



# HEALTH SERVICE BOARD

## CITY & COUNTY OF SAN FRANCISCO

**Mary Hao**  
President

**Claire Zvanski**  
Vice President

**Jack Cremen**  
Commissioner

**Supervisor Matt Dorsey**  
**District 6**  
Commissioner

**Art Howard**  
Commissioner

**Gregg Sass**  
Commissioner

**Fiona Wilson, MD**  
Commissioner

**Rey Guillen**  
Interim Executive Director  
Health Service System

**Holly Lopez**  
Executive Secretary

TEL (628) 652-4646  
<http://www.sfhss.org/>

## **HEALTH SERVICE BOARD**

### **REGULAR MEETING MINUTES **DRAFT****

Thursday, April 10, 2025, 1:00 p.m.  
City Hall, Room 416  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

and

VIRTUAL PRESENTATION BY SFGOV TV and Webex

## Remote Meeting Access

The Health Service Board welcomes public participation during public comment periods. There will be an opportunity for the general public to comment at the beginning of the meeting and on each discussion or action item on the agenda. Each comment is limited to 3 minutes, and the Chair may, at their discretion, limit public comment to less than 3 minutes per member of the public. For those attending remotely, the Commission will hear up to 30 minutes of remote public comment total for each agenda item. Remote public comment from people who have received an accommodation due to disability will not count toward the 30-minute limit. Remote viewing may not be available due to technology outages.

**Watch at 1:00 p.m. on April 10, 2025 (via [SFGovTV schedule](#))**

**Click the link to join the meeting – [April 10, 2025 HSB Regular Meeting WebEx link](#)**

**Public Comment Call-In: 415-655-0001 / Access Code: 2660 827 0012 Webinar Password: 1145**

### Listening to the meeting via phone

1. Dial into **415-655-0001** and then enter **access code** 2660 827 0012#, then # again
2. Press \*3 to enter the Public Comment queue, and you will hear the prompt, “You have raised your hand to ask a question; please wait to speak until the host calls on you.” When the system message says, “Your line has been unmuted,” - **THIS IS YOUR TIME TO SPEAK.**
3. You will be muted when your time to speak has expired.

### Watching the meeting on WebEx

1. Join via hyperlink [April 10, 2025 HSB Regular Meeting WebEx link](#)
2. Webinar Password: 1145
3. **Click on the Raise Hand Icon** to be placed in the queue to speak. A raised hand will appear next to your name. When you are unmuted in the system, a request to unmute will appear on your screen, please select unmute to speak.
4. When you are unmuted in the system, a request to unmute will appear on your screen, please select unmute to speak. Once you hear me say “Welcome Caller,” you can begin speaking.
5. When your time has expired, you will be muted. Please click on the Raise Hand Icon to lower your hand.

Members of the public are encouraged to state their name clearly, although you may remain anonymous. You will hear an audible warning when you have 30 seconds remaining. When your 3 minutes have ended, you will be placed back on mute.

### 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](mailto:health.service.board@sfgov.org) and **received by 5 p.m. on Wednesday, April 9, 2025**, 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, and the Board Secretary will note on the record during the specific agenda item that the Board received written public comment on that item and will include that note in the meeting minutes. In the body of your email, indicate the meeting date and the particular agenda item number. If you do not specify an agenda item, your emailed public comment will be read under general comment.

1145 MARKET STREET 3<sup>RD</sup> FLOOR, SAN FRANCISCO, CA 94103

1. **CALL TO ORDER:** 1:04 p.m.

2. **ROLL CALL:**

President Mary Hao- Present  
Vice President, Claire Zvanski- Present  
Commissioner John Cremen- Present  
Supervisor Matt Dorsey- Present  
Commissioner Art Howard- Present  
Commissioner Gregg Sass- Excused  
Commissioner Fiona Wilson, MD.- Excused

3. **GENERAL PUBLIC COMMENT - This is 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:**

Dennis Kruger, representing active and retired firefighters and their spouses: Raised a concern about audibility during meetings. He requested that Board members speak closer to their microphones throughout the meeting to ensure everyone.

Fred Sanchez, President of Protect Our Benefits: Expressed strong support for HSS leadership. He praised the productive meetings between HSS and Blue Shield, noting they were collaborative and attended by multiple senior advocacy groups. He emphasized that trust was being rebuilt, past mistakes were acknowledged, and advocacy groups felt encouraged by the current direction.

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

[See pdf of March 10, 2025, Health Service Governance Committee Meeting Minutes Approved](#)  
[See pdf of March 13, 2025, Health Service Board Regular Meeting Minutes Approved](#)

Commissioner Cremen moved to approve the March 13, 2025, Health Service Board Regular Meeting Minutes and the March 10, 2025, Health Service Board Governance Committee Meeting Minutes. Commissioner Zvanski seconded the motion.

