

SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

MEMORANDUM

DATE: April 10, 2025

TO: Mary Hao, President, and Members of the Health Service Board

FROM: Rey Guillen, SFHSS Interim Executive Director

RE: April 10, 2025, Director's Report

STAFF APPRECIATION DAY/WEEK



This year HSS celebrated Staff Appreciation Day on March 7th with a Staff Appreciation Wall and by extending it into Staff Appreciation Week.” Both managers and staff were encouraged to share their accolades and appreciation for one another.

PLAN YEAR 2026 LIFE AND DISABILITY REQUEST FOR PROPOSAL (RFP) UPDATE

On Monday, March 10th SFHSS received proposals from prospective carriers in response to the Life and Disability Benefit Request for Proposal for PY2026 (RFP). SFHSS confirmed

whether each proposal met the minimum qualifications to bid and notified qualified respondents. Proposals from the qualified respondents have been divided into financial and non-financial components. AON and the SFHSS Contracts Unit are conducting an analysis of the financial components of the qualified proposals. Concurrently, SFHSS conducted a kick-off meeting with the RFP Evaluation Panel to provide them with background information on the RFP and the in-scope life and disability benefits. Following the review of non-financial components by the RFP Evaluation Panel, oral interviews with each of the qualified bidders will be conducted. After the oral interviews, SFHSS will aggregate the financial, non-financial, and oral interview component scores to determine the highest qualified respondent to the RFP. Staff will present the results of the RFP to the Health Service Board at its May 8th meeting.

HEALTH VALUE INITIATIVE (“HVI”) BENCHMARKING STUDY (see attached study)

1. From an employee perspective for plan cost-sharing benchmarking:
 - a. SFHSS employees on average pay substantially less than employees of other benchmark organizations for member plan design cost sharing amounts at time of service (e.g., deductibles, copayments, and coinsurance).
 - b. SFHSS employees on average pay contributions in-line with other benchmarks in this study.
2. Overall medical/prescription drug spend per employee is higher for SFHSS than for average benchmarked organizations — three key factors drive this result:
 - a. Higher average population age for SFHSS than other benchmarks (though similar to Public Sector benchmark average age)—SFHSS population is 2.4 years older on average than the overall study employee average age.
 - b. Higher cost of health care overall in the Bay Area versus U.S. averages.
 - c. Higher percentage of allowed costs paid by SFHSS plans versus other benchmarks after applying member plan design elements (e.g., SFHSS plan deductibles and copayments are less, on average, than those for plan designs of benchmark employers).

BLACK-OUT NOTICE CONTINUES (see attachment)

Black-Out Period notification to the Health Service Board began on November 14, 2024, and extends through both:

- the completion of the San Francisco Health Service System (“SFHSS”) formal request for proposal for Life and Disability Benefits (“2026 Life and Disability RFP”) and the presentation of the results of the 2026 Life and Disability RFP to the Board, and
- the completion of the SFHSS Annual Rates and Benefits process for the 2026 plan year.

During this time, Board members are prohibited from unauthorized communications and other prohibited activities in connection with the 2026 Life and Disability RFP and the SFHSS Annual Rates and Benefits process for the 2026 plan year.

HEALTH SERVICE BOARD 2025 ELECTION

A Health Service Board election for one member seat will occur in May 2025. The Department of Elections will conduct the election. The Department of Elections will post the names of the Candidates on April 11, 2025 on their [Future Elections webpage](#). Names will also be posted on the [2025 HSB Elections webpage](#).

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Make sure to vote! The Department of Elections will send ballots to all active employees, retirees, qualified surviving spouses, and qualified surviving domestic partners of the City and County of San Francisco, San Francisco Unified School District, City College of San Francisco, and Superior Court of San Francisco. Voting takes place from May 16 through May 30, 2025.

More information can be found on the [2025 Health Service Board Election webpage](#)
Contact Holly Lopez, Health Service Board Secretary, by phone at (628) 652-4646 or email at holly.lopez@sfgov.org with any questions.

**SAN FRANCISCO HEALTH SERVICE SYSTEM
DIVISION REPORTS: APRIL 2025**

PERSONNEL

- Member Services: 1210 Benefits Analyst positions had three vacancies since January 2025. Internal Promotion of Stephanie Recinos, whose first day will be 4/14/2025. Two other finalists for the 1210 position are in the pre-employment process. Their anticipated start date will be 4/28/2025.
- Member Services: 1209 Benefits Technician positions had three vacancies. Hired Vi Ngo on 3/15/2025. Another 1209 Benefits Technician Temporary exempt recruitment was posted on the Careers page with a deadline of 4/5/2025, and a 1209 Benefits Technician position request to replace Stephanie Recinos has been submitted.
- Well-Being: 2593 Health Program Coordinator III position - Erin Meloty-Kapella's first day will be on 4/14/2025.

