



HEALTH SERVICE BOARD

CITY & COUNTY OF SAN FRANCISCO

Stephen Follansbee, M.D.
President

Chris Canning
Vice President

Connie Chan
Supervisor (District 1)
Commissioner

Karen Breslin
Commissioner

Mary Hao
Commissioner

Randy Scott
Commissioner

Claire Zvanski
Commissioner

Abbie Yant, MA, RN
Executive Director
Health Service System

Holly Lopez
Executive Secretary

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HEALTH SERVICE BOARD

MEETING MINUTES

Thursday, May 13, 2021

REGULAR MEETING AT

1:00pm

VIRTUAL PRESENTATION BY SFGOV TV

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 1:00 pm on May 13, 2021 (via SFGovTV) - <https://sfgovtv.org/hsbLIVE>

Click the link to join the meeting - <https://bit.ly/3a82Uxx>

Public Comment Call-In: 415-655-0001 / **Access Code:** 187 087 3967

Providing Public Comment:

1. Dial **415-655-0001** and then enter access code **187 087 3967** 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 during 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 comment 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 Wednesday, May 12th** before the meeting. Members can also call 628-652-4646 with any questions.

All comments received by the deadline will be read aloud by the Board Secretary up to the three-minute maximum allotted time to each commenter. 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.

1. **CALL TO ORDER:** 1:01 pm

2. **ROLL CALL:**

President Stephen Follansbee, M.D.-present
Vice President Chris Canning-present
Supervisor Connie Chan-present
Commissioner Karen Breslin-present
Commissioner Mary Hao-present
Commissioner Randy Scott-present
Commissioner Claire Zvanski-present

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

The Health Service System meeting minutes are available on the SFHSS website at <https://bit.ly/2RRwG3m> HSB Regular Meeting Minutes from April 8, 2021

President Follansbee affirmed the following meeting minutes HSB Regular Meeting Minutes from April 8, 2021. Commissioner Scott moved to accept the meeting meetings as distributed for the HSB Regular Meeting Minutes from April 8, 2021. Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved the HSB Regular Meeting Minutes from April 8, 2021.

4. **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.**

President Follansbee acknowledged several emails forwarded to the Board regarding the use of Flexible Spending Account (FSA) accounts in 2021 and the allowable amount for this calendar year. The emails requested an increase in Dependent Care FSA allotment for childcare.

PUBLIC COMMENT:

1. Liz Dyson, Local 21 Union member, requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
2. Natalie Hofmeister, Local 21 Union member, and SFO Civil Engineer requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
3. Lisa Stone, Local 21 Union member, and SFMTA Engineer requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
4. Anna Herdman, SFMTA City Employee, requested an increase in the Dependent Care FSA limit to \$10,000 to accommodate childcare costs.
5. Erica Maybaum, a Member, requested the website be updated to reflect the changes to the administration of the infertility benefit changes adopted in November 2019. Erica Maybaum also supported the request to increase the Dependent Care FSA amount for members.
6. Guz Malayo, Member and President of IFPTE Local 21, requested an increase in the Dependent Care FSA limit to \$10,000 to accommodate childcare costs.
7. Richard Rothman, a Member, requested Delta Dental rectify the billing procedures. Richard Rothman pointed out that Delta Dental billed him a deductible for SmileWay when the plan clearly outlines that members are not required to pay a deductible.

WRITTEN PUBLIC COMMENT SUBMISSION SUMMARIES:

8. Daniel Sheeter, Local 21 Member and SFMTA Employee, requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
9. Tracy Minicucci, Local 21 member and SFMTA Employee, requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
10. Ted Graff, requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
11. Shannon Hake, Local 21 member and SFMTA Employee requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
12. Adrian Leung, Local 21 member and SFMTA Employee requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
13. Michael Tan, Local 21 Member and SFO Employee, requested HSS modify the HSS FSA plan to implement the changes allowed by the IRS in Notice 2021-15 through the end of December 2021 Calendar year.
14. Ryan Reeves, Local 21 member and SFMTA Employee requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.
15. Nancy Au-Yeung, Local 21 Member and SFPUC Employee, requested the option to allow mid-year election changes for regular FSAs and dependents.
16. Miriam Sorell, Local 21 Member and SFMTA Employee, requested an increase in the Dependent Care FSA limit from \$5,000 to \$10,500 to accommodate childcare costs.

