



HEALTH SERVICE BOARD

CITY & COUNTY OF SAN FRANCISCO

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Randy Scott
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Commissioner

Abbie Yant, MA, RN
Executive Director
Health Service System

Holly Lopez
Executive Secretary

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HEALTH SERVICE BOARD

MEETING MINUTES

Thursday, January 14, 2021

REGULAR MEETING AT

1:00pm

VIRTUAL PRESENTATION BY SFGOV TV

Due to the COVID-19 health emergency and to protect our Board Members, SFHSS staff, and members of the public, the Board's Meeting Room (Room 416) is closed.

Remote Meeting Access

Watch at 1:00 pm on January 14, 2021 (via SFGovTV) - <https://sfgovtv.org/hsbLIVE>

Click the link to join the meeting - <https://bit.ly/3jjJ7wX>

Public Comment Call-In: 415-655-0001 / **Access Code:** 146 015 9295

Providing Public Comment:

1. Dial **415-655-0001** and then enter access code **146 015 9295** then **#**
2. **Press #** again to enter the meeting as an ATTENDEE
3. 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.
4. When Public Comment is called, dial * then **3** to be added to the speaker line.
5. 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.
6. To withdraw your question, press * then **3**. – you will hear: "You have lowered your hand."
7. When the system message says "Your line has been unmuted" - **THIS IS YOUR TIME TO SPEAK.**
8. 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.
9. 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."
10. 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 comment 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, January 13th** before the meeting. Members can also call 628-652-4646 with any questions.

All comments received by the deadline will be read aloud by the Board Secretary up to the three-minute maximum allotted time to each commenter. 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:** 1:01 pm

2. **ROLL CALL:**

President Stephen Follansbee, M.D.-present
Vice President Chris Canning-present
Commissioner Karen Breslin-present
Commissioner Mary Hao-present
Supervisor Dean Preston-excused
Commissioner Randy Scott-present
Commissioner Claire Zvanski-present

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

The Health Service Board Regular Meeting Minutes from December 10, 2020, can be located on the SFHSS website at <https://bit.ly/3aeDwW1>

President Follansbee affirmed the Health Board meeting minutes set forth on December 10, 2020. Commissioner Zvanski moved to accept the Regular Health Service Board Regular Board meeting minutes as presented. Commissioner Scott seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved the Regular Board Meeting minutes as presented from December 10, 2020.

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

PUBLIC COMMENT:

Richard Rothman, a member, shared his success at securing a vaccine appointment through Kaiser and suggested Kaiser consider vaccine locations with more ADA accommodations such as the same locations they offered flu shots.

5. **PRESIDENT'S REPORT: (Discussion)**

President Follansbee stated that no President's report was written due to the rapidly changing COVID-19 pandemic and vaccine updates. President Follansbee offered time for Commissioner Zvanski to make an announcement and acknowledgment. Commissioner Zvanski acknowledged the passing of George Kruger, former Health Service Board Commissioner. Commissioner Zvanski shared that Commissioner Kruger was a native San Franciscan, served the City on the Health Service Board, and worked in the City Attorney's office as well. Commissioner Zvanski requested the meeting be adjourned in his memory. President Follansbee affirmed the meeting to be adjourned in Georg Kruger's memory.

PUBLIC COMMENT: None

6. DIRECTOR'S REPORT: (Discussion)

The Director's Report can be located on the SFHSS website at <https://bit.ly/3cfTF05>. The Vaccine Update as of 1-14-2021 can be located on the SFHSS website at <https://bit.ly/39o1S0I>.

Executive Director Yant presented the following items in her Director's Report:

- Medical Plan RFP
- Reminder: Vendor Black Out Period-Extended
- COVID-19 Update and Vaccinations
- Medicare Plan Evaluation
- Social Determinants of Health (SDoH)
- Racial Equity Action Planning
- Administrative Update
- Legislative Report
- Follow-Up from Health Plans from Prior HBS Meetings: Brown and Toland Ancillary Services Description, Delta Dental
- Divisional Updates: Well-Being, Operations: Enterprise Systems and Analytics (ESA) and Communications, Contracts
- HSB Email Procedures
- Finance

Executive Director Yant presented the following items in the COVID-19 Vaccine Update:

- There are Currently Two Approved Vaccines: Pfizer and Moderna
- The Vaccine Teaches our Body's Immune System to Recognize and Neutralize the Virus
- The Vaccine is Safe and Effective
- The Vaccine is a Critical to Slow the Spread of COVID-19 and End the Pandemic
- The State and Federal Government are driving the Prioritization and Allocation process
- Pathways of COVID-19 Vaccine into SF
- Phases of Vaccine Rollout
- CDPH Allocation Strategy within Phase 1a
- California's Phases 1b and 1c
- Vaccine Distribution Principles
- Vaccinating SF
- Challenges
- Community Engagement

Director Yant stated the Request for Proposal for Health Plans for 2022 is on track and a recommendation will be presented at the February Health Service Board meeting. Director Yant noted the COVID-19 Vaccine presentation was originally presented by Dr. Colfax, San Francisco Director of Public Health.

