



Minutes

Regular Meeting

Thursday, March 9, 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, excused
Commissioner Sharon Ferrigno
Commissioner Stephen Follansbee, M.D.
Commissioner Gregg Sass

This Health Service Board meeting was recorded live by SFGovTV. Links to videotaped meetings and related materials are posted on the myhss.org website.

This meeting was called to order at 1:04 pm.

- 03092017-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Regular meeting of February 9, 2017Staff recommendation: Approve minutes.
Documents provided to Board prior to meeting:
Draft minutes.
 - Commissioner Lim moved to approve the regular meeting minutes of February 9, 2017.

- Commissioner Breslin seconded the motion

Public comments: None

Action: Motion was moved and seconded by the Board to approve the regular meeting minutes of February 9, 2017.

Motion passed 6-0.

- 03092017-02 Discussion item General public comment on matters within the Board's jurisdiction not appearing on today's agenda
Public comments: None.

RATES AND BENEFITS

- 03092017-03 Action item Presentation of 10-County Survey amount for 2018 plan year (Aon Hewitt)
Staff recommendation: Approve 10-County Survey amount.
Documents provided to Board prior to meeting: 2017 10-County Survey report.
 - Anil Kochhar, Aon Hewitt actuary, reported on the 10-County Survey for the 2018 plan year. He commended Yuri Gologorskiy (HSS Finance team) in collecting the data for the report.
 - The 10-County Survey amount for the 2018 plan year is \$649.17, which is a 7.33% increase over 2017 (or \$604.84).
 - Under current City bargaining agreements, the 10-County amount is not used to calculate the employer premium contribution for active employees. However, it is used to calculate the employer premium contribution for early retirees and post-65 retirees.
 - Commissioner Lim moved to approve the 2018 10-County Survey amount of \$649.17.
 - Commissioner Follansbee seconded the motion.Public comments: None.

Action: Motion was moved and seconded by the Board to approve the 2018 10-County Survey amount of \$649.17.

Motion passed 6-0.

□ 03092017-04 Action item

Presentation on Self-Funded program reinsurance (stop/loss) recommendation (Aon Hewitt)

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

- Anil Kochhar, Aon Hewitt actuary, reported on purchasing self-funded reinsurance for the 2018 plan year for the three (3) self-funded plans offered through the HSS Trust Fund:
 - UnitedHealthcare City Plan PPO;
 - Delta Dental of California PPO; and
 - Blue Shield of California Flex-Funded Plan
- Mr. Kochhar advised that additional external stop loss insurance was unnecessary for any of the HSS self-funded plans because each is adequately covered for excess losses through the Contingency Reserve Policy and the Self-Funded Plans' Stabilization Policy.
- See the Appendix for the Contingency Fund status of June 30, 2016.
- Aon Hewitt recommended that HSS not purchase additional external stop loss insurance for the 2018 plan year.
- Commissioner Sass moved to accept Aon Hewitt's recommendation to not purchase additional stop loss coverage for 2018.
- Commissioner Lim seconded the motion.

Public comments: None.

Action: Motion was moved and seconded by the Board to accept the actuarial recommendation to not purchase external stop loss insurance for any of the self-funded plans for the 2018 plan year.

Motion passed 6-0.

- 03092017-05 Discussion item Review Blue Shield 2016 flex-funded non-Medicare claims experience (Aon Hewitt)

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

- Anil Kochhar reported that one page of the report was updated and that he would highlight it at the appropriate time.
- Mr. Kochhar reported that Blue Shield of California's total expenses for 2016 increased 3% PMPM from 2015.
- 2016 Capitation claims decreased 4% from 2015.
- Pharmacy claims costs increased 8%.
- Administration costs decreased significantly due to the 2016 federal Health Insurance Tax ("HIT"), which resulted in an estimated refund to HSS by Blue Shield of \$9,934,909. Since it was waived by Congress, going forward, HSS will no longer be charged the HIT tax regardless of changes in Washington, D.C. (See page 3 of report.)
- The loss ratio for 2016 is 98.64% (ratio of total expenses to total revenue). (See page 4 of report for Blue Shield's 2016 flex-funded claims experience and page 5 for 2016 versus 2015 comparison.)