**PUBLIC COMMENT:** None

**VOTE:** Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION:** The Health Service Board unanimously approved the March 13, 2025, Health Service Board Regular Meeting Minutes and the March 10, 2025, Health Service Board Governance Committee Meeting Minutes.

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

President Hao expressed her appreciation that all members completed their Form 700 filings and requisite trainings. She noted that, as a result, the group was able to meet and take action. Additionally, she mentioned that later in the agenda, the Board would have the opportunity to welcome a new member-the Controller's new appointee to the Health Service Board.

**PUBLIC COMMENT:** None

## **6. DIRECTOR'S REPORT: (Discussion)**

[See pdf of the April 10, 2025, Director's Report](#)

Rey Guillen, SFHSS Interim Executive Director, presented the following items:

- Staff Appreciation Week
- Life/Disability Request for Proposal RFP Update
- Black-Out Notice Continues
- Health Value Initiative (“HVI”) Benchmarking Study
- Health Service Board 2025 Election
- Personnel Updates
- Progress Report on Operations Initiatives

President Hao asked a question regarding the HVI report under the financial index. She expressed her satisfaction that SFHSS performed better than average, but wanted to understand what factors contributed to that performance. Rey Guillen explained that the report focused on the value derived from each healthcare dollar spent. He noted that SFHSS members generally paid lower out-of-pocket costs-such as copayments, coinsurance, and deductibles-compared to members of other agencies. He emphasized that the plan benefit levels were richer than those typically available in the marketplace, which contributed to the higher value. Mike Clarke, Aon, stated that 97% of SFHSS active employee members were enrolled in HMO plans, a significantly higher proportion than average. He highlighted that this allowed members to benefit from integrated care through providers such as Kaiser, Blue Shield, and Health Net Canopy Care. Although healthcare spending per covered employee in Northern California was generally higher due to regional cost dynamics, he believed the study demonstrated that integrated care within HMO platforms was a key factor in achieving high efficiency and value.

PUBLIC COMMENT: None

## **7. SFHSS FINANCIAL REPORT AS OF FEBRUARY 28, 2025: (Discussion)**

[See the pdf of the SFHSS Financial Report as of February 28, 2025, memo](#)

[See the pdf of the SFHSS Financial Report as of February 28, 2025, presentation](#)

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

- SFHSS Financial Report Highlights
  - Employee Benefit Trust Fund
  - Healthcare Sustainability Fund
  - General Fund Administrative Budget
  - Audit and Compliance

President Hao asked when the annual audit results would be available. Iftikhar Hussain said the external audit results are presented to the Board in November.

PUBLIC COMMENT:

## **8. BLUE SHIELD MEDICARE ADVANTAGE PPO TRANSITION UPDATE: (Discussion)**

[See pdf of the Blue Shield Medicare Advantage PPO Transition Update presentation](#)

Rey Guillen, SFHSS Interim Executive Director, Michael Visconti, SFHSS Contracts Administration Manager, Anne Thompson, Aon Senior Vice President, Rob Smith, Blue Shield of California Senior Director-Medicare, Charles Lee, Blue Shield of California Senior Account Manager, presented the

following items:

- SFHSS Updates: Call Metrics, Review of BSC Medical Design and Post Implementation Audits
- Blue Shield Updates: BSC Call Metrics, Transition-Related Issues, Normal Health Plan Administrative Activities, Update on American Specialty Health, Commitment to Member Engagement, Rules of Medicare Advantage Plans Administration, Understanding Prior Authorizations
- Closing Remarks

Anne Thompson reported on customer service performance (slide 17), noting that 97% of member calls were resolved within two days, surpassing Blue Shield's internal goal of 90%. She also stated that 90% of emails were being responded to within two business days, which fell short of the 100% internal objective. She acknowledged areas for improvement in average speed to answer, call abandonment rate, and telephone service factor in January, but noted these metrics improved in February. President Hao asked whether "first call resolution" referred to the first call ever from a member or the first call regarding a specific issue. Anne Thompson clarified that it referred to the first call on a specific issue.

Commissioner Cremen shared a personal experience with the concierge service. He stated that while the initial representative was helpful and answered promptly, she could not resolve his claim issue, and transferred him to the claims office. He was placed on hold for an hour and a half before the call was disconnected, which he found frustrating.

Vice President Zvanski asked whether the in-home visit program was being expanded. Charles Lee clarified that the program was already available to all HSS retirees and the entire member population. He explained that the in-home visit serves as a baseline for gathering information each year. He noted that additional, condition-specific programs build on that baseline and target specific groups. He also mentioned that there is an incentive for members to participate in the in-home visit at the start of the year, which helps guide them toward other relevant health programs.

