 01122017-04 Discussion item **Director's Report** (Director Dodd)

- HSS Personnel
- Finance, Operations, Data Analytics, Communications, Wellness/EAP, Vendor Contracts
- 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 thanked everyone who commented on her stewardship of the Health Service System. She stated that her Director's Report has consistently been a reflection of the great work performed by HSS staff.
 - Director Dodd presented a brief report with management updates, which may be viewed in its entirety on the myhss.org website.
 - Over 5,000 active members enrolled in the new voluntary benefits. She reported on attending a recent meeting wherein the addition of pet insurance as a voluntary benefit was a topic of interest. She stated that pet insurance is one of the most popular benefits throughout the insurance industry. It is a legitimate desire of members, similar to identity theft insurance or critical care insurance.

- Director Dodd encouraged the Board to review the annual reports for the Wellness Center and the Employee Assistance Program. She noted an increase of 5% in attendance at the Wellness Center, averaging 644 visits per month. Well-being services in 2016 increased by 12% over 2015. EAP also experienced an increase in its services provided during 2016 (a total of 3,270 CCSF employees).
- HSS added some of the Choosing Wisely recommendations to the vendor performance guarantees. One recommendation limited C-section deliveries to 29.3%.
- HSS is participating in the elimination of duplication and over-expenditure. A proposal for a dependent verification audit will be presented to the Board for approval. It is anticipated that the Controller's office will fund the audit.

Public comments: None.

- 01122017-05 Discussion item [HSS Financial Reporting as of November 30, 2016](#) (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.
- Pamela Levin, HSS Chief Financial Officer, reported on revenues and expenditures for the Trust Fund and General Fund as of November 30, 2016.
 - On June 30, 2016, the Trust Fund balance was \$68.6 M. The fund balance is projected to be \$56.9M as of June 30, 2017.
 - Based on the financial results for the first five months of FY 2016-17, the General Fund Administration budget is projected to be fully expended as of June 30, 2017.
 - Commissioner Breslin asked for reporting statistics on Best Doctors in order to track the number of members utilizing the benefit.

- Director Dodd stated that Best Doctors' rates are based on \$1.40 PMPM, not monthly member utilization. Best Doctors is scheduled to present a report on the first three months of utilization at the May meeting.
- See memorandum and financial reports.

Public comments: None.

- 01122017-06 Discussion item [Review of Health Service System FY 2017-18 and FY 2018-19 Budget Instructions](#) (Pamela Levin)

Documents provided to Board prior to meeting:
Budget memorandum.

- Pamela Levin reported briefly on the FY 2017-18 and FY 2018-19 budget instructions released by the Mayor's Office for the General Fund.
- The projected General Fund deficit is \$119M for FY 2017-18 and \$283.4M for FY 2018-19. These deficits are due primarily to increases in the employer contributions to employee pensions, rising healthcare costs, new baseline and voter approved set asides, increases in services and positions and ongoing costs that grow.
- The Mayor's instructions propose ongoing reductions equal to 3% of the General Fund support in both years.
- The FY 2017-18 budget request must be reduced by \$97,442 compared to the current year's budget.
- The FY 2018-19 budget request continues the reduction of FY 2017-18 (\$97,442) and includes an additional \$97,442 reduction.
- No layoffs, hiring freeze or vacant positions are required in this budget cycle. However, HSS cannot request additional positions.
- HSS' General Fund and Healthcare Sustainability budgets will be presented to the Health Service Board's Finance and Budget Committee on February 9, 2017. It will be presented to the full Health Service Board for approval at the regular meeting scheduled on February 9, 2017.

Public comments: None.

FINANCE COMMITTEE MATTERS

□ 01122017-07 Action item

Finance Committee report on proposed Health Service System draft Investment Policy and recommended investment option (Committee Chair Sass)

Staff recommendation:

- (1) Approve Finance Committee recommendation on HSS Investment Policy pending legal review; and
- (2) Approve Finance Committee recommendation on investment option.

Documents provided to Board prior to meeting:

1. Draft Investment Policy Statement;
2. Analysis of Investment Options based on the Draft Investment Policy.
 - Committee Chair Sass summarized the Board's Finance and Budget Committee meeting held earlier in the day, at which Meketa Investment Group ("Meketa") presented a draft Investment Policy Statement for the Health Service System Trust Fund.
 - In Meketa's presentation, fiduciary standards as well as statutory requirements associated with an investment policy were reviewed. An analysis of investment options based on the draft investment policy and recommendations were also made.
 - Meketa recommended that HSS continue to utilize the City's treasury pool for trust funds assets in accordance with California Government Code section 53600 and establish a formal investment policy to be monitored by the Treasury Oversight Committee. See "Analysis of Investment Options based on the draft Investment Policy," prepared by Meketa.
 - Chair Sass reported that the Finance and Budget Committee voted in favor of Meketa's recommendations as well as the approval of the draft Investment Policy Statement and

recommended acceptance of both documents by the full Health Service Board.