OPERATIONS: (see attachment)

- Focus on efficiency and improving member experience:
 - enlist the help of a consultant to identify key optimization opportunities in PeopleSoft that could simplify work processes for staff, and
 - for this year's Open Enrollment, we will provide members a way to pre-select their Primary Care Physician
- To better understand health disparities in our membership, we are expanding the voluntary collection of race/ethnicity data to all of our population.
- Prescription Drug Data Collection (RxDC) – Completed annual submission of prescription drugs and health care spending.
- Employer-Provided Health Insurance Offer and Coverage (1095-C) - Completed the annual electronic filing with the IRS (vs providing forms to HSS members).

FINANCE AND BUDGET:

- Started planning work for FYE 2025 audit.
- Controller's audit in process.
- Completed health plan rate forecast.

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CONTRACTS:

- Received approval of a resolution to extend the HSS agreement with P&A Administrative Services, Inc. for COBRA, AB528, and FSA administration.
- Executed the eighth amendment to the agreement with ComPsych for Employee Assistance Program (EAP) support services.
- Ongoing administration of PY2026 Life & Disability Benefits RFP

WELL-BEING: (see attachment)

- In follow-up to the December 2022 Mental Health Forum, a Mental Health Journey map was created to guide members through the many avenues one can seek mental health support.
- 66% increase in the number of people served by the SFHSS internal EAP in January and February of 2025 as compared to the prior year.
- 12 critical incident response debriefings were provided in the first two months of 2025.
- 8 workshops were facilitated by SFHSS internal EAP, serving 78 individuals.

ATTACHMENTS:

- Health Value Index Benchmarking Study
- Black-Out Notice Reminder
- Operations Monthly Dashboard
- Well-Being Monthly Dashboard

San Francisco Health Service System Health Service Board

Rates & Benefits

Review 2025 Plan Year Health Value Initiative (HVI)
Benchmarking Study

April 10, 2025

Aon Health Value Initiative (HVI)™

The Aon Health Value Initiative (HVI)™ Database, launched in 1996, captures active employee medical and prescription drug cost and benefit data on health plans for:

- 6.3 million health plan employees;
- 911 employer organizations; [1]
- 2,500+ health plans; and
- \$98.9 billion in health care expenditures.

This benchmarking study captures medical and prescription drug data for **active employees** only.

- Dental and vision plans are not measured in the study.
- Retirees are not measured in this study.

[1] *Total number of employers is dynamic and changes as clients are added or removed from the baseline.*

Aon HVI Benchmarking for SFHSS

Executive Summary

Similar to prior years, San Francisco Health Service System (SFHSS) active employee health plans demonstrate a purchasing efficiency score that remains among the best in our study — SFHSS receives a higher level of value for every dollar spent in health care than most other employers participating in Aon’s HVI study.

Financial efficiency is gauged by normalizing plan cost differences caused by plan design, demographic, and geographic differences among populations.

Aon HVI Benchmarking for SFHSS

Executive Summary

Overall medical/prescription drug spend per employee is higher for SFHSS than for average benchmarked organizations — three key factors drive this result:

- Higher average population age for SFHSS than other benchmarks (though similar to Public Sector benchmark average age) — SFHSS population is 2.4 years older on average than overall study employee average age.
- Higher cost of health care overall in Bay Area versus U.S. averages.
- Higher percentage of allowed costs paid by SFHSS plans versus other benchmarks after applying member plan design elements (e.g., SFHSS plan deductibles and copayments are less, on average, than those for plan designs of benchmark employers).







Aon HVI Benchmarking for SFHSS

Executive Summary (continued)

From the **employee** perspective for plan cost sharing benchmarking:

- SFHSS employees on average pay contributions in line with other benchmarks in this study.
- SFHSS employees on average pay substantially less than employees of other benchmark organizations for member plan design cost sharing amounts at time of service (e.g., deductibles, copayments, and coinsurance).

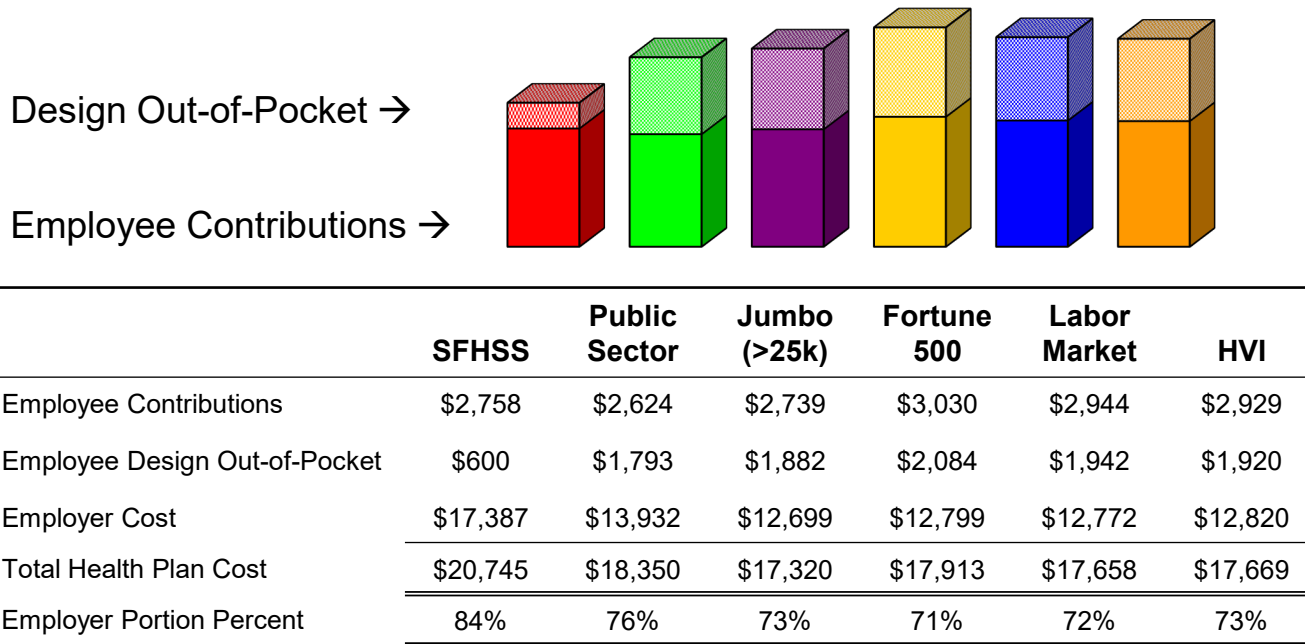
Aon Health Value Initiative (HVI)™ Benchmarks