Rey Guillen, SFHSS Interim Executive Director, shared that HSS is a learning organization and will continue to work with retiree stakeholder groups who offer input on how plans align with members' needs and perspectives. Vice President Zvanski asked whether other retiree groups, such as retired firefighters, were also being included. Rey Guillen confirmed that HSS had built relationships with groups like RECCSF and that representatives from various retired safety groups had participated in recent meetings. He clarified that the outreach would include more retiree stakeholder organizations, not just Protect Our Benefits.

Commissioner Howard shared a personal experience with Blue Shield reassigning him to a provider he did not choose after his original provider retired. He expressed appreciation for the new process in place to address such situations. He then raised a broader concern about the limited availability of inpatient residential treatment facilities for chemical dependency that accept Medicare, which has been an ongoing issue for retirees. He asked whether HSS and its partners could identify local facilities that accept both Medicare and HSS insurance for this type of treatment. Rey Guillen responded that he did not have an immediate answer but committed to collaborating with Aon and Blue Shield to address the issue and report back.

President Hao acknowledged that there would be a transition away from monthly report presentations, as previewed in the previous meeting. However, she noted that the Board would still feel comfortable raising any issues that arise, even without a formal report.

**PUBLIC COMMENT:**

Fred Sanchez, President of Protect Our Benefits: Highlighted that stakeholder meetings allow for deeper issue discussion than Commission meetings and stressed the importance of continued monthly stakeholder meetings.

Lois Scott, Vice President of Protect Our Benefits: Expressed appreciation for the progress made and expressed enthusiasm for the new plan navigation guide. She raised concern about Medicare Advantage marketing leading seniors who unknowingly lose their coverage. She emphasized the need for more education on this issue and suggested it be addressed in future navigation materials or through potential state legislation.

Anonymous: Expressed appreciation for the progress made during the transition and raised a question about the Renew Active fitness program mentioned in the presentation, noting it was listed as included but the understanding was that it is not.

Herbert Weiner: Acknowledged the progress made and praised Blue Shield's responsiveness, expressed concern over the case-by-case handling of benefit transitions, noting it slows service and burdens staff.

Rey Guillen said that any systemic issues related to the transition or plan setup are handled comprehensively by Blue Shield. He gave an example of how Blue Shield resolved a \$100 facility fee issue by working with providers to waive the fee. Blue Shield is working on refunding affected members. However, for administrative issues like incorrect provider coding, he explained that they must be handled on a case-by-case basis due to the nature of the problem, as it involves individual members. He reassured the Board that Blue Shield addresses these matters holistically when possible.

**9. SFHSS 2024 ANNUAL REPORT: (Action)**

[See pdf of the SFHSS 2024 Annual Report](#)

[See pdf of the SFHSS 2024 Annual Report Summary](#)

Rey Guillen, SFHSS Interim Executive Director, presented the following items:

- Who We Are and SHFSS Mission
- 2024 by the Numbers
- 2023-25 Strategic Plan
- 2024 Strategic Initiatives

Vice President Zvanski asked whether any comments had been received from the Board of Supervisors or City Hall administrators regarding the report and its significant savings. Rey Guillen responded that the report had not yet been filed, but once the Board approves it, it will be forwarded to the Mayor's Office and the Clerk of the Board of Supervisors.

Vice President Zvanski moved to approve the San Francisco Health Service System Annual Report. Commissioner Cremen seconded the motion.

**PUBLIC COMMENT:**

Fred Sanchez, Protect Our Benefits: Expressed appreciation for the workload at HSS, noting the high volume of calls- noting that 44,000 calls per year is about 169 per day. He emphasized this should be considered when evaluating staffing needs.

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved the San Francisco Health Service System 2024 Annual Report.**

1145 MARKET STREET 3<sup>RD</sup> FLOOR, SAN FRANCISCO, CA 94103



## GOVERNANCE MEETING MATTERS

The Committee Chair will give a brief update on matters discussed and/or recommendations made in this committee on March 10, 2025. The committee reviews, develops, and oversees governance policies and practices of the Health Service Board. Committee Members include Commissioner Hao, Wilson, and Committee Chair Zvanski.

### **10. REVIEW AND APPROVE THE 2024 ANNUAL BOARD SELF-EVALUATION REPORT: (Action)**

[See pdf of the 2024 Annual Board Self-Evaluation Report](#)

[See pdf of the 2024 Annual Board Self-Evaluation Report presentation](#)

Committee Members Hao and Zvanski shared the highlights from the March 10, 2025, Governance Committee meeting. Commissioner Hao said the Board conducts an annual self-evaluation to assess its performance and effectiveness. This year's report reflects both the Board's collective reflections and the fresh perspectives of several new Commissioners, which may explain some differences in scores and comments compared to previous years. The evaluation serves as a tool to sharpen the Board's focus moving forward.