Public comments: None.

- 03092017-06 Action item Approve Blue Shield Rate Stabilization Reserve (Aon Hewitt)

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

- Anil Kochhar reviewed the Self-Funded Plans' Stabilization Policy, which applies to Blue Shield's flex-funded HMO plan. The policy requires an annual determination of the financial gain or loss for the self-funded plans. The difference between the expected versus actual plan cost is added to the existing stabilization reserve and amortized over a three-year rating period.

- The actual 2016 gain was \$4,158,000, which left a shortfall of \$327,000 to be added to the 2015 Stabilization Reserve.
- The calculated amount per the amortization policy to be applied to Blue Shield's 2018 rates (33% of stabilization reserve) is \$3,544,812. (See pages 5 and 6 of report for detailed rates calculations.)
- Mr. Kochhar reported that the Contingency Reserve had been updated on page 5 of the previous agenda item (Blue Shield's 2016 flex-funded non-Medicare claims experience), but that he had inadvertently omitted it from his presentation. He noted that the change did not affect anything that the Board would be voting on in this agenda item.
- Commissioner Lim moved to approve Aon Hewitt's recommendation to add \$3,544,812 across all rating tiers to Blue Shield's 2018 HMO Plan.
- Commissioner Breslin seconded the motion.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve Blue Shield's rate stabilization reserve in amount of \$3,544,812 to be applied to the 2018 rates across all rating tiers.

Motion passed 6-0.

□ 03092017-07 Action item

Addition of sperm freezing to infertility benefit
(Director Dodd)

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

- Director Dodd reported that after the passage of the comprehensive infertility and reproductive benefit last month, it was brought to her attention that the benefit focused on the female gender. She noted that men can sometimes become infertile after treatment for cancer or other issues. Therefore, she suggested including sperm freezing in the benefit coverage for up to one year. She noted that the benefit is related

specifically to physical illness. The member would pay for the freezing.

- Commissioner Follansbee moved that the Board approve a one-time benefit for the collection and freezing of sperm.
- Commissioner Lim seconded the motion.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the addition of a one-time benefit for collection and freezing of sperm for up to one year.

Motion passed 6-0.

- 03092017-09 Reordered Discussion item **Update on Gender Dysphoria benefits** (Director Dodd)
Documents provided to Board prior to meeting:
 1. Gender Dysphoria Benefits Coverage Update;
 2. Addendum – Gender Dysphoria benefits coverage;
 3. Draft Gender Dysphoria Benefit Policy Statement.
 - Director Dodd acknowledged Lee Hagy, William Kudenov and Michael Visconti for their work with HSS vendors in determining equity between medical providers in relation to gender dysphoria benefits (which includes transgender surgery and other transgender-related treatments). She also noted that UHC’s Director of Transgender Services was helpful in reviewing the standards of care.
 - Director Dodd reported that HSS was updating its transgender benefits in order to meet a standard of care, noting there is a lack of consistency across health plans. Many plans exclude transgender benefits; others include them.
 - On December 21, 2016, the World Professional Association for Transgender Health (“WPATH”) issued a position statement urging insurance carriers to “eliminate transgender or transsexual exclusions from policy documents and

medical guidelines,” and emphasized the following:

- Every patient will not have a medical need for identical procedures;
- Medical procedures attendant to gender affirming/confirming surgeries are not “cosmetic,” but are also understood to be medically necessary for the treatment of the diagnosed condition. (see page 9 of report)
- All three HSS vendors cover non-surgical gender confirming therapies, services or hormone treatment (as well as lab testing to ensure correct hormone levels). All three vendors cover GnRH analogs (puberty suppression drugs) as well as confirming lower body surgery.
- Director Dodd reviewed the “Gender Dysphoria Benefits Coverage Update,” which outlined current coverage offered to HSS members and recommended changes to plan coverage. The update outlined gender dysphoria in adults and children as well as treatments for each.
- Director Dodd provided a historical summary of HSS gender dysphoria services starting in 2001 when the benefit was approved by the Health Service Board (the first in the country by a large public employer). (See pages 7 and 8 of report.)
- Currently, there is a lack of consistency on gender dysphoria benefits across HSS plans. Director Dodd reviewed examples of HSS’ three medical plans for consistency with no recommended change, as well as other services offered with less consistency, which included recommendations to adopt plan offerings. (See pages 10-19).
- Director Dodd noted that where there were discrepancies between the gender dysphoria services offered by the plans, HSS recommended following Blue Shield’s offerings (which are reviewed for medical necessity). Kaiser Permanente covers some

services, however, UnitedHealthcare covers very few. (See highlighted items under Blue Shield on pages 12 to 19 for recommended plan offerings.)

- Commissioner Follansbee asked if medical necessity criteria had been established outside Blue Shield and how HSS would get all health plans to adopt the same medical necessity criteria.
- President Scott stated that it would be helpful to receive at least preliminary feedback from the health plans on medical necessity criteria to determine consistency and the process used (i.e., peer review panel) to encourage a balanced discussion.
- Director Dodd stated that she had not previously asked for medical necessity criteria but would follow up with Blue Shield for next month's meeting.
- HSS provided proposed recommendations for gender dysphoria coverage for the following reasons:
 - Ensure consistency across all HSS plans regarding the offering of gender dysphoria treatment benefits;
 - Prevent adverse selection across plans;
 - Retain HSS' progressive commitment to improving the well-being of employees, retirees and dependents.
 - The adoption of the above recommendations will align HSS health plans with WPATH's recommendations to eliminate gender dysphoria service exclusions.
- Recommendation 1: require all plans to adopt the approach currently taken by Blue Shield for gender dysphoria services. To ensure consistency, all plans would be required to review medical necessity for the injection of fillers or neurotoxins. (See page 21.)

- Recommendation 2: eliminate the \$75,000 lifetime cap for gender dysphoria benefits in UHC's MAPD plan.
- Recommendation 3: require parity in plans offering transgender and transplant services to cover travel and lodging expenses.
- Recommendation 4: Adopt the HSS draft Gender Dysphoria Benefit Policy Statement.
- HSS would request the implementation of transgender benefits by all plans by 2018, if possible. Blue Shield has already implemented the recommendations.
- Commissioner Lim asked if the number of transgender surgical claims year over year since 2006 could be provided at next month's meeting. If that data is unavailable, he asked for the dollar amount of transgender services minus the number of claims or surgical services.
- President Scott asked for a range of services (total cost of care) to be outlined in the benefits, such as counseling, etc., (not just surgeries). He suggested that the report be restricted to HSS and that only the summary data be made public. He asked the Deputy City Attorney for guidance on the subject.
- Erik Rapoport, Deputy City Attorney, stated that he would need to review the report to make a determination. Generally, unless the information is identifiable or needed for negotiating benefits, the report could be subject to Sunshine laws.
- Director Dodd stated that in order to provide the total cost of care, diagnosis codes would need to be identified and combined; however, only the total will be specified. She noted that the report can only provide current services, and not include projections.

Public comments: Theresa Sparks, Senior Advisor on transgender issues in the Mayor's Office, reported that she appeared before the Health Service Board in 2001, 2003 and 2005. She has been part of the City's evolution since the inception of transgender benefits in the early 2000s. She commended the

Health Service Board for its courage in 2001, 2003 and 2005, which led the revolution in this area nationwide and worldwide. She stated that more than 50% of Fortune 500 companies and most tech companies in Northern California and across the country cover the transgender benefits presented in Director Dodd's report. She also made reference to the recent Supreme Court filing related to allowing transgender children the use of restrooms appropriate to their gender identity. Amicus briefs were submitted by 59 cities across the country as well as 1,500 religious and faith leaders, and school districts nationwide.

