

SFHSS Revised Health Sustainability Budget FYE 2025 and FYE 2026

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Background and Board Action

- Healthcare Sustainability Fund (HSF) was established under San Francisco City Charter Section A8.423
- The HSF budget covers annual activities and multiyear implementation of strategic initiatives to improve the member service experience, mitigate rising health care costs and invest in the Well-Being of all members.
- Accumulated funds are accessed for large one-time projects.
- The HSF budget was revised in response to reductions to the general fund by the Mayor
- Recommendation to the Board
 - APPROVE REVISED SAN FRANCISCO HEALTH SERVICE SYSTEM FYE 2025 AND FYE 2026 PROPOSED HEALTHCARE SUSTAINABILITY FUND BUDGET

HSF Budget Revisions

- Add \$600K in annual expenses for 2 positions and wellness activities removed from the general fund budget
- The updated 5-year projection shows that the HSF trust is stable through fiscal year 2027

HSF Budget and 5 Year Forecast

(\$ in thousands)

	FYE 2022-2023 Actual	FYE 2023-2024 Budget	FYE 2024 Projection	FYE 2024-2025 Budget	FYE 2025-2026 Budget	FY24-25 Projection	FY25-26 Projection	FY26-27 Projection	FY27-28 Projection	FY28-29 Projection
Sources										
Premiums	2,526	2,554	2,134	3,405	3,405	3,405	3,405	3,405	3,405	3,405
Other Revenue			1							
Carryforward	4,437	4,921	5,186	6,521	4,416	6,521	4,416	2,778	969	(975)
Total Revenue Sources	6,964	7,475	7,321	9,926	7,821	9,926	7,821	6,183	4,374	2,430
Uses										
Personnel	811	1,377	611	2,776	2,879	2,776	2,879	2,992	3,067	3,128
Administrative	10	46	(1)	44	44	44	44	45	47	48
Member Communications	495	668	(226)	701	709	701	709	730	752	774
Communications- Other	179	697	114	909	561	909	561	578	596	614
Well-Being	125	450	(91)	674	673	674	673	686	701	715
Initiatives to Reduce Health Care Costs	422	336	393	406	177	406	177	182	187	193
Total Expenditures	2,043	3,572	800	5,510	5,043	5,510	5,043	5,214	5,349	5,472
Revenues Less Expenditures	4,921	3,903	6,521	4,416	2,778	4,416	2,778	969	(975)	(3,042)
Changes										
Well-Being Personnel				355	368					
Well-Being other expenses				224	224					
Total Changes				579	592					