

Health Service System Medicare Plan Request for Proposal (RFP) for the 2025 Plan Year

November 9, 2023

Presenters:

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Introduction to SFHSS MA RFP for the 2025 Plan Year

Current RFP

- Aug. 13, 2023 – HSB Annual Review for Consideration of Competitive Bids
- Sept. 10, 2023 – Announcement of Medicare Plan RFP for the 2025 plan year
- Nov. 9, 2023 – HSB input into the Scope of Work for the pending Medicare RFP

SFHSS Health Plan RFP Past Practice

- Aug. 13, 2020 – Introduction of the RFP Process for Active and Early Retiree Medical Plans for the 2022 Plan Year to the HSB
- Sept. 3, 2020 – Governance Meeting Reviewed Rational and Timeline
- Sept. 10, 2020 – HSB discussion of the competitive bid process for the Active and Early Retiree Medical Plan:
- Feb. 11, 2021 – HSB approves contract selected through the RFP process and recommended by staff.

Current SFHSS Medicare Plans:

- UnitedHealthcare MAPD PPO
 - available to Medicare-eligible Members in all geographies since 2016
 - 17,309 covered lives¹

- Kaiser Permanente Senior Advantage HMO
 - available to Medicare-eligible Members in most CA locations since before 1999, and in most WA, OR, and HI locations since 2018.
 - 14,197 covered lives¹

¹ 2023 SFHSS Demographic Report, February 8, 2023

Expected Outcomes

- Material impact to City budget/participating Employers contributions through MAPD PPO RFP
- Comparable or improved provider network
- Identical or enhanced benefit designs
- Alignment with SFHSS Strategic Plan

Agenda

- Expected Outcomes
- Material Budget Impact
- RFP Scope
- Eligibility and Qualifications to Bid
- RFP Schedule
- Conclusion
- Discussion

Expected Outcomes - Material Budget Impact

- 2024 Premium Contributions for City/Participating Employers¹
 - Total (MA) Premium: \$117M
 - Employer Contribution: \$104M (89%)

	UHC MAPD (PPO)	KPSA (HMO)
Rate/month (2024) ¹	\$514.31	\$322.83
Change (2023→2024) ¹	+15.0%	+6.2%

- Updated Medicare RFP Schedule:
 - December 2023: Issue MAPD (PPO) for Plan Year 2025
 - May/June 2024: Present results of MAPD (PPO) RFP to the Board
 - June - September 2024: Assess MA HMO RFP for plan year 2026

¹ Source: San Francisco Board of Supervisors, Financial Projections, June-July 2024.

RFP Scope

- PPO population (17,309 covered lives)
- Medicare (Part A & B; Part B-only)
- Three- to five-year rate commitment
- Non-Medicare “Companion” plan administration
- Robust and stable provider network
- CMS innovation and value-added programs (meals, transportation, OTC allowance, dental, fitness programs)
- Comparable formulary and assessment of alternative formulary approaches
- Increased transparency into rates, costs, CMS revenue amounts and claims

RFP Scope (continued)

- Best-in-class
 - medical care management
 - preauthorization/utilization management
 - concurrent review (inpatient)
 - case, demand, population, disease and co-morbidity management

- Experience in transitioning retirees and their dependents

- Support SFHSS in Member-outreach prior to Medicare eligibility

- Leading subject-matter expertise in Medicare plan administration

Eligibility and Qualifications to Bid

- Prior experience with a diverse public sector MAPD population.
- Ability to meet the CMS waiver requirements to offer the “Passive PPO” product.
- Provide a gain-sharing agreement.
- Support our Medicare Parts A & B and Part B Only Members (MAPD plan) and non-Medicare family members (split families) through commercial coverage.
- Meet or exceed commitments to financial transparency, the SFHSS Strategic Plan, reporting, and standard City contractual terms and conditions.

RFP Schedule

Date(s)	Activity
Nov. 9 – Dec. 7, 2023	Collection of Board and stakeholder input
December 8, 2023	Release of Medicare RFP
December 15, 2023	Pre-Proposal Conference (12-1pm PT)
December 19, 2023	Deadline for Notice of Intent, Non-Collusion Affidavit, NDA ¹
January 9, 2023	Deadline for non-financial questions
January 19, 2024	Responses to non-financial questions posted ²
February 6, 2024	Deadline for Non-financial Proposals
March 15, 2024	Deadline for financial questions
April 9, 2024	Deadline for Financial Proposals (post- CMS final notice)
April/May 2024	Responses to Financials and Requests for Clarification
May/June 2024	Health Service Board Meeting Presentation(s)

¹ Following receipt of NDA, SFHSS will release census and claims experience

² Questions will be answered on a rolling basis though Addenda posted to SFHSS.org

Conclusion

The RFP process will run from November 2023 through May and June 2024 when SFHSS will present the results of the RFP and its recommendation to the Health Service Board for HMO and PPO Medicare Plans for the 2025 Plan Year.

Health Service Board Discussion

Questions and Answers