Ms. Sparks reported that the Board held a spirited discussion in 2001 around this issue. At the time, the Board and actuaries thought everyone would want to utilize the benefit, if it were passed, and the City would become bankrupt as a result. As indicated in the actuarial numbers over the first three to five years, the City gained a substantial financial benefit because very few people chose to take advantage of the benefit.

The World Health Organization for Transgender Care has specific criteria for medical necessity, which is also the criteria prescribed by the American Medical Association and the American Psychiatric Association. There are actual standards for medical necessity. There is no difference between medical necessity for treatment for heart disease or transgender issues. A medical necessity, as defined, is a medical necessity.

Ms. Sparks expressed support for the transgender procedures mentioned in Director Dodd's update such as facial feminization surgery. She stated that TSA was profiling transgender people going through its machines with facial features inconsistent with their gender identity. The facial surgery would also address the ability of a transgender person to obtain employment as well as live their day-to-day lives.

Claire Zvanski, RECCSF President, recalled the transgender hearings, as a former Health Service Board member. She stated that the Board started the process in the early 1990s and held several forums on the subject. She stated that medical necessity also includes any psychological or mental

health benefits. At the time, the Board sought an overall contract that allowed all of the medical vendors to provide transgender benefits and keep costs at a minimum. She suggested that UHC check with Blue Shield and Kaiser to determine a center of excellence that all providers could recommend to provide consistency in services. She stated that over the years, she has watched the process and that medical and mental health providers have become very creative in their services for transgender individuals. That creativity can end by providing benefits openly.

□ Meeting Break

Recess from 2:44 to 2:50 pm

Commissioner Ferrigno departed the meeting during the break.

REGULAR BOARD MEETING MATTERS

□ 03092017-08
Reordered

Discussion item

Presentation of SimpleTherapy personalized pain recovery for possible addition to benefits (Helena Plater-Zyberk)

Documents provided to Board prior to meeting:

1. SimpleTherapy information brochure;
 2. CCSF Draft Marketing Plan;
 3. HSS pain/physical therapy utilization.
- Helena Plataer-Zyberk, SimpleTherapy CEO, reported that SimpleTherapy is an online physical therapy option for individuals experiencing muscle, joint and back pain available 24 hours/7 days a week. This online service allows unlimited access to safe, personalized exercise therapy in the comfort of one's home.
 - SimpleTherapy was founded in 2011 by a group of orthopedic surgeons and physical therapists and moved from New York City to Fremont, California one year ago.
 - SimpleTherapy incorporates 18-plus programs from head to toe. No prescription or equipment are required to participate. Exercises are performed with a pillow, towel

or chair in 15-minute sessions. Participants are asked a series of questions before beginning. Approximately 20% warrant in-person care, while 80% can immediately begin personalizing exercise selections after a two-minute Q&A.

- To date, 4,000 individuals nationwide have utilized SimpleTherapy. There have been no reported injuries or complaints. The average number of exercises sessions ranges between seven and 13. Over 70% of participants report significant pain recovery from SimpleTherapy, which is higher than the claims of efficacy of in-person physical therapy.
- SimpleTherapy has contracted with two of the five largest health insurance companies in the United States.
- In response to Commissioner Breslin's inquiry, Ms. Plater-Zyberk estimated that approximately 300-plus Californians have utilized SimpleTherapy. There are currently no public agencies participating in its program.
- Commissioner Follansbee asked for the percentage of the 4,000 participants who had sought in-person physical therapy first and SimpleTherapy second. He noted that in order to place value on the benefit, it would be helpful to know that information.
- Ms. Plater-Zyberk stated that she did not know the number of participants who had first sought in-person physical therapy before utilizing the services of SimpleTherapy. She noted that their insurer would have the information; however, that data had not been made available to her and most likely would not be.
- SimpleTherapy offers a basic program with 18 starting points. An office ergonomics program will be offered for individuals with desk-bound jobs. A fall and fracture prevention program for retirees will also be offered.