-  **San Francisco Health Service System (SFHSS)**
SFHSS fully-insured plan costs are based on actual 2025 premium rates; SFHSS self-insured/flex-funded plan costs are based on the medical, prescription drug, and administrative cost portions of total cost rates; all costs exclude Basic Vision rates, SFHSS sustainability fees, and rate stabilization adjustments.
-  **Public Sector Industry (Public) — 68 Organizations**
Public employer subset (primarily states, municipalities, and universities).
-  **Organization Size (25,000+) — 61 Organizations**
Subset of study employers with 25,000 and more employees covered by plans.
-  **Fortune 500 Subset in Database — 69 Organizations**
Subset of study employers that are in the Fortune 500.
-  **Labor Market — 904 Organizations**
Weighted average of all participating organizations operating in same geographies as SFHSS employees. This comparison group is helpful in analyzing the impact of employee location on costs.
-  **HVI Entire Database — 911 Organizations**
Entire Aon database of 911 participating organizations.

2025 Annual Health Plan Costs Per Employee

- SFHSS employers pay 84% of overall health care spend (allowed charges plus fees), compared to a range of 71% to 76% for benchmark averages.
- Member design out-of-pocket cost in SFHSS plans (for deductibles, copayments, coinsurance, etc.) is substantially lower than for other benchmarks, including public sector.

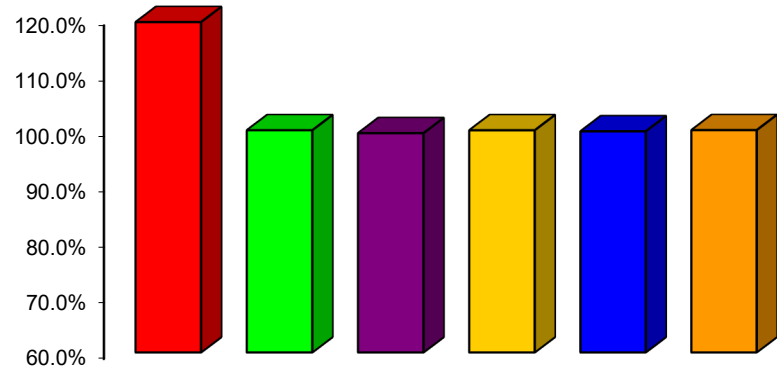
Health Plan Costs Per Employee—Overall



2025 Health Plan Financial Purchasing Efficiency

- The Financial Index (FI) is a measure of financial efficiency of plans offered by SFHSS and other database organizations. It normalizes for cost differences driven by demographic, geographic, and plan design variations among organizations. Plan administrative costs and care management is reflected in the FI measure.
- An FI greater than 100% reflects better-than-average financial efficiency.
- The SFHSS FI exceeds all comparators at 119.4%.
- Thus, SFHSS health plan purchasing efficiency significantly exceeds averages for other benchmarks in the study.

Financial Efficiency—Overall



	SFHSS	Public Sector	Jumbo (>25k)	Fortune 500	Labor Market	HVI
Financial Index	119.4%	100.0%	99.5%	100.0%	99.8%	100.0%
Employees	41,229	695,628	3,288,462	1,640,596	3,077,764	6,282,687

Detailed Profile — 2025 Costs and Demographics

Annual Amounts (Page 1 of 2)

Category	SFHSS	Public Sector	25,000+	Fortune 500	Labor Market	HVI
Number of Employees	41,229	695,628	3,288,462	1,640,596	3,077,764	6,282,687
Total Health Plan Costs (\$B) ^[1]	\$0.8B	\$11.5B	\$50.8B	\$26.0B	\$48.4B	\$98.9B
Total Employer Health Plan Costs (\$B)	\$0.7B	\$9.7B	\$41.8B	\$21.0B	\$39.3B	\$80.5B
Average Age	46.5	46.9	43.8	43.8	44.0	44.1
Average Family Size	2.0	2.0	2.0	2.1	2.0	2.0
Percent Females	48.2%	64.4%	54.7%	45.2%	50.0%	49.9%

[1] Net of plan design cost sharing by plan participants (deductibles, copayments, coinsurance, etc.)

