

**SAN FRANCISCO
HEALTH SERVICE SYSTEM**

2026



STRATEGIC PLAN GAP YEAR

Executive Director	1
Strategic Plan Framework Overview	2
Strategic Plan Engagement Timeline	3
Strategic Goals & Objectives Overview	4
What's Ahead in 2026	10
Acknowledgments	11

Executive Director

Strategic Plan Introduction



I am pleased to share the San Francisco Health Service System's (SFHSS) 2026 Strategic Plan to continue our mission of providing quality employee benefits to the dedicated public servants of San Francisco. While this one-year plan is designed to serve as a bridge from one multi-year strategic plan to the next, it remains a progressive plan, with three foundational objectives, each with multiple strategic initiatives.

As I reflect upon all the changes SFHSS has experienced in 2025, including the installation of a new leadership team, two new Health Service Board members, a new mayor at the City's helm, and a challenging City budget, I remain optimistic because SFHSS has a talented staff, who are experienced with Health Service System and City processes, and are dedicated to serving our members. With this combination, SFHSS stands ready to meet the challenges ahead.

To develop this strategic plan, staff were challenged to:

1. Identify our core services;
2. Focus efforts on areas where we can move the needle; and
3. Become efficient and effective in every action we take.

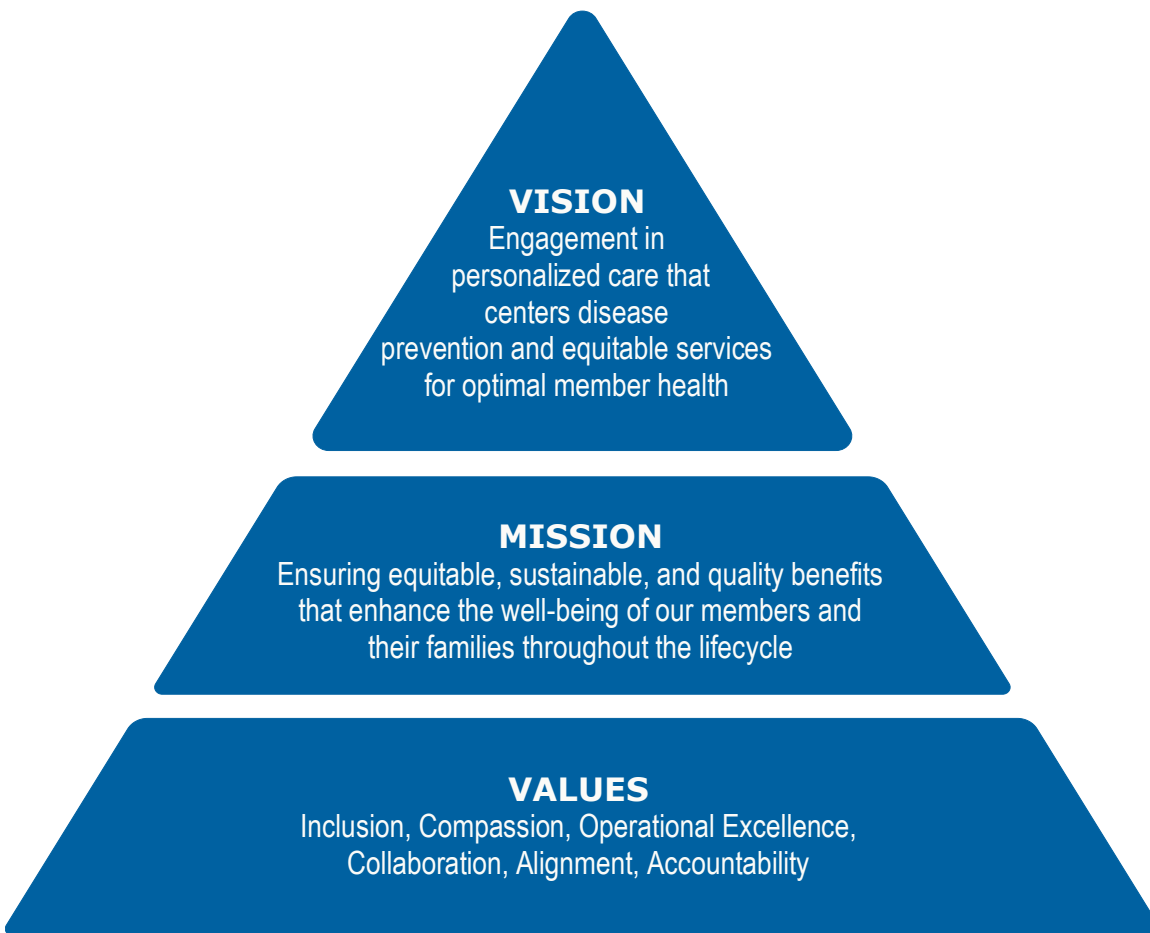
This one-year plan demonstrates our commitment as steward for the health and well-being of our members. The plan builds upon our momentum from our 2023-2025 Strategic Plan and will serve as our organization's guiding strategy while we develop a new multi-year strategic plan that will commence in 2027. SFHSS' 2026 transition year plan will lay the foundation for our next multi-year strategy and reflects our ambition to continuously improve ourselves and the organization as a whole.