Committee Chair Zvanski said new voices and perspectives are essential to the Board's continued growth and effectiveness. They help break routine thinking and encourage innovation in how we serve our members. The work we do is deeply important, as we exist primarily to support the city employees and retirees who have dedicated their careers to public service. Even in retirement, many of us remain active in the community and deeply invested in improving outcomes for our colleagues and constituents.

President Hao said the evaluation spanned several key areas: governance, structure, and policies; Board member interactions and meeting activities; goal-setting; communications; and Board interactions and management. Looking ahead, the Committee identified a few priorities: improving scheduling for ongoing education, projecting a clear calendar to keep everyone aligned, and refreshing our self-evaluation questions. For those of us who've served on the Board for a while, it's easy to get used to the current format. Fresh eyes help challenge assumptions, so the next Governance Committee will review the questions to ensure they remain relevant and effective in guiding meaningful reflection. President Hao emphasized the possibility of introducing new questions or streamlining the current evaluation process. She reiterated the importance of being a continuous learning organization, as noted by Interim Executive Director Guillen, with the Board included in this ongoing effort.

Commissioner Howard moved to approve the 2024 Annual Board Self-Evaluation Report. Vice President Zvanski seconded the motion.

PUBLIC COMMENT: None

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved the 2024 Annual Board Self-Evaluation Report.**

**11. REVIEW AND APPROVE THE 2024 BOARD EDUCATION REPORT AND EDUCATION PLAN FOR 2025 DRAFT: (Action)**

[See the pdf of the 2024 Board Education Report and Education Plan for 2025](#)

[See the pdf of the 2024 Board Education Report and Education Plan for 2025 presentation](#)

President Hao acknowledged the annual report on the Board's educational efforts, highlighting the self-reporting and survey results on valuable educational items for 2025. Vice President Zvanski agreed, emphasizing the importance of these educational opportunities to expand their knowledge and maintain focus, noting that their substantial membership relies on the Board staying attentive and informed.

Commissioner Cremen moved to approve the 2024 Board Education Report and Board Education Plan for 2025. Vice President Zvanski seconded the motion.

PUBLIC COMMENT: None

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved 2024 Board Education Report and Education Plan for 2025.**

**Break: 2:29 p.m. to 2:38 p.m.**

**ROLL CALL:**

President Mary Hao- Present  
Vice President Claire Zvanski- Present  
Commissioner John Cremen- Present  
Supervisor Matt Dorsey- Present  
Commissioner Art Howard- Present

**RATES AND BENEFITS**

**12. PRESENTATION OF THE RATES AND BENEFITS CALENDAR FOR THE PLAN YEAR 2026: (Discussion)**

[See the pdf of the HSB Rates and Benefits Calendar for the Plan Year 2026](#)

Rey Guillen, SFHSS Interim Executive Director said Rey Guillen noted rates and benefits calendar for 2026 process is already halfway through. He mentioned upcoming presentations in May for HealthNet and Blue Shield renewals, followed by Kaiser and Blue Shield MAPD plans in June. He also highlighted that the RFP results for life insurance and ADD plans will be presented in May.

PUBLIC COMMENT: None

**13. REVIEW KAISER PERMANENTE HMO PLANS 2024 EXPERIENCE: (Discussion)**

[See pdf of the Kaiser Permanente HMO Plans 2024 Experience report](#)

Mike Clarke, Aon – Lead Actuary, presented the following items:

- Introduction
- Insights:



- Active/Non-Medicare Retiree Medical and Prescription Drug Claims
- Active Employees: Top Diagnostic SFHSS Spend Categories
- Non-Medicare Retirees: Top Diagnostic SFHSS Spend Categories
- Inpatient Admission Categories (per 1,000 Plan Members)
- Outpatient Visit Categories (per 1,000 Plan Members)
- Health Status/Immunization/Preventive Care Rates by Population
- Health Status/Immunization/Preventive Care Rates by Population

Vice President Zvanski asked how data (slide 11) is categorized when individuals have multiple diagnoses. Mike Clarke explained that people can fall into multiple categories, and each visit or service is coded based on the specific diagnosis treated, known as comorbidity. He noted that the categorization reflects the diagnosis or medication type, and Vice President Zvanski clarified that it's typically based on the primary diagnosis, which Clarke confirmed.

Commissioner Cremen asked if there are negotiations with Kaiser over rate increases. Mike Clarke responded that SFHSS and Aon review Kaiser's underwriting (as well as that for other plans) and meet with all plans to negotiate the best possible rates based on experience data, assuring the Board that the team advocates for members during this process.