5. PRESIDENT'S REPORT: (Discussion)

President Follansbee welcomed Supervisor Chan (District 1) to the Health Service Board. President Follansbee congratulated Vice President Canning on his promotion to Captain of the Tenderloin Police Station. President Follansbee noted the April 8, 2021, Express Dashboard and Health Plan Risk Scores presentations that were not presented at the April meeting will be intergraded with the Measurement Plan presentation later this year. President Follansbee thanked Rin Coleridge, Enterprise Systems and Analytics Manager, and Derrick Tsoi, SFHSS Senior Health Planner for their diligence in preparing the reports and careful attention to the data. President Follansbee acknowledged SFHSS for its effort to promote the month of May as Mental Health Awareness Month. President Follansbee noted new Health Plan contracted representatives will be introduced later in the agenda. President Follansbee shared the Center for Disease Control revised recommendations for mask-wearing, and he encouraged everyone to remain vigilant in wearing masks to reduce the risk of infection.

Commissioners extended a welcome to Supervisor Chan. Supervisor Chan expressed her appreciation for the Health Service Board and her eagerness to work with Board

PUBLIC COMMENT: None

6. DIRECTOR'S REPORT: (Discussion)

The Director's Report is available on the SFHSS website at <https://bit.ly/3ycwGMc>

Executive Director Yant presented the following items in her Director's Report:

- COVID-19 Update
- Mid-Year Active Employee Voluntary Benefits Enrollment June 2021
- Mental Health Awareness Month: Self-Care and Inclusivity
- SFHSS 2020 Audit Report and 2021 Audit Plan
- Telehealth Update
- San Francisco Health Service System ACO Evaluation

- Measurement Plan
- Medicare Plan Evaluation
- Reminder: Vendor Black Out Period-Extended
- Follow up from Health Plans
 - Delta Dental
 - VSP
- Divisional Updates
 - Personnel
 - Operations: Enterprise Systems and Analytics (ESA) and Communications
 - Finance
 - Contracts
 - Well-Being

Executive Director Yant said management is researching the statutory allowance for the FSA increase in dependent care at the federal level and will provide a detailed analysis and recommendations at the June Health Service Board meeting.

Executive Director Yant acknowledged the remarkable job Carrie Beshears, Well-Being Manager, and her team has done to provide resources for members during the last year and their work to promote Mental Health Awareness month.

Executive Director Yant announced two SFHSS promotions within the Member Services team, Kristi Wong and Kevin Shen. She also thanked Mitchell Griggs, Chief Operating Officer, and Christine Salam, Senior Human Resources Consultant for managing the hiring process.

Commissioner Zvanski congratulated the SFHSS for the internal promotions and acknowledged the opportunity for staff to stay within their departments through promotions.

PUBLIC COMMENT: None

7. **HSS FINANCIAL REPORTING AS OF MARCH 31, 2021: (Discussion)**

The HSS Financial Reporting of February 28, 2021, memo is available on the SFHSS website at <https://bit.ly/3f4G6lp>

Larry Loo, Chief Financial Officer presented the following items:

- Executive Summary
- Employee Benefit Trust Fund (Trust Fund)
- United Health Care PPO
- Blue Shield Access+ Flex Funded Plan
- Blue Shield Trio Flex Funded Plan
- Delta Dental PPO (Actives Only) Self-Funded Plan
- Other Trust Fund Notes
- General Fund Administrative Budget

Larry Loo, Chief Financial Officer, shared an update on the General Fund Administrative budget. In order to satisfy the Mayor's Budget request, the 24/7 Employee Assistance Program was not submitted in the original proposal; discussions with the Mayor's Budget Office have found some funding to restore the program and all budgets are going before the Board of Supervisors in June. President Follansbee recalled past discussions on claims suppression costs due to the pandemic

but it's reassuring to see pharmacy costs and refills are sustained indicating that members are managing their conditions such as diabetes, hypertension, and lung disease. Commissioner Zvanski thanked Larry Loo for the excellent report and hoped the Administrative Budget would be approved.

PUBLIC COMMENT: None.