- President Scott stated that at no time was the effort to create an investment policy a reflection on the role, HSS staff or the Treasurer's Office. The Board has a fiduciary responsibility as overseers of the trust fund to ensure the establishment of an investment policy statement. A legal review will make determinations regarding applicable City Charter provisions. He thanked the Treasurer's Office for its cooperation and information provided to the Board in the interim period.
- Commissioner Follansbee moved to approve the draft Investment Policy Statement as well as the recommendations by Meketa Investment Group as presented.
- Commissioner Breslin seconded the motion.

Public comments: Claire Zvanski, RECCSF President, commended the Board on the incredible job in establishing a trust fund policy. She asked about investing assets with external managers and making direct purchasers in paragraph 5.0 (Investment Options), which were not discussed as part of the recommendation. She asked if the two sections were eliminated.

Chair Sass responded that the investment policy provided the broadest ability of the Health Service Board to consider any of the three options listed in paragraph 5.0. It would take a very unusual set of circumstances to lead the Board to invest from the trust fund.

Commissioner Sass introduced Larry Witt, Meketa Investment Group consultant who worked with HSS and the Board on the draft Investment Policy Statement and the analysis of the investment options. He commended Mr. Witt for an outstanding work product and his earlier presentation to the Finance and Budget Committee, which was clear and easy to understand. He also thanked Pamela Levin for her assistance with this project.

Action: Motion was moved and seconded by the Board to accept the draft Investment Policy Statement as well as the recommendations to continue utilizing the City's Treasury pool, receive quarterly and annual updates and at least every three years review and evaluate the appropriateness of the Investment Policy Statement and consider alternatives, pending legal review.

Motion passed 5-0.

GOVERNANCE COMMITTEE MATTERS

- 01122017-08 Action item Review and approve results of FY 2015-16 Health Service Board annual self-evaluation (Committee Chair Breslin)

Documents provided to Board prior to meeting: Draft annual Health Service Board self- evaluation for FY 2015-16.
 - Chair Breslin summarized results of the Health Service Board's FY 2015-16 annual self-evaluation presented on January 5, 2017 to the Governance Committee.
 - Chair Breslin noted that the HSS executive team participated in this year's Board evaluation. She suggested that the entire management team participate in next year's Board evaluation process.
 - The Board's self-evaluation was conducted by Donna Kotake, Workforce Development Director at the Department of Human Resources ("DHR"). The evaluation showed decreased scores from the previous year in the following areas:
 - Meeting agendas adequately reflecting policy matters consistent with the Board's role;
 - Receipt of information and reports necessary to carry out Board duties;
 - Members' acceptance of Board decisions that are not unanimous;
 - Careful deliberation before taking action;

- Goal setting and communication (staff, service providers, stakeholders).
- Effective management and succession planning received low scores.
- President Scott stated that succession planning relates to continuity planning in most organizations to assure that business and administrative operations continue in the absence of the primary or principal officer. He noted that those discussions have not taken place; however, with Director Dodd's departure, such conversations will be held.
- Chair Breslin noted that some of the areas of possible concern were slightly lower than last year but yet not too low. Potential focus areas were listed in the category of Board members' interactions and meeting activities.
- See Health Service Board Annual Self-Evaluation for FY 2015-16 for complete results.
- Commissioner Scott moved to accept the Board evaluation with the focus on areas of potential improvement.
- Commissioner Lim seconded the motion.

Public comments: None.

Action: Motion was moved and seconded by the Board to accept its FY 2015-16 self-evaluation with the focus on areas of potential improvement.

Motion passed 5-0.

□ 01122017-09 Action item

Approval of Health Service Board Education Plan for 2016-2019 (Committee Chair Breslin)

Documents provided to Board prior to meeting: Draft Health Service Board Education Plan (2016-2019).

- Chair Breslin made reference to the Board's education plan for FY 2016-2019 developed at the Governance Committee meeting held on May 10, 2015. (See draft Health Service Board Education Plan for FY 2016-2019.)
- Director Dodd suggested clarifying the third bullet from the bottom relating to suggested Board goals on the first page to state that Members will stay abreast of the

pharmaceutical pricing process and gain an improved understanding of claims as well as the funding mechanisms (i.e., self-funding, fully-funded, flex-funded).