President Hao asked whether the increase in active employee healthcare costs is related to an aging workforce or other demographic shifts. Mike Clarke responded that the primary drivers appear to be systemic cost increases in healthcare delivery, particularly within Kaiser, following the pandemic. He cited rising prescription drug costs, labor shortages, and supply chain issues as key contributors, rather than demographic changes like workforce age.

PUBLIC COMMENT: None

**14. REVIEW AND APPROVE 2026 DENTAL PLANS RATES (SELF-FUNDED DELTA DENTAL ACTIVE PPO PLAN, FULLY INSURED DELTA DENTAL RETIREE PPO PLAN, FULLY INSURED DELTACARE USA HMO PLANS, AND UNITEDHEALTHCARE HMO PLANS): (Action)**

[See the pdf of the 2026 Dental Plans Rates \(Self-Funded Delta Dental Active PPO Plan, Fully Insured Delta Dental Retiree PPO Plan, Fully Insured Delta Care USA HMO Plans, and United Healthcare HMO Plans\)](#)

Mike Clarke, Aon – Lead Actuary, presented the following items:

- Rate Setting Methodology Preface
  - Method Comparison by SFHSS Plan
  - Determining Needed Plan Rate Changes for Next Year — Five Step Process
- Delta Dental of California (Delta Dental) Network Commentary
  - Dental Services Delivered
  - Dental Network
- 2026 Dental Plans Rates-Renewal Summary and Rating Details
  - Self-Funded Plan-Delta Dental Active Employee PPO
  - Fully Insured Plans
    - Delta Dental Retiree PPO
    - DeltaCare USA Dental HMO (actives and retirees)
    - UnitedHealthcare (UHC) Dental HMO (actives and retirees)
- Recommendation to HSB Action

President Hao acknowledged past low rate increases due to reserve use and appreciated current

recruitment efforts for new dentists. However, she noted that members are distressed when longtime dentists leave the network, despite new additions. Mike Clarke confirmed that this concern has been clearly communicated to Delta Dental during recent renewal discussions.

Vice President Zvanski asked whether Delta Dental tracks why dentists leave the network and whether retirements or other trends are analyzed regionally or nationally. Mike Clarke confirmed that Delta categorizes withdrawals by reason (e.g., retirement, insurance independence) and that no single reason dominates. Pete Anderson, Vice President at Delta Dental, added that they do collect reasons during withdrawals, follow up with dentists periodically, and monitor industry-wide trends. He noted that dentist withdrawals are part of a broader, nationwide post-pandemic shift, not just local to the Bay Area. Vice President Zvanski noted it was helpful to understand whether dentist withdrawals were part of a broader industry trend rather than a local or regional issue.

Pete Anderson confirmed that while there may be minor regional variations, the data shows the trend is consistent across counties and is not specific to California or the Bay Area-supporting that it's part of a larger industry-wide pattern. Vice President Zvanski asked whether there's an understanding of why dentists are leaving insurance networks like Delta Dental. Commissioner Howard shared that members and dentists report Delta's reimbursement rates are too low, making it financially unsustainable for providers-especially pediatric dentists. He also noted difficulty finding new providers in areas like Marin. Commissioner Howard inquired whether there is a concierge service available for members, especially in areas like Marin, to assist them in finding a new provider when they lose their current one. Pete Anderson responded that members can call customer service or use the app to find providers. They've also begun proactive outreach to help members navigate transitions when a dentist leaves the network. He mentioned that when members lose their dentist due to a provider going out of network, they often continue with the current dentist for a while before realizing the cost difference and considering a change. Efforts are being made to offer multiple resources to help members navigate their options, ensuring they are aware of alternative solutions, including potentially staying with their dentist if desired.

Mike Clarke mentioned that dentists are reportedly dropping Delta Dental due to low reimbursement rates, though he was unsure how to address this issue. Pete Anderson responded that the fees paid to dentists are continuously evaluated and adjusted as needed.

Supervisor Dorsey moved to approve the 2026 dental plan rates as presented being the self-funded Delta Dental active PPO plan, the fully insured Delta Dental retiree PPO plan, fully insured DeltaCare USA HMO plan, and the United Healthcare HMO plans. Vice President Zvanski seconded the motion.