8. **PRESENTATION ON MENTAL HEALTH AWARENESS: (Discussion)**

The Presentation on Mental Health Awareness memo is available on the SFHSS website at <https://bit.ly/2S7wX2i>

Carrie Beshears, Well-Being Manager presented the following items:

- Mental Health Statistics
- Year in Review
- SFHSS Well-Being/EAP Response
- Training
- MHFA Training
- Campaigns
- Future Campaigns
- Webinars & Classes
- Resiliency Groups
- Well-Being Support
 - Recognition and Appreciation Toolkit and Pilot – coming soon
- CredibleMind
- Message from Mayor London Breed
- Contact Us

Commissioner Hao expressed her appreciation for all the care offered to the employee population and the impressive work to creating a new normal for mental health services. Supervisor Chan expressed gratitude for all the work. Supervisor Chan asked for more detail on the Recognition and Appreciation Toolkit and Pilot program and what departments would participate-if the departments are identified or if they request participation. Carrie Beshears, Well-Being Manager, said that within a network of 200 Well-Being Champions, 48 Champaigns receive regular training and are introduced to program opportunities. Carrie Beshears said programs call for departments to be prepared and engaged to build a culture of recognition and appreciation and so there may be identified departments and in this pilot, departments have reached out. Carrie Beshears pointed out that interested departments then work with the Well-Being team to create a timeline, look at data metrics to identify changes, and then tailor an implementation plan to the specific focus area. Carrie Beshears offered an example in which a department identified higher worker's compensation specifically for their office workers, so the Well-Being team indicated a timeline, developed and analyzed an employee survey, and the department management committed to endorsing the toolkit resources. Supervisor Chan mentioned she visited the COVID Command Center and was impressed with the Wellness Area and all the considerations for employees working in a stressful environment. Supervisor Chan encourages the resources to continue and expand for all city departments, especially first responders in Firehouses, police stations, and hospitals. Supervisor Chan offered to provide any support where needed.

Commissioner Scott asked to define the acronym BIPOC. Carrie Beshears clarified that BIPOC is an acronym for Black, Indigenous, People of Color. President Follansbee asked what programs outside of scheduled classes are offered for members to fit their individual needs. Carrie Beshears

said there are first responder peer support groups including Fire, Police, and Department of Emergency Management (DEM), members can call the Employee Assistance Program (EAP) call center, and the EAP team teaches a technique called “Mindful Moments” to utilize in the event of a stressful situation. Carrie Beshears also mentioned programs encourage departments to allow space to have conversations on mental health and allow people to engage in mental health activities. President Follansbee thanked Carrie Beshears for the comprehensive presentation.

PUBLIC COMMENT: None

RATES AND BENEFITS MATTERS

9. PRESENTATION ON THE 2021 RATES AND BENEFITS CALENDAR FOR THE PLAN YEAR 2022: (Discussion)

The 2021 Rates and Benefits Calendar for the Plan Year 2022 is available on the SFHSS website at <https://bit.ly/3fAF4wi>

Executive Director Yant shared the latest iteration of the Rates and Benefits calendar.

PUBLIC COMMENT: None

10. HEALTH PLAN 2022 RATE SUMMARY-ACTIVE EMPLOYEE/EARLY RETIREE HEALTH PLANS: (Discussion)

The Health Plan 2022 Rate Summary Active Employee/Early Retiree Health Plans is available on the SFHSS website <https://bit.ly/3f2EwAn>

Mike Clarke, Aon presented the following items:

- Health Plan 2022 Rate Summary Active Employee/Early Retiree Health Plans
- Membership Distribution by Plan
- Projected Monthly Rates-2022 Plan Year
- Introducing New Plans-Health Net CanopyCare
- Introducing New Plans-Blue Shield of CA PPO-Accolade

Mike Clarke introduced Ray Gallagher Vice President, Large Group and Major Accounts with Health Net LLC. Ray Gallagher said his role is to ensure all requirements are met to meet the needs of the membership. Ray Gallagher said Health Net is a managed care organization that specialized in value-based products, one of which is the CanopyCare delivery system, and introduced Ketan Gima, Vice President, Strategy and Implementation, Canopy Health. Ketan Gima, Canopy Health, expressed the honor to offer a product that supports access to high-quality care and provides focus to the unique market. Ketan Gima stated CanopyCare aims to improve member health and facilitate partner growth with the local collaboration of independent healthcare organizations. Ray Gallagher introduced Tammy Watt as the Account Executive for SFHSS who will manage the implementation process.