Detailed Profile — 2025 Costs and Demographics

Annual Amounts (Page 2 of 2)

Category	SFHSS	Public Sector	25,000+	Fortune 500	Labor Market	HVI
Total Health Plan Costs Per Employee ^[1]	\$20,145	\$16,557	\$15,438	\$15,829	\$15,716	\$15,749
Employer Health Plan Costs Per Employee	\$17,387	\$13,932	\$12,699	\$12,799	\$12,772	\$12,820
Financial Index	119.4%	100.0%	99.5%	100.0%	99.8%	100.0%
Member Medical/Prescription Drug Active Employee Cost Sharing Benchmarks						
Employee Contribution	\$2,758	\$2,624	\$2,739	\$3,030	\$2,944	\$2,929
Plan Design Out-of-Pocket Expense	\$600	\$1,793	\$1,882	\$2,084	\$1,942	\$1,920

[1] Net of plan design cost sharing by plan participants (deductibles, copayments, coinsurance, etc.)

MEMORANDUM

DATE: November 14, 2024
TO: Mary Hao, President, and Members of the Health Service Board
FROM: Abbie Yant, RN, MA Executive Director SFHSS
RE: Black-Out Period Notice, November 14, 2024 through June 2025

This memorandum shall serve as the Black-Out Period notification to the Health Service Board (“Board”) that will begin today, November 14, 2024, and extend through both:

- the completion of the San Francisco Health Service System (“SFHSS”) formal request for proposal for Life and Disability Benefits (“2026 Life and Disability RFP”) and the presentation of the results of the 2026 Life and Disability RFP to the Board and
- the completion of the SFHSS Annual Rates and Benefits process for the 2026 plan year.

During this time, Board members are prohibited from unauthorized communications and other prohibited activities in connection with the 2026 Life and Disability RFP and the SFHSS Annual Rates and Benefits process for the 2026 plan year.

Pursuant to the [Board’s Policies](#) (page p. 46 “External Communications – Service Providers”, p. 48 “Black-Out Periods”, p. 49 “Contracts”), the Board must be notified of the start of this Black-Out Period prior to the release of any solicitation for the selection of a primary service provider, as well as prior to the beginning of the annual SFHSS Rates and Benefits process. Such notice is now given.

During this Black-Out Period, Board members are prohibited from any communications or activities with current or potential future service providers or their representatives, agents, employees, or officers on matters relating to SFHSS competitive bid processes for the selection of the service providers for life and disability benefits, including, but not limited to, basic and supplemental life, long-term disability and short-term disability, and accidental death and dismemberment benefits, and/or the 2026 Life and Disability RFP (collectively, “Unauthorized RFP Communications and Other Prohibited Activities”), except for communications related to SFHSS matters occurring during public meetings of the Board, the Board of Supervisors, or committees thereof.

Unauthorized RFP Communications and Other Prohibited Activities include communications and activities prohibited by state and local laws related to conflicts of interest, including Section 15.103 of the City’s Charter, Article III (Conduct of Government Officials and Employees), Chapter 2 (Conflict of Interest and Other Prohibited Activities) of City’s Campaign and Governmental Conduct Code, Section 1.126 of the San Francisco Campaign and Governmental Conduct Code (Campaign Reform Ordinance), and Section 87100 *et seq.* and Section 1090 *et seq.* of the Government Code of the State of California.

Communications and activities include face-to-face conversations, conversations through one or more third parties or intermediaries, telephone conversations, emails, text messages, letters, faxes, or any other social media, written or electronic communications.

Any communications with current or potential future service providers for reasons unrelated to SFHSS during this period must be immediately disclosed in writing to the Executive Director and the Board.

CC: Members, Health Service Board
Members, San Francisco Board of Supervisors
Jennifer Donnellan, City Attorney

