



HEALTH SERVICE BOARD CITY & COUNTY OF SAN FRANCISCO

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HEALTH SERVICE BOARD **FINANCE AND BUDGET COMMITTEE**

MEETING MINUTES DRAFT

Wednesday, February 9, 2022

REGULAR MEETING AT

12:00pm

VIRTUAL PRESENTATION BY WEBEX

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 Noon on February 9, 2021

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

Public Comment Call-In: 415-655-0001 / **Access Code:** 2491 484 1791

Providing Public Comment:

1. Dial **415-655-0001** and then enter access code **2491 484 1791** 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 comments 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 Tuesday, January 8th** before the meeting. Members can also call 628-652-4646 with any questions.

All comments received by the deadline will be forwarded to Board members, summarized and read aloud by the Board Secretary during the specific agenda item, and included in the meeting minutes. 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.

The Health Service Board Finance Committee meeting recording is available on the [February 9, 2022 Finance and Budget Committee meeting webpage](#), and visit the [SFGovTV webpage](#) for a full record of Regular Board meeting archives.

1. **CALL TO ORDER:** 12:02 pm

2. **ROLL CALL:**

Committee Chair, Mary Hao-Present
Commissioner, Karen Breslin-Present
Vice President, Chris Canning-Present

3. **APPROVAL OF SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2022-23 AND FISCAL YEAR 2023-24 PROPOSED GENERAL FUND ADMINISTRATIVE BUDGET: (Action)**

The San Francisco Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed General Budget Fund Administrative Budget Memo and Presentation are available on the SFHSS webpage <https://bit.ly/3LT88yj> and <https://bit.ly/3BFJ35z>.

Iftikhar Hussain, SFHSS Chief Financial Officer, presented the following items:

- Background and Board Action
- Mayoral Priorities and Instructions
- Mayor's Fiscal Outlook
- Mayor's Financial Forecast
- HSS Impact on SF City and County Budget
- General Fund Budget before Requests to Mayor
- General Fund- Labor and Benefits
- General Fund-Non-Labor
- General Fund Requests to Mayor's Office

Iftikhar Hussain reminded Committee members the proposed budget outlines a two-year proposal and upon approval, today will be submitted to the Mayor's Office. Iftikhar Hussain said the Board will be updated with any revisions from the Mayor's Office. Iftikhar also shared the Mayor's Office did not ask for reductions but did require proposals to stay within department budgets. Iftikhar reiterated the Mayor's priorities: to restore San Francisco's vibrancy, the recovery of the economy, with a focus on core services delivery, accountability, and equity in programming.

Iftikhar outlined the four areas where HSS impacts the City and County Budget: 1. SF City and County Non-Pension Benefits, 2. General Fund, 3. Health Sustainability Fund, and 4. the Trust Fund. Iftikhar pointed out that in the Labor and Benefits category, there are no changes to the number of Full Time Employees (FTS) and within the non-labor category the main expenses include the actuarial services, and the Employee Assistance Program (EAP).

Iftikhar explained the two requests for the General Fund 1. enhancements for First Responders EAP services, including the Sheriff, Fire, and Police, and 2. transition the Wellness and Communication from the Healthcare Sustainability Fund to the General Fund, done over a three-year period, which would allow continued investment and ability to take on new projects.

Commissioner Breslin moved to approve the San Francisco Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed General Budget Fund Administrative Budget. Vice President Canning seconded the motion.

PUBLIC COMMENT: None

ACTION: The Finance Committee unanimously approved the Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed General Budget Fund Administrative Budget as presented.

4. APPROVAL OF SAN FRANCISCO HEALTH SERVICE SYSTEM FISCAL YEAR 2022-23 AND FISCAL YEAR 2023-2024 PROPOSED HEALTHCARE SUSTAINABILITY FUND BUDGET: (Action)

The San Francisco Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed Healthcare Sustainability Fund Budget Memo and Presentation are available on the SFHSS webpages at <https://bit.ly/3hpgEkd> and <https://bit.ly/3hpgJ7v>.

Iftikhar Hussain, SFHSS Chief Financial Officer, presented the following items:

- Background and Board Action
- HSS Impact on SF City and County Budget
- Outcome Improvements Related to HSF Projects
- SF City and County Benefits
- Wellness and Communication Programs Increase Engagement and Lower Costs
- HSS Wellness and Communication Plans are Effective
- Advancing Adoption of eBenefits
- HSF Budget Summary
- HSF Budget Labor
- HSF Budget Expenses by Initiative
- Requests to Mayor's Office

Iftikhar Hussain, SFHSS Chief Financial Officer, stated the Healthcare Sustainability Fund (HSF) was established under the City Charter and focuses on initiatives to improve member experiences, mitigate the rising healthcare costs and invest in the well-being of members which effectively would lead to lower costs. Iftikhar reviewed the budget summary, including budget labor expenses by initiative. Iftikhar pointed out the Healthcare Sustainability Fund 2024 ending balance would be down to \$296 million, near depletion, and would need to transition costs to the General Fund budget to find additional sources for the fiscal year 2025. Iftikhar said the proposal includes a request to transition the Wellness and Communication initiatives from the Healthcare Sustainability Fund to the General Fund.

Committee Chair Hao and Vice President Canning thanked Iftikhar for the informative presentation. Committee Chair Hao noted that the fund is performing better than the benchmarks but the fund is running out of money. Commissioner Breslin asked for clarity on the budget request to move funds. Iftikhar Hussain explained the goal would be to transition the communication and well-being initiatives that produce results and should be ongoing, thus supported through the General Fund. Iftikhar further explained the transition would free up funds for future projects and create a surplus in the fund. Commissioner Breslin specified that the funds don't transfer. Iftikhar Hussain confirmed the activities transfer.

Vice President Canning moved to approve the San Francisco Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed Healthcare Sustainability Fund Budget as presented. Commissioner Breslin seconded the motion.

PUBLIC COMMENT: None

ACTION: The Budget and Finance Committee unanimously approved the San Francisco Health Service System Fiscal Year 2022-23 and Fiscal Year 2023-2024 Proposed Healthcare Sustainability Fund Budget as presented.

5. GENERAL PUBLIC COMMENT – An opportunity for members of the public to comment on any matter within the Board’s jurisdiction that is not on the agenda, including requesting that the Board place a matter on a future agenda.

PUBLIC COMMENT: None

SFHSS Executive Director Yant acknowledged Iftikhar Hussain for effectively and efficiently stepping in to assemble the budgets amid a new citywide budget system. Executive Director Yant said it’s been a pleasure to work with Iftikhar Hussain and he is leading the way to ensure the enhancements through the Mayor’s Office. Committee Chair Hao thanked Iftikhar Hussain for his first Budget and Finance Committee presentation and also acknowledged his effort to present the two budgets.

6. ADJOURNMENT: 12:34 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 forwarded to Board members, summarized and read aloud by the Board Secretary during the specific agenda item, and included in the meeting minutes. 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, at 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.

1145 MARKET STREET 3RD FLOOR, SAN FRANCISCO, CA 94102

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.