President Hao acknowledged the concerns raised, emphasizing that they are real issues that have been escalating over her five years on the Board. She expressed understanding that Delta representatives could not disclose proprietary information about how reimbursement rates to network dentists are increased but pointed out that the consistent reason for dentists leaving Delta Dental should provide valuable data to guide necessary improvements. Mike Clarke reminded the Board that every August and September, there is a review of vendors and plans, which will be managed through Michael Visconti. He also noted that this marks the third year of the current three-year agreement. Interim Executive Director Rey Guillen said the first step in that process is to do pre-analysis work with Aon before we come back to this Board, normally in the fall, to discuss RFPs. The SFHSS team will do a pre-analysis with Aon where they can assess network access and disruption for other dental networks.

Supervisor Dorsey moved to approve the 2026 dental plan rates as presented being the self-funded Delta Dental active PPO plan, the fully insured Delta Dental retiree PPO plan, fully insured

DeltaCare USA HMO plan, and the United Healthcare HMO plans. Vice President Zvanski seconded the motion.

**PUBLIC COMMENT:**

Fred Sanchez, President of Protect Our Benefits: Expressed concern about inadequate dental benefits under Delta Dental. He stated that members often pay more than 50% out of pocket due to low capitation rates and noted that promised benefits like free cleanings don't match actual costs. He requested Sanchez requested a dedicated, in-depth meeting focused on dental care issues for both active employees and retirees.

Annahita Fallah, Vice President of Membership for Local 21: Expressed concern that many employees are forced to choose between staying with their longtime dentists, who are dropping Delta Dental coverage, or switching to in-network dentists, resulting in increased out-of-pocket costs. She noted that Delta Dental's reimbursement process is often slow, and members are sometimes unaware of uncovered costs.

Dennis Kruger, active retired firefighters and spouses: Expressed frustration with Delta Dental, stating that the company has not introduced meaningful improvements in the last 20 years, only reducing benefits. He requested information from Delta Dental regarding the last increase in capitation rates for dentists.

Nancy Au Yeung, from Local 21: Expressed concerns about the frequent dropouts of dentists from the Delta Dental network. She suggested that better out-of-network plans exist within Delta Dental.

**WRITTEN PUBLIC COMMENT:**

Liz Brisson, a CCSF employee at SFMTA: Shared concerns about the Delta Dental PPO plan. Her long-time dentist dropped the plan due to low reimbursement rates, leading to unexpected out-of-pocket costs. She requested that the plan better cover basic dental care, like cleanings and X-rays, and expressed a preference for slightly higher premiums if it would help keep more dental practices within the network.

President Hao thanked everyone for their comments and emphasized that the concerns raised, particularly by the Delta representatives, are ongoing and have been a growing issue over the years. She acknowledged that while Delta cannot disclose how they've adjusted reimbursement rates, the consistent reason for dentists leaving should signal areas for Delta Dental the need of improvement.

VOTE: Ayes: Hao, Howard, Dorsey, and Zvanski

Noes: Cremen

**ACTION: The Health Service Board unanimously approved the 2026 dental plan rates as presented being the self-funded Delta Dental active PPO plan, the fully insured Delta Dental retiree PPO plan, fully insured DeltaCare USA HMO plan, and the United Healthcare HMO plans.**

**15. REVIEW AND APPROVE SELF-FUNDED AND FLEX FUNDED HEALTH PLANS 2026**

**STABILIZATION RESERVE ACTIONS: (Discussion)**

[See pdf of the Self-Funded and Flex-Funded Health Plans 2026 Stabilization Reserve Actions](#)

Mike Clarke, Aon – Lead Actuary, presented the following items:

- Introduction—Health Plan Reserves Background
- Rate Stabilization Recommended Actions by Plan
  - Blue Shield of California (BSC) Flex-Funded HMO Plans
  - BSC Self-Funded Non-Medicare PPO Plan
  - Health Net CanopyCare Flex-Funded HMO Plan
- Recommendations for HSB Action

Mike Clarke from Aon outlined the recommendations for adjusting plan rates based on the stabilization fund for the 2026 plan year. He proposed applying a deficit of \$8.5 million to the Blue Shield HMO plans (Access Plus and TRIO), a surplus of \$4.4 million to the Blue Shield non-Medicare PPO plan, and a surplus of \$710,000 to the Health Net Canopy Care HMO plan. He explained that the Blue Shield HMO deficit is primarily due to increased prescription drug costs, while the surplus for the PPO and Health Net plans comes from better-than-expected performance. Clarke also acknowledged that the settlement related to Sutter has now expired, impacting 2026 rate changes from 2025 rates. President Hao expressed interest in strategies to address the issue of buy-ups, stating that the Board prefers buy-downs. Mike Clarke responded that further discussions with Blue Shield, especially regarding pharmacy costs, might offer solutions to help reduce future increases.

Commissioner Cremen moved to approve the self-funded and Flex-Funded health plans for 2026 Stabilization reserve actions. Commissioner Howard seconded the motion.