- SimpleTherapy provides quarterly and annual reports on outcomes.
- If the Board approves SimpleTherapy for the 2018 plan year, a free pilot of its fall and fracture prevention program will be offered to HSS retirees in September 2017.
- The cost of the SimpleTherapy program is \$0.29 PMPM effective January 1, 2018 or \$294,000 per month or \$358,000 per year.
- Director Dodd stated that the last page of the SimpleTherapy report was prepared by HSS Data Analytics on pain frequency and physical therapy utilization for all HSS patients. The HSS report is specific to the pain addressed by SimpleTherapy. The pain definition was limited to a narrow diagnosis of back/lower-back pain, joint disorders and carpal tunnel syndrome.
- Commissioner Follansbee asked if SimpleTherapy would be a duplication of benefits since HSS medical providers include physical therapy options or whether SimpleTherapy would contract with the providers.
- Ms. Plater-Zyberk stated that SimpleTherapy is currently working with two large insurers, although neither serves the HSS membership, so it would be a standalone program. SimpleTherapy could become a covered benefit under HSS medical providers, which would phase out its direct relationship with HSS.
- Commissioner Breslin expressed skepticism about SimpleTherapy's effectiveness for many of HSS' members; however, she could see it as an adjunct but not a substitute for in-person physical therapy.
- President Scott stated that some HSS health plans provide more active online services than others, and it would be helpful to see where overlap might occur with SimpleTherapy's approach.

Public comments: None.

- 03092017-10 Discussion item **President's Report** (President Scott)

Documents provided to Board prior to meeting:
None.

- President Scott stated that two upcoming agenda items had required substantive involvement on his part since the last meeting—the investment policy statement and the Executive Director job description and RFP. He also noted that other Board members had reviewed materials and provided suggestions to the documents. He thanked those members for their assistance.
- President Scott also reported on a California Healthcare Foundation online article regarding how the State of California would be impacted by the repeal of the Affordable Care Act with no replacement. The article estimated that 334,000 jobs would be lost in California with a revenue impact of approximately \$6.7 billion.
- President Scott requested that Aon Hewitt present a high-level review at the next Board meeting on the implications of the two bills passed by the House Commerce Committee and the Ways and Means Committee within the last 24 hours.

Public comments: None.

- 03092017-11 Discussion item **Director's Report** (Director Dodd)

- HSS Personnel
- Operations, Data Analytics, Finance/ Contracting, Communications, Well-Being/EAP
- 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, Well-Being and Employee Assistance Program;
3. SB-17 (Senator Hernandez);

4. SB-199 (Senator Hernandez)
5. Director Dodd letter to CMS re advance notice on 2018 Medicare Advantage rates.
 - Director Dodd presented her Director's Report, which may be viewed on myhss.org. Her report began at the end of her written memo to follow President Scott's request that the actuary present an ACA update at the next meeting.
 - Director Dodd referenced the federal update prepared by Lee Hagy, HSS Research Assistant, on the confirmation of Representative Tom Price on February 10, 2017 as the Secretary of the Department of Health and Human Services and the status of the ACA replacement. (See pages 5 and 6 of memo.) She stated that Lee Hagy's one-page memo would be distributed to the Board after the meeting.
 - Director Dodd announced that this would be her last report as HSS Executive Director and reviewed the department's regular items.
 - The Integrated Benefits Institute ("IBI") selected HSS' Well-being Program as a finalist for its 2017 Healthy Enterprise Management and Performance Award. This award will allow several HSS senior staff and Board members to attend IBI's March conference free of charge.
 - Director Dodd acknowledged UHC for attempting to contact 52 retirees in the Oroville dam flood area to ensure they had the resources needed to be safe in the event of a break in the dam.
 - The Dependent Verification Audit meeting scheduled with the Controller was attended by Mitchell Griggs instead of Director Dodd because her mother has passed away that morning.
 - On March 14, 2017, Director Dodd will turn 61. She stated that it was a privilege to serve the Board and addressed each member separately:

- Commissioner Scott's invaluable HR experience, his patient guidance and knowledge of Roberts Rules of Order were very much appreciated. Director Dodd has learned a great deal from Commissioner Scott and has relied on his wise counsel.
 - Commissioner Lim could always be relied upon to closely examine the budget and find innovative solutions to make changes and reduce costs, which was a tribute to his service on the Board.
 - Commissioner Sass held HSS to its principles in the budget process. He was always on top of every number.
 - Commissioner Ferrigno could always be counted on to inquire about the City of Novato and Marin County to make sure that those members had access to care.
 - Commissioner Follansbee has brought not only understanding of the health system but also medical expertise, and Director Dodd has benefitted from sitting next to him at Board meetings.
 - Commissioner Breslin has been diligent in her interest in well-being activities, nutrition, diabetes prevention and movement. There will be palliative care and nutrition counseling in the vendor contracts this year, which Commissioner Breslin has asked for. Director Dodd stated that over the years, she had not felt terribly respected by Commissioner Breslin, which is part of the reason for her departure. She expressed hope that the next director will be treated with more respect by Commissioner Breslin.
- Director Dodd stated that she and the vendors did not always agree, but they were able to create innovative programs, such as

the diabetic prevention program. She also expressed hope that the MAPD program is as successful as its start. She acknowledged the HSS vendors and representatives of the various organizations such as RECCSF and UESF.

- President Scott spoke on behalf of the majority of the Board in thanking Director Dodd for her consistent, professional and dedicated leadership for nearly a decade. He hoped to have more tangible way to recognize her service at a future meeting.
- Commissioner Sass stated that the Executive Director job description includes the comprehensive breadth and scope of the programs created by Director Dodd during her tenure. He thanked her for her service and stated that it will be a challenge to replace her.
- Commissioner Lim thanked Director Dodd for her service noting her vision and the excellence that she has brought to the Board and providing services to members.

Public comments: Herb Weiner, retired CCSF employee, thanked Director Dodd for her service. He also expressed appreciation for establishing the anti-bully workshops through the EAP. He hoped that the new HSS director would continue the anti-bully worksite sessions and work on legislation with Civil Service to prevent bullying at worksites throughout the City.

Claire Zvanski, RECCSF President, stated that Director Dodd was one of the best hires the Board has made. She stated that there had been four or five directors during her tenure on the Board and that Director Dodd raised the bar. She reflected on her work at the Board of Supervisors with Director Dodd in the 1980s, and welcomed her as an early retiree (and will send an application to join RECCSF). On behalf of the retirees, Ms. Zvanski thanked Director Dodd for her service. She stated that the retired firefighters greatly appreciated Director Dodd's assistance as well as the POA and other miscellaneous active employees. She stated that while there were a few individuals missing in the

audience, she knew they were grateful for Director Dodd's service over the years. She stated that the new UHC plan has benefitted retirees greater than anything that has been done in a very long time because there is now national service not previously available. Ms. Zvanski stated that members could not thank Director Dodd enough for all that she has accomplished.

- 03092017-12 Discussion item [HSS Financial Reporting as of January 31, 2017](#)
(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 January 31, 2017.
 - The projected balance in the Trust Fund through June 30, 2017 has increased to \$8.1M since the February report due to the refund of the HIT tax.
 - City Plan and Delta Dental's self-funded plan continue to experience unfavorable claims.
 - There have been no additional pharmacy rebates.
 - One application had been received for the surrogacy and adoption benefit, and was still under review.
 - The General Fund is projected to end the year on budget.

Public comments: None.

- 03092017-13 Action item

Approve San Francisco Health Service System Trust Fund Investment Policy Statement (President Scott)

Documents provided to Board prior to meeting:

1. Draft Investment Policy Statement;
2. California Legislature Government Codes.
 - President Scott asked Commissioner Sass, Chair of the Budget and Finance Committee, to preside over this agenda item.
 - Commissioner Sass reported on the revised Trust Fund Investment Policy drafted by Meketa Investment Group and approved by the Board on January 12, 2017, pending legal review. Subsequent to the meeting, the City Attorney engaged outside counsel to perform the legal review.
 - Commissioner Sass expressed appreciation to Pamela Levin, Catherine Dodd, the Health Service Board members and Pauline Max (Treasurer-Tax Collector's Office) for their input into improving the policy.
 - Commissioner Sass briefly reviewed the revised investment policy. Two new paragraphs were added to the revised policy:
 - Paragraph 2 provides definitions for many of the terms used in the policy.
 - Paragraph 6 enumerates the responsibilities of the various parties (Board, Controller, custodian, investment advisor and Treasurer).
 - Commissioner Breslin thanked Commissioner Sass for his extensive work on the investment policy.
 - Commissioner Scott moved to adopt the revised investment policy draft as distributed.
 - Commissioner Lim seconded the motion.

Public comments: None.

Action: Motion was moved and seconded by the Board to approve the draft Investment Policy for the SFHSS Trust Fund.

Motion passed 5-0.

- 03092017-14 Action item

Discussion and vote to approve Executive Director Job Description, Request for Proposals (“RFP”) and authorize the City’s Department of Human Resources to start the Executive Director job search, selection and recommendation process (President Scott)

Documents provided to Board prior to meeting:

1. Executive Director job description;
2. Request for Proposals.
 - President Scott provided an update on the HSS Executive Director job search. Since the last meeting, a job description and Request for Proposals (“RFP”) had been drafted and presented for the Board’s review. President Scott stated that he would rely on Erik Rapoport, Deputy City Attorney, and Christina Brusaca, DHR representative, to keep the Board within the bounds of the public reporting requirements as the process develops. Ms. Brusaca also attended this meeting.
 - President Scott reviewed the Executive Director job description. He noted that a suggestion had been made to reference “fiduciary capacity of the Executive Director,” and asked Erik Rapoport for guidance adding it.
 - Mr. Rapoport suggested that the word “fiduciary” not be included in the Executive Director’s job description as it creates certain legal obligations that are not necessarily applicable in this instance. He will review the appropriateness and report back to the Board. He stated that it was clear that Board members are fiduciaries; however, he was unsure whether the Executive Director is.
 - President Scott inserted the following two revisions into the Executive Director job description as suggested by one of the Board members:
 - Page 1, last paragraph, end of first sentence: insert the words, “the City

and County of San Francisco Charter provisions.”

- “Successful Applicant will have:” **NEW BULLET:** “Working knowledge and over time an acquired expertise in the City and County of San Francisco Charter provisions as applicable to SFHSS.” (Page 4)
- President Scott suggested inserting the following language into the RFP: “The position is appointed by and reports to a seven-member Health Service Board, who are both elected and appointed, which meets on a monthly basis.” He stated that the language was in the job description and thought it would be useful to be included in the RFP as well.
- President Scott also suggested that the minimum qualifications, education, job experience and substitution language on page 4 of the job description also be included in the RFP so that both documents are consistent.
- Christina Brusaca reported that once the Board adopted the Executive Director job description and RFP, she would issue a solicitation to a list of pre-approved recruiters. The proposals would be due to her attention by noon on April 28, 2017.
- President Scott emphasized that all questions regarding the Executive Director search should be directed to Ms. Brusaca, and not individual Board members, legal counsel or the former director.
- Commissioner Sass suggested that the baccalaureate degree be a minimum educational requirement and not reduced under any circumstance. He also recommended substituting up to two years of experience, instead of education, in employee health plan administration.
- Commissioner Sass moved to approve the Executive Director job description and RFP with edits as discussed.

- Commissioner Follansbee seconded the motion.

Public comments: Herbert Weiner, retired City employee, suggested that the Executive Director's educational qualifications include a Master's Degree in Social Work with a background in medical social work. He reiterated his previous comment that the HSS Executive Director develop an anti-bullying policy at the worksite and City agencies as well as a Charter amendment. He stated that anti-bullying legislation has been introduced in other counties across the United States, and that the Health Service Board should be able to implement it through the Department of Human Resources.

Action: Motion was moved and seconded by the Board to approve the HSS Executive Director job description and RFP as edited.

Motion passed 5-0.