- The Board Secretary will edit the document to incorporate Director Dodd's three suggestions.
- Commissioner Scott noted that \$10,000 was allocated to Board education from the current HSS General Fund Administration budget and so far no funds have been spent. He mentioned the IFEBP conference in San Jose, California in June as one opportunity for Board member education. He encouraged the Board to use the funds allocated for education purposes to avoid losing the money due to non-use.
- Pamela Levin urged the Board to send her information on any desired educational opportunities as soon as possible so the funds may be encumbered to prevent losing them.
- President Scott thanked Commissioner Breslin for her work on this matter as Chair of the Governance Committee.
- Commissioner Follansbee moved to approve the Health Service Board's education plan for FY 2016-2019 with edits.
- Commissioner Sass seconded the motion.

Public comments: Claire Zvanski, RECCSF President, asked if the \$10,000 allocated to the Board's education plan extended beyond Board members. She stated that prior to the budget crisis of several years ago, HSS senior staff had been encouraged to attend IFEBP educational trainings, along with Board members, especially when the conferences were relatively local. She strongly recommended that Board members take advantage of the training opportunities provided by IFEBP. She noted that not only is the learning experience beneficial but also the opportunity to network with others in the same or similar field and positions.

Herbert Weiner, retired City employee, encouraged the Board to use the funds allocated for healthcare educational purposes.

Commissioner Lim stated that for the last two years, he participated in the Healthcare Management conference through MEA funding.

Action: Motion was moved and seconded by the Board to approve the Health Service Board Education Policy Plan for FY 2016-2019 with edits.

Motion passed 5-0.

RATES AND BENEFITS

- 01122017-10 Discussion item Presentation of 2016 Rates and Benefits calendar for Plan Year 2017 (Director Dodd)
- Documents provided to Board prior to meeting:
2017 Rates and Benefits meeting schedule for 2018 plan year.
- Director Dodd reviewed the 2018 rates and benefits calendar by month.
 - Anil Kochhar, Aon Hewitt actuary, made one correction on the calendar. City Plan's 2018 self-insured rate renewal for actives, early retirees and Medicare retirees will be presented in May instead of April.
 - After discussion, it was decided that the Best Doctors' report would be presented in May instead of earlier.
- Public comments: None.
- 01122017-11 Discussion item Review fund status for the Incurred But Not Reported (IBNR) reserves for UHC and Blue Shield (Aon Hewitt)
- Documents provided to Board prior to meeting:
Report prepared by Aon Hewitt.
- Anil Kochhar reported that current policy requires an IBNR reserve for each self-funded/flex-funded plan: City Plan, Blue Shield of California and Delta Dental of California.
 - The IBNR reserves are currently fully-funded for each plan. The estimates will be reset as of June 30, 2017 after the close of the fiscal year.
 - See Aon Hewitt's report, "IBNR Reserve Fund Status Presentation."

Public comments: None.

□ 01122017-12 Discussion item

[Review fund status for Contingency Reserves](#) (Aon Hewitt)

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

- Mr. Kochhar reported that the Contingency reserve protects against shortfalls in funding estimates in each self-funded/flex-funded plan: UHC City Plan, Delta Dental of California PPO Plan and Blue Shield of California flex-funded plan.
- The Contingency Reserve is fully funded for excess loss in all three plans.
- See Aon Hewitt's report, "Contingency Reserve Fund Status Presentation."

Public comments: None.

□ 01122017-13 Discussion and possible action item

[Presentation of infertility benefit and recommendation](#) (Director Dodd)

Staff recommendation: Approve recommendations presented.

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

- President Scott acknowledged the receipt of Supervisor Katy Tang's letter expressing support for this benefit.
- Director Dodd reviewed the goals for the infertility benefit, some of which include providing services resulting in a healthy live birth and being respectful of the resources necessary to provide the benefit.
- See page 4 of the report for a comparison of the current infertility benefits across HSS' three providers.
- Director Dodd reported that the first recommendation was to change the name of the benefit to "Infertility and Assisted Reproductive Technology." The new name is a more accurate description of the services to be provided. She noted that infertility is not the issue with same-sex couples but rather assisted reproductive technology.