PUBLIC COMMENT: None

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved the self-funded and Flex-Funded health plans for 2026 Stabilization reserve actions:**

**In congruence with the Stabilization Fund Policy, approve the use of one-third of the December 31, 2024, stabilization fund balances in plan year 2026 plan rates to apply proportionately between active employees and non-Medicare retirees as follows:**

- 1. BSC HMO plans: apply a Deficit amount of \$8,504,000 (or one-third of \$25,512,000) towards buy-up of rates across all rating tiers for plan year 2026;**
- 2. BSC Non-Medicare PPO plan: apply a Surplus amount of \$4,409,000 (or one-third of \$13,226,000) towards buy-down of rates across all rating tiers for plan year 2026;**
- 3. Health Net CanopyCare HMO plan: apply a Surplus amount of \$710,000 (or one-third of \$2,129,000) towards buy-down of rates across all rating tiers for plan year 2026.**

## REGULAR MEETING MATTERS

### **16. APPROVAL OF THE CONTROLLER'S NOMINEE, DIANA GUEVARA, TO THE HEALTH SERVICE BOARD FOR A 5-YEAR TERM: (Action)**

[See pdf of the Controller's Nomination letter to Board Secretary dated April 4, 2024](#)

Pursuant to Administrative Code Section 12.200, Health Service Board, the Controller shall transmit a written notice of nomination to the Health Service Board. The Controller's nominee shall be subject to the Health Service Board's approval. The Health Service Board will review and approve the nomination of Diana Guevara.

President Hao noted Commissioner Sass served a one-year term, a result of the untimely passing of Commissioner Scott last year. She thanked Commissioner Sass for his service and stepping into the Commissioner role at such a crucial time. President Hao welcomed Diana Guevara.

Greg Wagner, San Francisco Controller, stated he had pleasure of nominating Diana Guevara to the Board, having known her professionally for several years through their shared service at the Department of Public Health. He noted that Diana possessed strong expertise in health care and health care finances, and emphasized her integrity, thoughtfulness, and data-driven decision-making. Greg Wagner also highlighted that Diana never approached challenges with preconceived answers and believed she would have been an excellent partner to the Board in its important work, concluding with thanks for the Board's consideration.

Diana Guevara stated that she had worked for the Department of Public Health for nearly 20 years before retiring in 2019. Her last role was Associate Administrator for the Patient Finance Department, overseeing admissions, registration, eligibility, and billing for Zuckerberg General Hospital, Laguna Honda Rehab Center, and 13 community clinics. Before leaving, she was also brought into the Department of Managed Care to help implement its operations. She expressed honor at being nominated and looked forward to contributing her time to the Commission.

Vice President Zvanski moved to approve the Controller's nomination of Diana Guevara for a five-year term commencing April 2025 through May 2030. Commissioner Cremen seconded the motion.

**PUBLIC COMMENT:**

Fred Sanchez, President of Protect Our Benefits: Welcomed Diana Guevara to the Board.

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved the Controller's nomination of Diana Guevara for a five-year term commencing April 2025 through May 2030.**

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

Tiffany Gill, Blue Shield of California, notified that Meritage Medical Network would terminate as a medical group with Blue Shield effective April 30, 2025. Meritage Medical Network operated in Marin and Sonoma counties. The termination occurred due to Meritage's noncompliance with Department of Managed Health Care regulations, state regulations, and Blue Shield contract provisions. Over 900 SFHSS HMO members—including active, early retirees, and some Medicare Advantage dependents—received notification letters. Some members could remain with their current physicians if those providers belonged to other medical groups, while others were reassigned to new providers. Members dissatisfied with their new assignments were advised to contact Blue Shield's concierge service line.

Vice President Zvanski asked how many members were directly impacted by the termination. Tiffany Gill responded that over 900 members were affected and that these members were moved to Brown and Toland, Providence Physician Network, and Sutter Medical Group, Redwoods.

Joanna Campos, National Account Manager with Delta Dental, introduced herself to the Board and stated that she would be supporting both the Board and its members. She expressed that she looked forward to servicing their account.

**PUBLIC COMMENT:** None

**18. VOTE ON WHETHER TO HOLD CLOSED SESSION FOR HEALTH SERVICE BOARD TO REVIEW AND APPROVE THE HIRING SUBCOMMITTEE RECOMMENDATION OF THE FINAL CANDIDATE FOR THE HEALTH SERVICE SYSTEM EXECUTIVE DIRECTOR POSITION: (Action)**

Commissioner Howard moved to hold a closed session for the Health Service Board to review and approve the hiring subcommittee's recommendation of the final candidate for the Health Service System Executive Director position. Vice President Zvanski seconded the motion.