Rey Guillen

Executive Director

Strategic Plan

Framework Overview



STRATEGIC GOALS



Provide **affordable and sustainable** healthcare and high-quality well-being services through value-driven decisions and program design.



Support the **mental health and well-being** of our membership by reducing stigma and addressing barriers to care in partnership with key stakeholders.



Optimize service to maintain and advance exceptional member engagement.

2026 Strategic Plan Engagement Timeline

Milestones



Affordable and Sustainable

Strategic Goal Overview



Provide **affordable and sustainable** healthcare and high-quality well-being services through value-driven decisions and program design.



Background Information

The San Francisco Health Service System is refining our strategic focus to ensure that our work prioritizes member health while supporting the long-term financial stability of our plans.

We will concentrate on areas where we believe that we can move the needle with clinically grounded, data-informed measures that demonstrate a tangible

impact on costs and health outcomes. Our areas of focus will be 1. Metabolic Health, 2. Screening & Prevention and 3. Behavioral Health/Substance Use Disorder. We will undertake this change in close partnership with our health plans, who are best positioned to directly influence care delivery, impact clinical outcomes and conduct early intervention. This more focused and collaborative approach strengthens plan accountability, aligns with value-based care principles from our 2023-2025 Strategic Plan.

To support SFHSS' strategic initiatives, it is essential that the various funds under its scope of responsibility (General Fund Budget, SFHSS Trust Fund, and SFHSS Health Sustainability Fund) are actively managed. The Charter outlines that the Health Sustainability Fund can be used to fund communications to members, member wellness programs, actuarial expenses, and expenses incurred to reduce health care costs. A 5-year projection is used to anticipate long-term revenue and expenditure trends enabling proactive planning to monitor the Health Sustainability Fund's solvency. This tool supports our goal of monitoring fund sustainability by identifying financial risks early, informing Health Service Board (HSB) decisions, and aligning with the intent of the Charter.

Consolidate Clinical Performance Guarantees

By May 31, 2026, in order to improve member health outcomes through evidence-based interventions, the SFHSS Contracts Division, in collaboration with SFHSS leadership, its actuary, and other annual renewal team members, will reduce the current 25–30 contracted clinical performance metrics and associated fees-at-risk across all SFHSS commercial health plans into three focused pillars:

- Metabolic Health,
- Screening & Prevention, and
- Behavioral Health / Substance Use Disorder (SUD).

This process will:

- Remove metrics
- Convert lower-impact or legacy metrics to “report-only” status,
- Align SFHSS and health plan partner initiatives toward high-impact, measurable outcomes,

Monitor Funding Sustainability

By June 30, 2026, the SFHSS Finance Division will complete the realignment of Health Sustainability Fund (HSF) budgeted positions to better align with Charter requirements. To support long-term solvency, Finance will implement a 5-year projection model to monitor HSF revenues and expenditures.