- The following benefit enhancements were recommended for Board approval:
 - Eliminate requirement for a year of frequent, unprotected sex
 - Require the presence of a demonstrated condition recognized by a licensed physician and surgeon as a cause of infertility
 - Eliminate maximum age requirement
 - Add assisted hatching, as needed
 - Add coverage for ICSI, as needed
 - Add pre-implantation genetic screening
 - Add elective single embryo transfer
 - Increase benefit to two total cycles of either/or GIFT/IVF/ZIFT within lifetime
 - Increase coverage for egg/embryo storage up to 12 months after egg retrieval associated with GIFT/IVF/ZIFT
- See Infertility Coverage report.
- Commissioner Lim moved to rename the benefit as “Infertility and Assisted Reproductive Technology” and accept the benefit enhancements as recommended on page 16 of the presentation.
- Commissioner Breslin seconded the motion.

Public comments: Dyanna Quizon, Legislative Aide with Supervisor Katy Tang’s office, thanked Commissioner Scott for acknowledging receipt of Supervisor Tang’s letter. She also thanked the full Board for considering the adoption of the enhanced benefits. She noted that Supervisor Tang has been a champion for working families—from paid parental leave to lactation accommodations. The proposed benefits will help working families in making decisions and providing choices in how their families are created. Ms. Quizon expressed support on Supervisor Tang’s behalf for all of the recommendations included on page 16 of the presentation.

Commissioner Lim acknowledged Director Dodd and HSS staff for all of the enhancements and guidelines.

Director Dodd acknowledged Aon Hewitt's work on this benefit, as well as the input of all vendors.

Action: Motion was moved and seconded by the Board to rename the benefit as "Infertility and Assisted Reproductive Technology" and accept the benefit enhancements as recommended on page 16 of the presentation.

Motion passed 5-0.

□ Meeting Break

Recess from 3:08 to 3:21 pm.

Supervisor Farrell arrived during the meeting break.

REGULAR MATTERS

□ 01122017-14 Action Item

Approval of Health Service System 2016 Annual Report (Director Dodd)

Documents provided to Board prior to meeting: 2016 HSS Annual Report.

- In the interest of time, Director Dodd asked the Board to view the infographic on page 4 of the HSS Annual Report, which provided a one-page overview of HSS benefits administration. She noted that most employers, large and small, contract out benefits administration. However, HSS administers the benefits of four employers.
- Commission Lim commended Director Dodd on her hard work.
- Commissioner Sass also commended Director Dodd on her hard work at HSS as well as her service over the years with other City departments (former Mayor Newsom's Office and the Department of Public Health).
- President Scott commended Director Dodd and HSS staff for their hard work during the past year.
- Commissioner Breslin moved to approve HSS' 2016 Annual Report.
- Commissioner Sass seconded the motion.

Public comments: Claire Zvanski, RECCSF President, commended Director Dodd and staff for their incredible work. She stated that this was the best annual report she has seen over the years. It shows that HSS has a phenomenal number of members and provides remarkable services with few staff. She recalled when HSS had fewer than 50,000 members and now that number is close to 116,000; noting that staff has not increased proportionally.

Ms. Zvanski also commended HSS CFO, Pamela Levin, for her hard work with the Mayor's Office and her efforts to sustain the HSS budget in order to deliver services at the current level. She stated her belief that some of the other employers appreciate HSS and its level of services; however, the City does not.

Action: Motion was moved and seconded by the Board to approve the Health Service System's 2016 Annual Report as presented.

Motion passed 6-0.

□ 01122017-15 Discussion item

Report on network and health plan issues (if any)
(Respective plan representatives)

- Shannon Haas, UnitedHealthcare representative, reported on UHC's one-on-one activities post-Open Enrollment. She noted that UHC had been onsite at HSS during the last week and this week as well. She and two UHC service account managers were on hand to assist HSS benefits analysts with live calls (resolution and call-backs). HSS staff handled a significant number of member calls and UHC fielded 85 escalations.
- The majority of UHC's escalations were related to non-receipt of ID cards, which UHC representatives immediately ordered. Other concerns included prescription issues, benefit reviews, provider education (although very little) and a few transition of care cases.
- UHC's call center handled 820 calls in the first seven days of January 2017. The average speed of answer was 11 seconds. The average call lasted approximately 12 minutes (similar issues as HSS telephone calls—ID cards, prescription inquiries, provider look-up, benefits' review).