Commissioner Zvanski asked if there have been more requests for online Well-Being programs. Executive Director Yant confirmed that Well-Being programs migrated to virtual services on March 16, 2020, and a robust list of services and classes are listed on the SFHSS Well-Being [webpage](#). Commissioner Zvanski also asked if the Employee Assistance Program (EAP) Counselors have been available 24 hours a day, 7 days a week. Executive Director Yant also confirmed that as of April 2020, the EAP services have been available for all city employees through a vendor called ComPsych, public safety personnel also have the Cordico Wellness application available 24/7 access on their smartphones.

Vice President Canning asked if the links from the Vaccine presentation could be added to the SFHSS website for members to be routed to the most current vaccine information. Executive Director Yant shared that Jessica Shih, SFHSS Communications Director, has been working with the Department of Public Health (DPH) and the Department of Human Resources (DPH) to direct people to the correct resources and to standardize messaging.

President Follansbee pointed out that the [Centers for Disease Control and Prevention](#) website has detailed vaccine information. President Follansbee fully endorsed everyone getting the vaccination and reinforced the safety message for everyone to continue wearing a mask, social distancing, and handwashing regardless if you have received the vaccine. President Follansbee urged people to consider when they should get the vaccine and if they can consider waiting to ensure essential workers, teachers, food handlers, etc. receive the treatment as a priority.

Larry Loo, Chief Financial Officer presented the following items:

- SFHSS Financial Report Highlights Fiscal Year 2021-2022 for five months as of November 30, 2020
- Employee Benefit Trust Fund (Trust Fund) including the Health Sustainability Fund
 - Projected Fiscal Year End (FYE) to end up +\$16.6M net increase to \$132.7M
 - The Self-Insured plans FYE estimated to be net positive \$18.7 M
 - Includes a projection of \$8 M in pharmacy rebates
 - Received \$2.4 M to date
 - There were no Performance Guarantees or interest report for this period
 - The next report will be through six months ending the calendar year
- Health Sustainability Fund
 - Projected FYE operational shortfall (\$1.6M) as planned in the budget
- General Fund Administrative Budget
 - Projected FYE to be neutral, no surplus/shortfall
 - Planning and reporting
 - 6-month outlook will be developed
 - HSS is starting the FY 21-22, 22-23 budget setting process

Commissioner Scott pointed out the pharmacy rebates totaled \$2.36 million in the first five months. Chief Financial Officer confirmed the total rebates received to date and noted that the pharmacy rebates are normally received quarterly.

PUBLIC COMMENT: None

7. MAYOR'S BUDGET INSTRUCTIONS FOR THE SFHSS GENERAL FUND ADMINISTRATION BUDGET FOR FISCAL YEAR 2021-2022 AND FISCAL YEAR 2022-2023: (Discussion)

The Mayor's Budget Instructions for the SFHSS General Fund Administration Budget for FY 2021-22 and FY 2022-20223 can be located on the SFHSS website at <https://bit.ly/36hEjnU>

Chief Financial Officer, Larry Loo presented the following items:

- Mayor's Budget Outlook
- Five-Year Financial Plan Projection
- Two-Year Budget Shortfall
- Mayor's Budget Priorities & Instructions
- SFHSS FY 2021-22 and FY 2022-23 General Fund Administration Budget
- Department Requirement for Public Hearings Budgets
- Budget Schedule

Chief Financial Officer, Larry Loo pointed out that the Mayor's Budget Outlook projected annual net shortfalls for the 5 Year Projection and cumulative shortfall (\$653.2 million) for the Fiscal Year 2021-22 and 2022-23. Larry Loo also noted that the Mayor's Policy Priorities include supporting small business and economic recovery, programs with demonstrated outcomes centered around equity, implementing homelessness and mental health programming, and continuing to respond to COVID-19. Larry Loo said the Mayor's Instructions list a mandatory 7.5% reduction in the General Funds proposals, although the Health Service System may have more moderate reductions than 7.5%.