During this process, HSS will:

- Present the proposed realignment in the FY 2026–27 budget to the HSB January Finance Committee and Full Board in February 2026 for approval.
- Submit the realignment to the Mayor’s Budget Office between February and June 2026 for approval.
- Develop and apply a 5-year projection of HSF revenues and expenditures
- Begin monitoring 5-year projection of HSF revenues and expenditures for significant changes.
- Report to the Health Service Board (HSB) if material variances from the January presentation are identified, to raise awareness of fund solvency in support of Board decision-making, and to provide recommendations for adjustments in the current year or the next budget cycle.

Mental Health and Well-Being

Strategic Goal Overview



Support the **mental health and well-being** of our membership by reducing stigma and addressing barriers to care in partnership with key stakeholders.



Background Information

In 2020, in response to a growing demand for mental health support, SFHSS launched its external 24/7 Employee Assistance Program (EAP). Since its implementation, both the internal EAP and external EAP have maintained a steady utilization rate of approximately 3% of cases. Over the years, SFHSS has continued to advocate for expanded resources to

strengthen the mental health workforce within the external EAP. Greater utilization of these services can help reduce the effects of life stressors and build a stronger and thriving workforce.

Building on this foundation, the addition of a Senior EAP Counselor to the SFHSS internal EAP team significantly enhanced the program's outreach capacity. As a result, SFHSS EAP delivered 208% more workshops in 2024 and, in 2025 to date, has reached more than 880 individuals through workshops. This increased visibility has played a critical role in reducing mental health stigma, raising awareness of available EAP benefits, and encouraging more employees to seek support when they need it.

Many chronic diseases (e.g. hypertension, diabetes, high cholesterol) lead to complications and higher healthcare costs. Early detection and prevention are key. Linking people who have elevated risk to structured programs (healthy habits, coaching, physical activity, Diabetes Prevention Program) can help them reduce their risks and improve long-term health. Blood pressure management is a foundational component of whole-person well-being because it serves as a critical indicator of overall health, risk, and long-term population outcomes in addition to directly being influenced by many key lifestyle behaviors. Healthy eating, and regular physical activity—often viewed as separate well-being focus areas—are in fact deeply interconnected with cardiovascular health and play a critical role in maintaining healthy blood pressure.

Empowering employees to take action to engage in health screenings and seek support through SFHSS-supported well-being programs can prevent chronic disease and support long-term health.

Mental Health

By December 31, 2026, the internal and external Employee Assistance Program will increase EAP cases by 1% to achieve a 4% utilization rate through:

- Targeted communication campaigns,
- Manager training, and
- Integration of EAP awareness into all well-being initiatives.

Increasing utilization of EAP services can reduce the impact of life stressors, and strengthen a healthier, more resilient workforce.

Well-Being

In 2026, the Well-Being Division will center its efforts on two evidence-based priorities—healthy eating and physical activity—as core strategies for supporting healthy blood pressure. To achieve this objective, at least 50% of all well-being programs, activities, services and resources will be directed to support healthy blood pressure including:

- Education,
- Training,
- Workshops,
- Physical activity classes,
- Biometric screenings,
- Lifestyle/health coaching,
- Diabetes Prevention Programs, and
- Healthy Habits Programs.

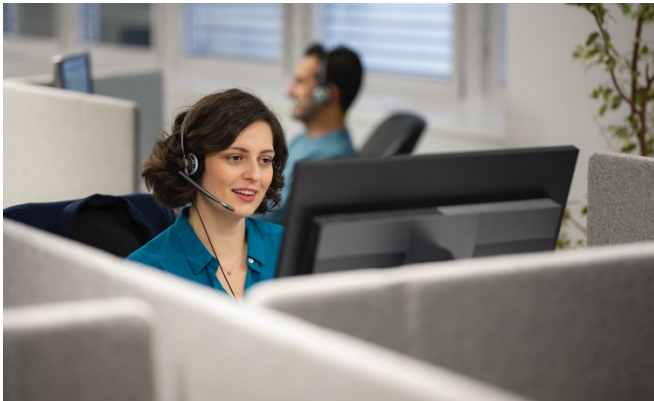
All offerings will be available in both in-person and virtual formats to ensure accessibility and support our mission of enhancing members' well-being across the lifecycle.