Operations Dashboard

Health Service Board Meeting • April 10, 2025

Reporting: March 2025

Operations Dashboard for the Month of March 2025

Call Center Support

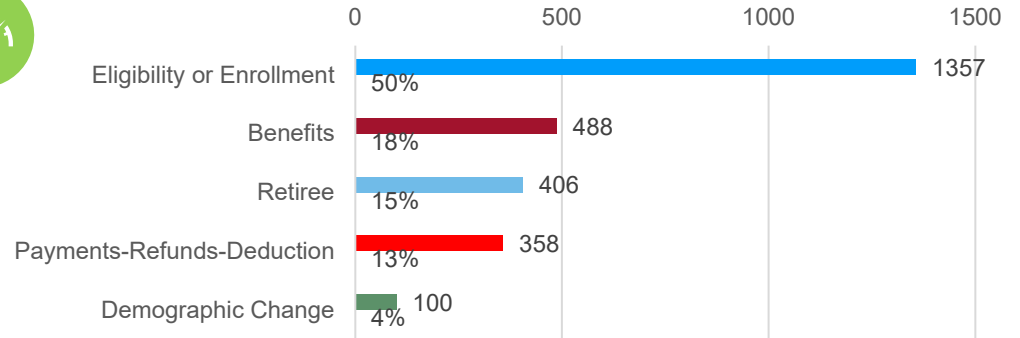
Call Volume



2,784*
calls handled
March 2024

2,193*
calls handled
March 2025

Call Drivers Metrics



Average Speed to Answer

Goal: <3 minutes



1 min 1 sec
March 2024

5 min 10 secs
March 2025

Abandonment Rate

Goal: <10%



4.97%
March 2024

12.51%**
March 2025

Average Handle Time

Goal: <10 min



11 min 51 secs
March 2024

6 min 43 secs
March 2025

First Contact Resolution

Goal: >75%



70%
March 2024

72%
March 2025

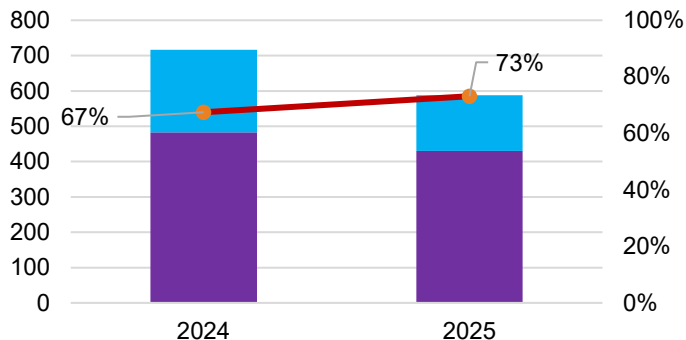
Webex data collection was refined in January 2025. *Calls handled no longer includes, dropped calls by the system or calls sent to voicemail. **Abandoned calls includes only calls dropped by members after they enter their final queue. ***Call handle time no longer includes waiting time in the queue. Call handle time includes only the time on the call with an agent.

Operations Dashboard for the Month of March 2025

Transactions

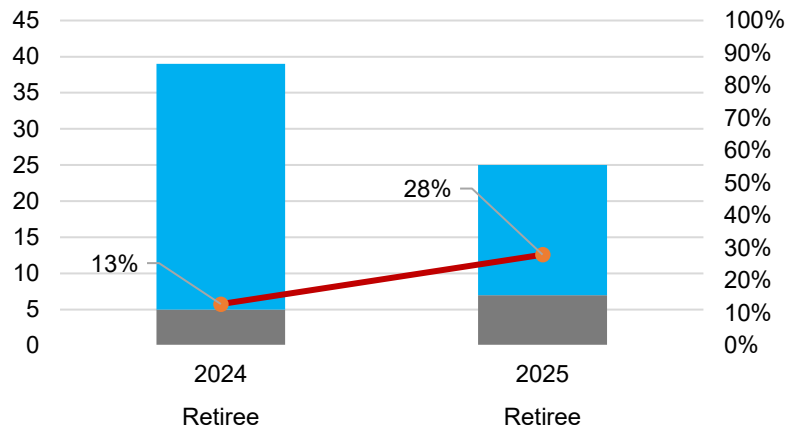


eBenefits Transactions Actives



- Transactions eligible for eBenefits
- Txns via eBenefits
- % eBenefit Txns

eBenefits Transactions Retirees



- Txns via eBenefits
- Txns eligible for eBenefits
- % eBenefit Txns

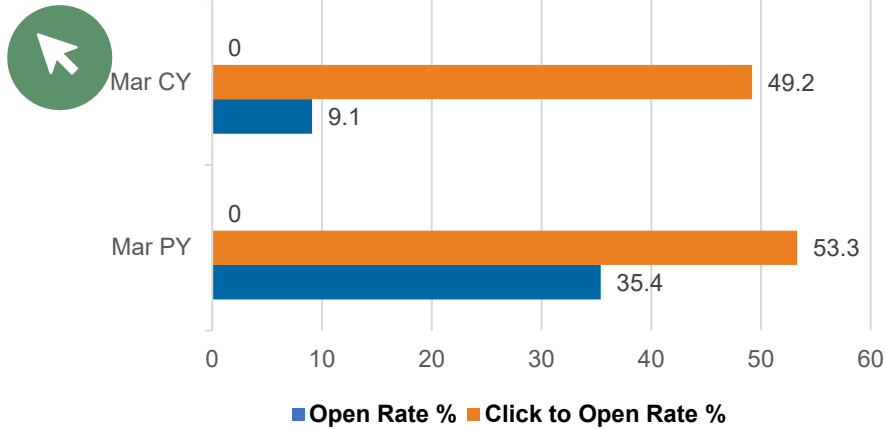
An error in the calculation formula understated in previous dashboards the percentage of transactions done via eBenefits. For the active population, the correct values are approximately 30% higher and for the retirees, the correct values are approximately 10% higher.