PUBLIC COMMENT: None

8. PRESENTATION OVERVIEW OF HEALTH PLAN UNDERWRITING: (Discussion)

The Overview of Health Plan Underwriting presentation can be located on the SFHSS website at <https://bit.ly/3pvcYXi>

Mike Clarke, Aon, presented the following items:

- Overview of Health Plan Underwriting-Contents
- Plan Funding Types
- Plan Types-Self-Funded
- Plan Types-Flex-Funded
- Plan Types-Fully Insured
- The Underwriting Process-Five Primary Steps
- The Underwriting Process-Who Performs Each Step
- Fully Insured Plan Underwriting Approaches

Commissioner Zvanski asked if the determined cost trends are based on national or regional areas. Mike Clarke, Aon, explained that Aon has a team of actuaries (Aon's "trend team") who track marketplace health care trend information from a wide variety of sources such as other consulting firms, health plans, industry organizations such as the Society of Actuaries and Kaiser Family Foundation. Aon also has a team of consultants who specialize in public sector clients, where information is gathered to understand specific trends within public sector organizations. Aon's trend team also tracks regional and local trend developments that inform recommended trend assumptions for specific geographies. This information is ultimately utilized by Aon in its SFHSS plan-specific trend assumptions for each Rates and Benefits cycle.

Commissioner Zvanski also asked what happens when there is substantial variation between plan options and cost trends. Mike Clarke explained that variations are addressed in the plan renewals process whereas Aon gathers SFHSS utilization and cost data from each health plan for the prior plan year, and that information combined with the health plan cost trend assumptions allows Aon to produce a rating recommendation for each SFHSS self-funded and flex-funded health plan, typically presented in May and June to the HSB each year.

Commissioner Zvanski asked how are specific populations-like school district employees or employees located in specific areas like Tuolumne- are included in the cost trend assumptions? Mike Clarke said specific plan experience of any subset of a population is not looked at as the data set may be too small, however, Aon can ask health plans for provider access information to identify the depth of available network providers in a specific geographic area. Mike Clarke said

Aon recently requested such information for United Healthcare Medicare Advantage Plan for Tuolumne County and can share that information.

Commissioner Scott asked when looking at the enrollment changes, does Aon look at the degree of persistency of the population in a health plan and how that correlates into the population profile element as part of the cost trend analysis. Mike Clarke stated Aon evaluates changes in both the overall headcount in a population as well as if there is any substantial demographic shift in population between the experience period and the projection period. Mike Clarke shared one area being explored is the plan migration that occurred in 2021 open enrollment and how that might impact next year's health plan cost forecasts.

President Follansbee asked if Aon had insight on the impacts of recent federal legislation that will require health plans to provide more transparent information around the cost of health care services, that ultimately go into effect in 2022. Mike Clarke stated that Aon is reviewing the specifics of the legislation and will share more information with the Health Service Board as developments continue.

PUBLIC COMMENT: None

Break: 2:50pm

Roll Call

President Stephen Follansbee, M.D.-present
Vice President Chris Canning-present
Commissioner Karen Breslin-present
Commissioner Mary Hao-present
Supervisor Dean Preston-excused
Commissioner Randy Scott-present
Commissioner Claire Zvanski-present

Rates and Benefits

9. PRESENTATION ON THE 2021 RATES AND BENEFITS CALENDAR FOR THE PLAN YEAR 2022 (Discussion)

The Rates and Benefits meeting calendar schedule for the 2022 plan year can be located on the SFHSS website at <https://bit.ly/3j3tlld>

Executive Director Yant shared the latest iteration of the Rates and Benefits calendar. Executive Director Yant reminded the Board that additional meeting dates are held for possible second meetings if more time is needed. Executive Director Yant stated an additional meeting may be needed in February for the Medical Plan Request for Proposal action item. Executive Director Yant also pointed out that this year will introduce experience presentations on all plans.