**PUBLIC COMMENT:**

Fred Sanchez, Protect Our Benefits: Emphasized that significant progress was being made and expressed a desire for that progress to continue unchanged. He praised the current leadership and urged the Board to keep these points in mind during their deliberations.

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved holding a closed session for the Health Service Board to review and approve the hiring subcommittee's recommendation of the final candidate for the Health Service System Executive Director position.**

**Convene in closed session at ~ 4:05 p.m.**

**CALIFORNIA GOVERNMENT CODE SECTION 54957 (B)(1) AND SAN FRANCISCO ADMINISTRATIVE CODE 67.10(B)**

**19. REVIEW AND APPROVE THE HIRING SUBCOMMITTEE RECOMMENDATION OF THE FINAL CANDIDATE FOR THE HEALTH SERVICE SYSTEM EXECUTIVE DIRECTOR POSITION: (Action)**

Presented by President Hao

DOCUMENTS ATTACHED: Provided prior to the meeting.

ACTION:

**RECONVENE IN OPEN SESSION**

**Reconvene at ~4:37 p.m.**

**20. POSSIBLE REPORT ON ACTION TAKEN IN CLOSED SESSION (Government Code Section 54957.1 and San Francisco Administrative Code Section 67.12(b): (Action)**

President Hao moved to not report on action taken in closed session. Commissioner Howard seconded the motion.

PUBLIC COMMENT: None

VOTE: Ayes: Cremen, Hao, Howard, Dorsey, and Zvanski      Noes: None

**ACTION: The Health Service Board unanimously approved to not report on action taken in closed session.**



**21. VOTE TO ELECT WHETHER TO DISCLOSE ANY OR ALL DISCUSSION HELD IN CLOSED SESSION: (San Francisco Administrative Code Section 67.12(a)): (Action)**

President Hao moved to not disclose any or all discussions held in closed session. Supervisor Dorsey seconded the motion.

PUBLIC COMMENT: None.

**ACTION:** The Health Service Board unanimously approved not to disclose any or all discussions held in closed session.

**REGULAR BOARD MEETING MATTERS**

**22. ADJOURNMENT:** 4:42 p.m.



## Health Service Board and Health Service System Website: <http://www.sfhss.org>

### Summary of Health Service Board Rules Regarding Public Comment

1. There will be an opportunity for general public comment at the beginning of the meeting, and there will be an opportunity to comment on each discussion or action item on the agenda. A member may comment on any matter within the Board's jurisdiction as designated on the agenda.
2. A member of the public has up to three (3) minutes to make pertinent public comments; the Chair has the discretion to limit public comment to less than 3 minutes per member of the public.
3. Public Comment can be given in-person, remotely, or written.
4. Members may submit their comments by email to [health.service.board@sfgov.org](mailto:health.service.board@sfgov.org) by 5 p.m. 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 and the Board Secretary will note on the record during the specific agenda item that the Board received written public comment on that item, and will include that note 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.
5. Remote public comment from people who have received accommodation due to disability will not count toward the 30-minute limit.

### 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.

City Hall Room 416 is wheelchair accessible. There are elevators and accessible restrooms located on every floor. **Wheelchair-accessible entrances are located on Van Ness Avenue and Grove Street. Please note the wheelchair lift at the Goodlett Place/Polk Street is temporarily not available.** After multiple repairs that were followed by additional breakdowns, the wheelchair lift at the Goodlett/Polk entrance is being replaced for improved operation and reliability. We anticipate having a functioning lift after the completion of construction in May 2025.

This meeting will be broadcast and captioned on SFGovTV. Remote public participation is available upon request for individuals who cannot attend in person due to disability. Making a request to participate remotely no later than one (1) hour prior to the start of the meeting helps ensure the availability of the meeting link. Sign Language Interpretation is also available upon request. If requesting remote Sign Language Interpretation, please submit an accommodation request a minimum of 4 business hours prior to the start of the meeting. Allowing a minimum of 48 business hours for all other accommodation requests (for example, for other auxiliary aids and services) helps ensure availability. To request an accommodation, please contact Holly Lopez, [holly.lopez@sfgov.org](mailto:holly.lopez@sfgov.org), 628-652-4646.

To access the meeting remotely as an accommodation, please use [April 10, 2025 HSB Regular Meeting WebEx link](#) or call 415-655-0001. Please find instructions at the beginning of this agenda for how to use WebEx for the purposes of remote public comment.

### 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 the 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](mailto:holly.lopez@sfgov.org). The following email has been established to contact all members of the Health Service Board: [health.service.board@sfgov.org](mailto:health.service.board@sfgov.org).

### 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](http://www.sfgov.org/ethics).

**Chat GPT and Perplexity Generative AI was used to summarize and clarify discussion points in the meeting minutes.**