- Twenty-six (26) post-call surveys were completed. UHC achieved a service level of 95% and its satisfaction rating was 99%.
- UHC had been in direct contact with Brown and Toland, who agreed to work on a smooth transition with discharged patients.
- Paul Brown, Blue Shield Director of Account Management, provided two updates.
- It was announced earlier in the week that Cal INDEX would be merging with Inland Empire Health Information Exchange located in the Riverside-San Bernardino area. This merger will create one of the nation's largest information exchanges based on the number of patient records.
- This merger accelerates the effort to provide hospitals and physicians with real time health information in order to provide higher quality care for patients.
- The new combined organization will be renamed, which Mr. Brown will provide in his future update to the Board. It is also a 501(c)(3) non-profit organization.
- Claudia Williams, former White House senior technology adviser, has been named CEO of the new organization. She has extensive experience in healthcare and information technology and previously served as the Director of Health Information Exchange at the U.S. Department of Health and Human Services.
- Mr. Brown also announced that Blue Shield and Sutter were able to come to a three-year agreement without member disruption. This issue was reported at the last meeting.
- President Scott thanked Kaiser Permanente for allowing its members and non-members to turn in unused or outdated prescription drugs at its facilities, which was announced at last month's meeting. He stated that his local Kaiser had not yet set up the blue collection box, but he anticipated that it would be soon.

Public comments: Dennis Kruger asked two questions. The first concerned continuity for 90-day mail order prescription drug transfers from another

plan to UHC, since he has a long-standing mail order prescription that arrives every 90 days.

Mr. Kruger also asked if he were to see a doctor in the new City Plan outside California, whether it would be his or the attending physician's responsibility to ensure that the medical records were sent to his primary care physician.

In response to the first question, Ms. Haas stated that UHC transferred mail order refills when possible. She noted, however, that not all drugs were transferable, and those cases required new prescriptions. Also, any refills left at retail pharmacies will continue to be filled. The member would just need to show his/her new UnitedHealthcare ID card.

Regarding Mr. Kruger's second question, Ms. Haas stated that when seeing a doctor outside one's primary physician, the member is responsible for ensuring the transfer of medical records to his/her primary care physician thereafter. It is not UnitedHealthcare's responsibility to ensure the transfer of member records in such instances.

President Scott stated that the implications may be wider than the member asking the question and asked Ms. Haas to research the question. Ms. Haas said that she would do so and report back to the Board.

- 01122017-16 Discussion item Opportunity to place items on future agendas
Public comments: None.
- 01122017-17 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction
Public comments: Herbert Weiner commended the Board and HSS Executive Director for their good work as the membership faces stormy waters ahead with the new administration.
Dennis Kruger also thanked Director Dodd from the firefighters, spouses and widows.
- 01122017-18 Action Item Vote on whether to hold closed session for (1) member appeal, and (2) HSS Executive Director Performance Evaluation (President Scott)
Staff recommendation: Hold closed session.

Public comment on all matters pertaining to the closed sessions: None.

- Commissioner Breslin asked to make a statement regarding the Executive Director's performance evaluation before going into closed session. She stated that the Health Service Board was a panel of peers and that no Board member had the right to change another's evaluation without consent. Unless all Board members are heard, there is no point in the evaluation process, and no honest feedback is delivered to the Director.
- Commissioner Breslin moved to hold closed sessions for a member appeal follow-up and the HSS Executive Director's performance evaluation.
- Commissioner Lim seconded the motion.

Action: Motion was moved and seconded by the Board to hold a closed session for a member appeal follow-up and the HSS Executive Director performance evaluation.

Motion passed 6-0.

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.
and
Government Code Sections 54956.9(c) and 54957(b)(1) and San Francisco Administrative Code Section 67.10(b): Public Employee Performance Evaluation

- 01122017-19 Action Item Member appeal follow-up (President Scott)
Documents provided to Board prior to meeting:
 1. Memo from HSS;
 2. Additional documentation from member to Health Service Board.Staff recommendation: Uphold HSS decision.

- 01122017-20 Action Item **Public Employee Performance Evaluation** (Governance Committee Chair Breslin)
 - Position: Executive Director
 - Name of Employee: Catherine DoddDocuments provided to Board prior to meeting:
HSS Executive Director 2016 performance evaluation survey results.

Reconvene in Open Session

- 01122017-21 Action item **Possible report on action taken in closed session regarding member appeal** (President Scott)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to report on action taken during the member appeal in closed session.
Motion passed 6-0.
- 01122017-22 Action item **Vote to elect whether to disclose any or all discussion regarding member appeal held in Closed Session** (President Scott)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to disclose any of the discussion held in closed session regarding the member appeal.
Motion passed 6-0.
- 01122017-23 Action item **Possible report on action taken in closed session regarding employee evaluation** (President Scott)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to report on action taken regarding the employee evaluation in closed session.
Motion passed 6-0.

- 01122017-24 Action item Vote to elect whether to disclose any or all discussion held regarding employee evaluation in Closed Session (President Scott)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to disclose any of the discussion held in closed session during the employee evaluation.
Motion passed 6-0.

- Adjourn: 5:12 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.

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) 554-0662 or email at laini.scott@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