Communications Dashboard for the Month of March 2025

Member Engagement

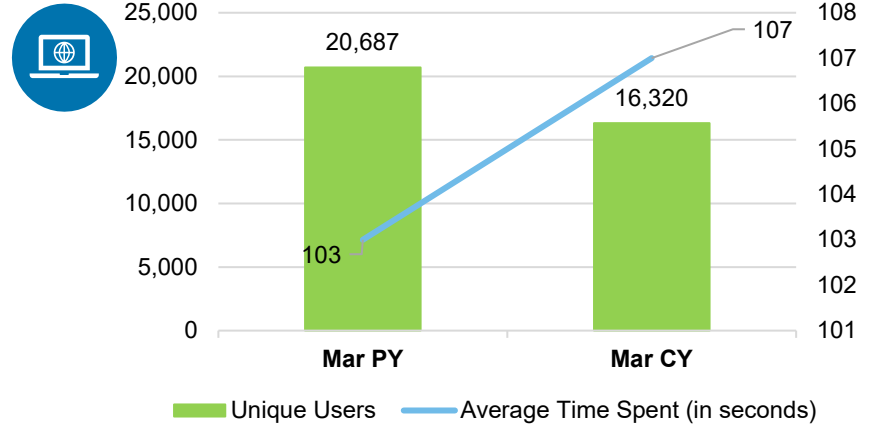
Newsletter Engagement

Goal: >50% Subscribers and 50% Open Rate

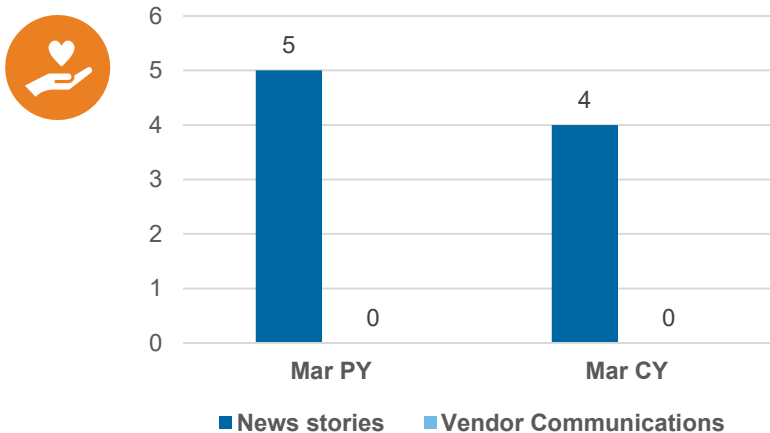


SFHSS Website Engagement

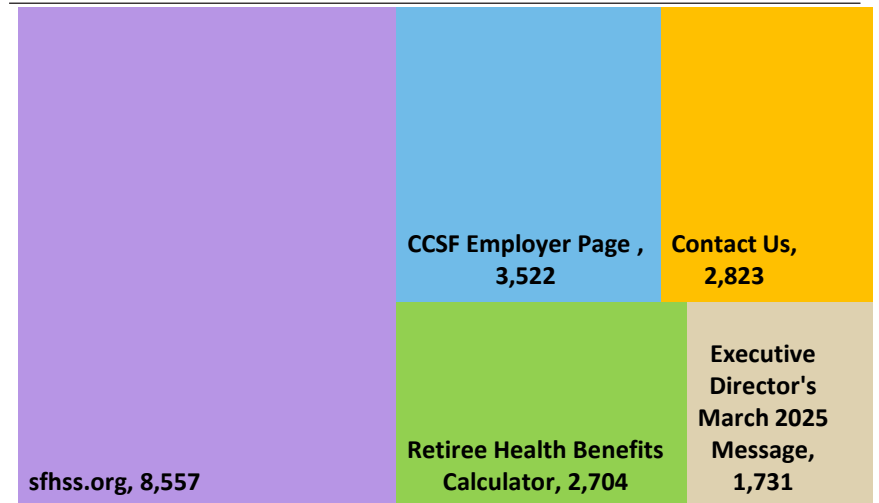
Goal: >100 seconds



Preventive Care Communications **Goal: > 3**



Top Visited Pages on sfhss.org



Well-Being Dashboard

Health Service Board Meeting – April 10, 2025

(Reporting: January - March 2025)

SFHSS Employee Assistance Program (EAP)

January-February Highlights:

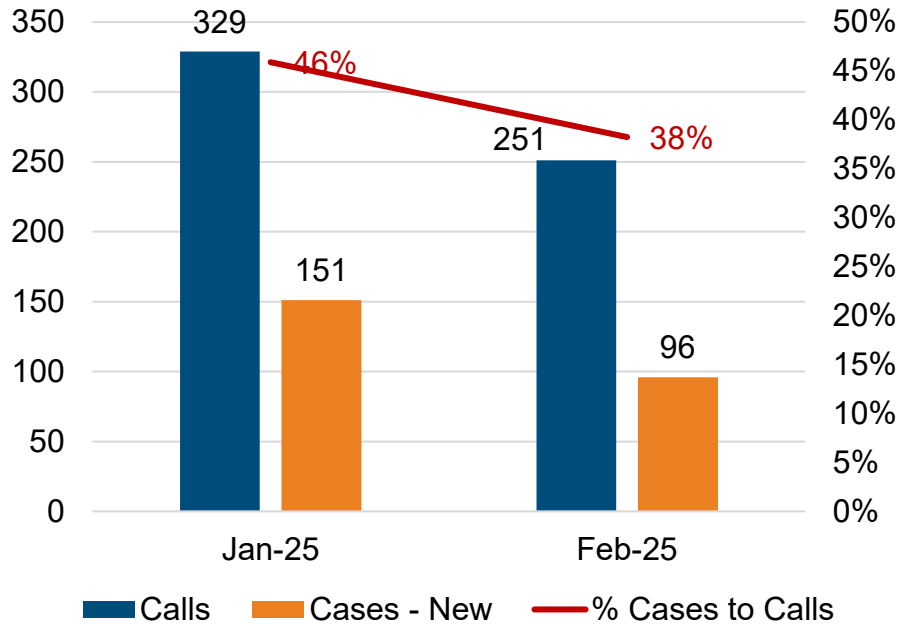
- ✓ 143 more services were provided in January and February of 2025 compared to January and February of 2024.
- ✓ 144 more individuals were served in January and February of 2025 compared to January and February of 2024.
- ✓ 8 trainings were offered serving a total of 78 people.
- ✓ 210 individual consultations were provided.
- ✓ 28 leadership consultations were provided.

FEBRUARY: Calls/Cases - Internal & External EAP

Highlights 2025

- ✓ Overall decrease in calls and cases in February compared to January, same year.

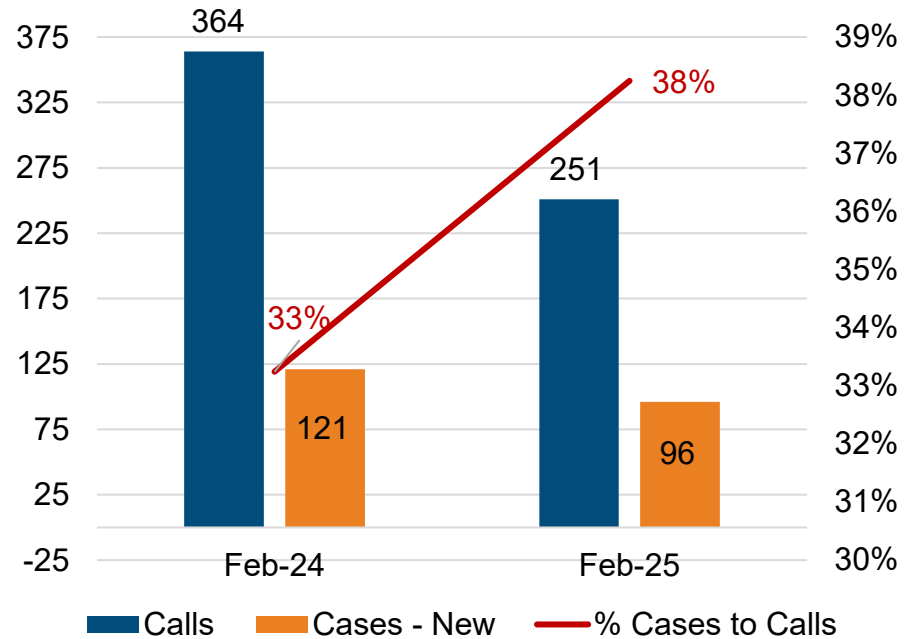
February 2025 Compared to January 2025: Calls, Cases, and % of Calls that Led to a Case