PUBLIC COMMENT: None

10. APPROVE THE JUNE 30, 2020 INCURRED BUT NOT REPORTED (IBNR) RESERVE AND CONTINGENCY RESERVE AMOUNTS FOR SELF-FUNDED AND FLEX-FUNDED HEALTH PLANS (Action):

June 30, 2020, Incurred But Not Reported (IBNR) Reserve and Contingency Reserve Amounts for Self-Funded and Flex-Funded Health Plans Report can be located on the SFHSS website at <https://bit.ly/39IzYIC>

Mike Clarke, Aon presented the following items:

- Background -Three Reserves for SFHSS Self-Funded/Flex-Funded Plans
- Today's Discussion-IBNR and Contingency Reserves
- IBRN Reserves as of June 20, 2020
- Contingency Reserves as of June 30, 2020
- Today's Recommendation

Commissioner Scott moved to accept the Aon actuarial recommendations of June 30, 2020, Incurred But Not Reported Reserve and Contingency Amounts for the Self-Funded and Flex-Funded Health Plans. Commissioner Hao seconded the motion.

PUBLIC COMMENT: None.

ACTION: The Health Service Board unanimously approved June 30, 2020, Incurred But Not Reported Reserve and Contingency Amounts for the Self-Funded and Flex-Funded Health Plans.

REGULAR BOARD MEETING MATTERS

11. APPROVAL OF THE JANUARY 2021 ADDENDUM TO PLAN YEAR 2021 SFHSS MEMBER RULES AND SECTION 125 CAFETERIA PLAN (Action)

The January 2021 Addendum to Plan Year 2021 SFHSS Member Rules and Section 125 Cafeteria Plan can be located on the SFHSS website at <https://bit.ly/36iqwh5>

Mitchell Griggs, Chief Operating Officer presented the following items:

- Addendum Purpose
- Revision of 2021 SFHSS Member Rules and Cafeteria Plan
- Revision of Carryover Provision for 2021 SFHSS Member Rules and Cafeteria Plan

Mitchell Griggs, SFHSS Chief Operating Officer explained that on December 27, 2020, President Trump signed into law the Consolidated Appropriations Act, 2021 (H.R. 133) which provides for government spending on coronavirus relief, including temporary rules that allow employers to provide additional flexibility for health and dependent care Flexible Spending Accounts (FSAs). Under the act, employers are permitted, but not required, to amend their cafeteria plans to allow changes to their administration of FSAs from the plan year 2020 and 2021. Mitchell Griggs further explained that three revisions are available for the Board to approve.

- (1) Employees eligible for SFHSS FSAs can make the following changes once: revoke an election, make a new election, or decrease or increase an existing election applicable to a Dependent care FSA on a prospective basis without a qualifying event

- (2) Extend the maximum age of eligible dependents from age 13 to 14 as long as the dependent reached the maximum age of 13 during the 2020 plan year;
- (3) Permit the carryover of unused amounts remaining in a Dependent Care FSA as of the end of a plan-year 2020 to pay or reimburse a participant for eligible dependent care expenses incurred during the 2021 plan year

Commissioner Zvanski stated she strongly supports the carryover provision as it will help members.

Commissioner Scott moved to approve the January 2021 Addendum to Plan Year 2021 SFHSS Member Rules and Section 125 Cafeteria Plan as presented. Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved the January 2021 Addendum to Plan Year 2021 SFHSS Member Rules and Section 125 Cafeteria Plan.

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

Sharen Stanek-Lowe, Delta Dental National Account Manager, shared an update on a member's concern. Sharen Stanek-Lowe stated:

“Five of the six dentists the member sought dental treatment from were and continue to be Delta Dental network providers. The member sought treatment from 2015 through 2019 from a nonparticipating provider, and thus claims were processed as out-of-network. We are working with Aon to provide the SFHSS Executive team more in-depth network reports. At this time, Delta Dental would like to assure the Board and the SFHSS enrolled members that our (the Delta Dental) network provides 99% access to contracted dentists and you can rest assure our network remains stable with little disruption. In other words, 99% of members have access to 2 contracted dentists within a ten-mile radius from their residence.”

Commissioner Breslin asked if there were any updates on the Delta Dental dentist retention rates. Sharen Stanek-Lowe said Delta Dental is working to provide more reports. Executive Director Yant added that this matter is being addressed to further understand the changes that may or may not be occurring.

Sharen Stanek-Lowe also thanked the SFHSS Board, Executive Team, and Staff for the opportunity to work together for the past three years. Commissioners thanked Sharen Stanek-Lowe for her work. Sharen Stanek-Lowe introduced Merriam Pabonan as the new National Account Manager going forward. Commissioners welcomed Merriam to the team.

PUBLIC COMMENT: None

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

PUBLIC COMMENT: None

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

PUBLIC COMMENT: None

15. ADJOURNMENT: 3:38 pm

Health Service Board and Health Service System Web Site: <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 read aloud by the Board Secretary up to the three-minute maximum allotted to each commenter. 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, 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.