Optimize Service

Strategic Goal Overview



Optimize service to maintain and advance exceptional member engagement.



Background Information

The Member Services Division provides direct service to our 136,000 members. The team supports a wide range of functions essential to ensuring members feel informed, valued, and confident in their health benefits.

Member Services handles thousands of transactions a month to process new hire and retiree enrollments, managing Qualifying Life Event changes, and resolving numerous internal and vendor eligibility reconciliation reports. In addition, Member Services staff assist multiple departments by conducting New Employee orientations to educate staff on benefit options and they lead seminars for employees preparing for retirement.

Given this volume of work, it is crucial that members receive accurate information and timely support, whether they connect in-person or by phone. To enhance service delivery, we are implementing customer service technologies that empower staff to provide consistent, high-quality assistance throughout every stage of the benefits journey.

To further strengthen efficiency, we will standardize customer service training, conduct ongoing quality improvement reviews, and use performance-based measures to streamline operations and automate outdated processes. Through these efforts, the team aims to manage its extensive workload while continually elevating the member experience.

Member experience is measured through an annual satisfaction survey. Member interaction is also evaluated through first contact resolution, helping ensure that members receive the support they need during their initial interaction without unnecessary follow-up.

Improve First Call Resolution Rate

By December 31, 2026, the Member Services Call Center will improve the First Call Resolution rate by 2% year-over-year, by implementing targeted staff coaching on call handling and customer service and conducting monthly reviews of call drivers, with the result of reducing repeat calls and improving member experience through more efficient issue resolution during the initial contact.

Research Abandonment Rates

By March 31, 2026, the Operations Manager will identify root cause of the increase in the abandonment rate, in collaboration with DT, by completing a comprehensive review of the system configuration related to call abandonment and assessing call trends, system reporting, and the current calculation methodology.

Improve Member Satisfaction

By June 30, 2026, the Member Services team will improve member satisfaction by 2% year-over-year, as measured by survey responses rating services as “satisfied” or higher, with the result of enhancing overall member experience and service quality.

- Send survey out to randomized set of members via email representing the full population. Gather the same data as the prior two years to track year-over-year improvement.

Administer the survey in April or a 12-month period look back.

What's Ahead in 2026

Next Steps



This Strategic Plan for the gap year will guide SFHSS' activities from its adoption in January through December 2026 and allow SFHSS to develop a more robust multi-year strategic plan starting in January 2027. While fostering equity is not a specific goal, learnings from the previous strategic plan has taught us to incorporate health equity into all the work we do at SFHSS.

The Leadership Team will actively monitor progress toward the stated goals through the development of an annual implementation plan based upon the foundational Objectives and Key Results. Executive Leadership will review this implementation plan quarterly with annual presentation to the Health Service Board. Adjustments will be made to critical elements of each Strategic Goal area as appropriate to changes in the benefits environment in which SFHSS serves.

The annual implementation report will include measurable targets for each of the Strategic Goals expressed in the form of Objectives and Key Results.

Acknowledgments

We would like to express our sincere gratitude to the Health Service Board and the San Francisco Health Service System staff for providing their invaluable guidance, comments, and suggestions throughout the course of the strategic planning process.

Special Thanks

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Generative AI tools were used to review the content for spelling, grammar, and clarity.



Our Mission

Ensuring equitable, sustainable, and quality benefits that enhance the well-being of our members and their families throughout the lifecycle.

Our Vision

Engagement in personalized care that centers disease prevention and equitable services for optimal member health.

Our Values

- Inclusion
- Compassion
- Operational Excellence
- Collaboration
- Alignment
- Accountability