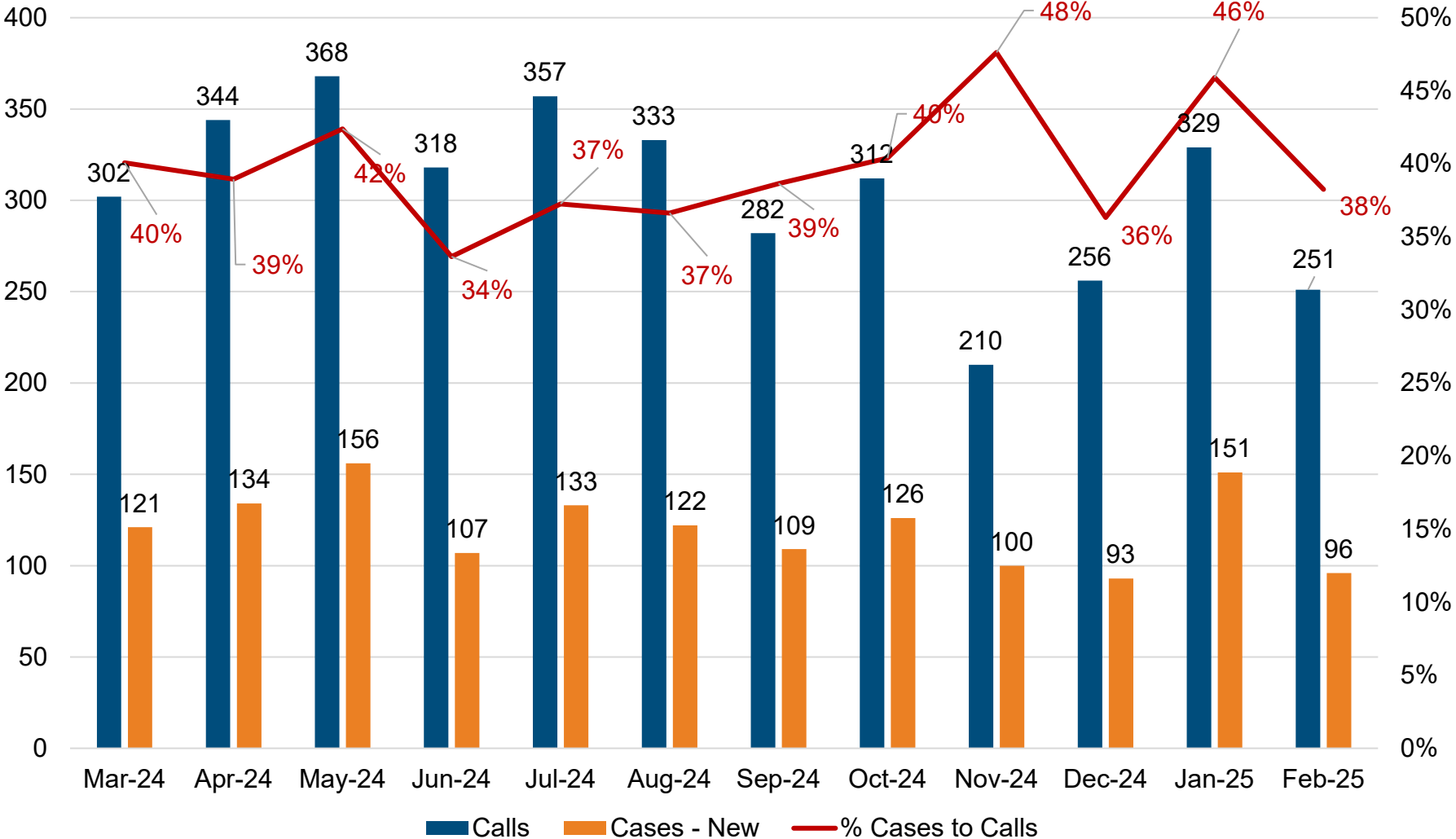
Highlights Year Over Year

- ✓ Overall decrease in calls and cases in February compared to the same month, prior year.

February 2025 Compared to February 2024: Calls, Cases, and % of Calls that Led to a Case

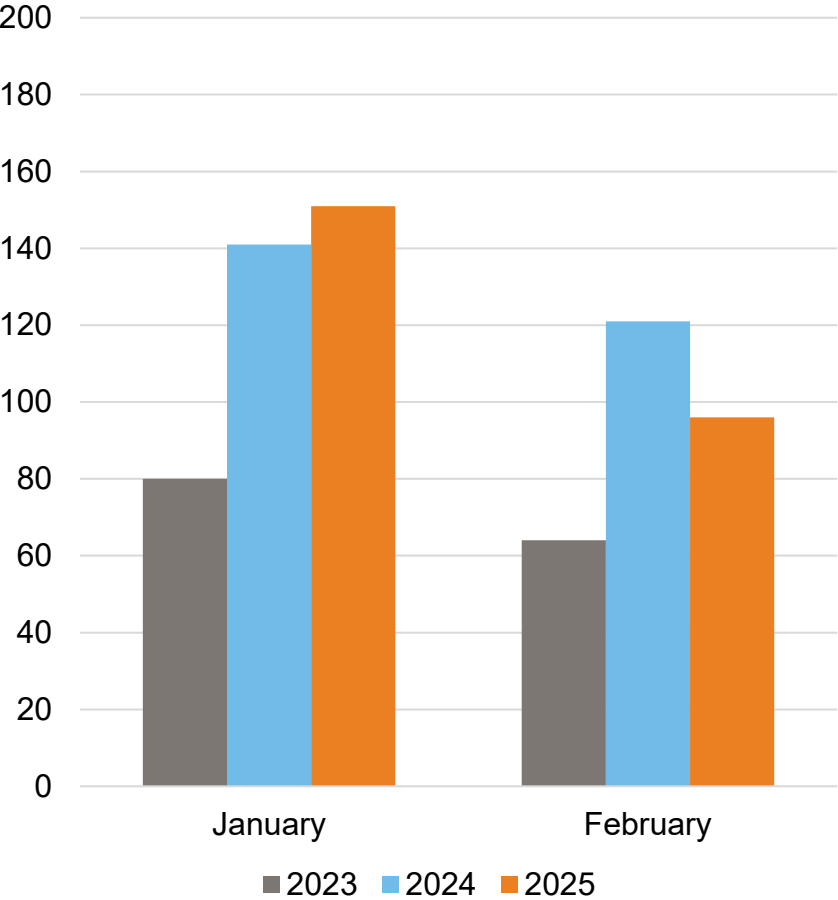


Calls/Cases: 12-Month Period - Internal & External EAP



Calls/Cases: Year Over Year - Internal & External EAP

New Cases



Call Volume