□ 03092017-15 Action item

PUBLIC EMPLOYEE APPOINTMENT: Vote on whether to hold closed session regarding appointment of San Francisco Health Service System Acting Executive Director (President Scott)

Staff recommendation: Hold closed session.

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

- Commissioner Breslin moved to go into closed session regarding the appointment of an Acting Director for the San Francisco Health Service System.
- Commissioner Lim seconded the motion.

Action: Motion was moved and seconded by the Board to hold a closed session to appoint an Acting Director for the San Francisco Health Service System.

Motion passed 5-0.

Government Code Section 54957(b)(1) and San Francisco Administrative Code Section 67.10(b): PUBLIC EMPLOYEE APPOINTMENT

- 03092017-16 Action item PUBLIC EMPLOYEE APPOINTMENT: Vote to approve San Francisco Health Service System Acting Executive Director (President Scott)
- Documents provided to Board prior to meeting:
None.

Reconvene in Open Session

- 03092017-17 Action item PUBLIC EMPLOYEE APPOINTMENT: Possible report on action taken in closed session (President Scott)
- Commissioner Follansbee moved to publicly disclose the Board's decision regarding action taken in closed session.
 - Commissioner Breslin seconded the motion.
- Public Comments: None.
- Action: Motion was moved and seconded by the Board to publicly disclose the Board's decision on the action taken in closed session.
- Motion passed 5-0.
- President Scott reported that the Board appointed Mitchell Griggs as the Acting Executive Director of the San Francisco Health Service System. He stated that he had previously spoken with Mr. Griggs about the appointment. He stated his hope that Mr. Griggs' appointment would not be a burden beyond his willingness and competence, and that Mr. Griggs was brilliant and steadfast. President Scott stated that he would be in discussions with Mr. Griggs and Pamela Levin, CFO, about how to approach the interim period of time.
 - Mr. Griggs thanked the Board for its vote of confidence and support, and stated that he will continue to serve the Board as he has for

five years, as well as provide superior customer service to the HSS membership. He assured the Board that he would continue the momentum started by Director Dodd, noting that he had learned much more than he thought possible from her.

- The effective date of Mr. Griggs' appointment would be March 15, 2017.

□ 03092017-18 Action item

Vote to elect whether to disclose any or all discussion held in Closed Session (President Scott)

- Commissioner Follansbee moved to not disclose the discussion held in closed session.
- Commissioner Lim seconded the motion.

Public Comments: None.

Action: Motion was moved and seconded by the Board not to disclose the discussion held in closed session.

Motion passed 5-0.

□ 03092017-19 Discussion item

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

Public comments: None.

□ 03092017-20 Discussion item

Opportunity to place items on future agendas

- Commissioner Follansbee stated that he received a report from the California Medical Association for calendar year 2015 and requested response from HSS medical providers regarding some of the issues raised in the report. He noted that the 2016 report will not be released until March 31, 2017.
- President Scott suggested that Commissioner Follansbee's inquiry be made through the HSS Executive Director and that the medical plans respond at the May meeting.

Public comments: None.

- 03092017-21 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

Public comments: Claire Zvanski, RECCSF President, asked for clarification on the HSS Executive Director search process. She also suggested that the Board use a broader picture in its search for an Executive Director in considering substitutions in education. She stated that there might be excellent candidates with phenomenal experience and connections but not in possession of a baccalaureate degree. She stated her own experience in the workforce wherein some candidates had the abilities, skills and experience to perform the job, but did not have a BA (most candidates possessed an AA instead). She found that those individuals were more competent than many who had the sheepskin. She asked the Board to rethink and open its consideration and not exclude potential candidates, who can be eliminated at the end of the process.

President Scott clarified that DHR will submit the RFP to all pre-approved CCSF vendors. A couple of Board members will review the vendor responses with DHR and bring a recommendation back to the full Board to vote on awarding the contract. The selected firm will meet with constituent groups, Board members, etc., and candidates will be sought as a result.

- Adjourn: 4:52 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) 554-1722 or email at laini.scott@sfgov.org.