Mike Clarke, Aon, introduced Paul Brown, Area Vice President for Blue Shield of California (BSC) who is the third-party administrator for the PPO with Accolade. Paul Brown said Blue Shield is honored to administer the self-funded PPO plan in 2022. Paul Brown described the large PPO provider network in California and access for out-of-state employees and retirees through the Blue Card PPO network. Paul Brown stated BSC’s commitment to close any provider gaps whenever possible as well as making prescription transfers to be as smooth as possible for members. Paul

Brown pointed out that BSC has partnered with Accolade to provide a high-touch access model and aims to improve engagement for not only a high-risk member but all SFHSS BSC PPO members.

President Follansbee asked if a member will automatically become a CanopyCare member and how will a member know their assigned Primary Care Physician (PCP) and hospital. Ketan Gima explained the process would start with a member being attributed to Health Net CanopyCare, and the member and PCP would work in the CanopyCare Alliance Referral Program that would send the member to the appropriate facility. President Follansbee asked how and when a member would know if their provider, such as Hills Physicians is within CanopyCare network options. President Follansbee pressed upon the need for CanopyCare to inform members of their options. Ketan Gima explained a member can keep their PCP and transfer to the CanopyCare network. Ketan Gima added CanopyCare is an integrated network on several levels-clinical, financial, care patterns, hospital network- that manages provider education with medical groups and leadership. Commissioner Zvanski stated the primary concern for members is the continuation of care especially for their PCP and requested clarification. Ketan Gima said the intent is to maintain the patient and PCP relationship and in addition, the member would also be notified of the broader access to more specialists and access to second opinions. Commissioner Zvanski asked what the second opinion program is called. Ketan Gima said a member can use the Alliance Referral Program to request a second opinion.

PUBLIC COMMENT: None

Break: 3:03-3:10pm

President Stephen Follansbee, M.D.-present
Vice President Chris Canning-present
Supervisor Connie Chan-present
Commissioner Karen Breslin-present
Commissioner Mary Hao-present
Commissioner Randy Scott-present
Commissioner Claire Zvanski-present

11. REVIEW AND APPROVE BLUE SHIELD OF CALIFORNIA MEDICAL/RX FLEX-FUNDED NON-MEDICARE HMO PLANS 2022 RATES AND CONTRIBUTIONS: (Action)

The BSC Medical/Rx Flex-Funded Non-Medicare HMO Plans 2022 Rates and Contributions is available on the SFHSS website <https://bit.ly/3f7196U>

Mike Clarke, Aon presented the following items:

- Health Plan Funding-Method Comparison by SFHSS Plan
- Health plan Rate Setting Process for Next Year Plan
- Non-Medicare Plan 2022 Rate Renewal Summary
- Non-Medicare Medical Plan 2022 Proposed Total Rates
- Segmenting Total Cost Rates into Employer and Member Contributions-Active Employee (CCSF)
- Segmenting Total Cost Rates into Employer and Member Contributions-Early Retiree (Based on City Charter)
- BSC HMO 2022 Plan Rating-Recommendation
- BSC 2022 HMO Plan Rating-Renewal Summary
- 2022 Monthly Rate Cards for Access+
- 2022 Monthly Rate Cards for Trio

- Recommendations for HSB Action

President Follansbee thanked Mike Clarke for a spectacular presentation that provides critical information. Commissioner Breslin asked how long the reduction of the administrative fees, a product of the Request for Proposal (RFP), will last. Mike Clarke stated Blue Shield of California guaranteed the administrative fee for the 2022 plan year (reduced from 2021 fee) for three years, through the end of 2024. Commissioner Scott asked if Aon or health plans have updated near-term forecasts for how member health plan utilization may change as pandemic restrictions ease. Mike Clarke stated from the first calendar quarter of 2021 there is still a continuation of lower medical claim expenses than may have been expected with underwriting early last year. Mike Clarke said some higher level of medical claims in April which will be reported out in the Chief Financial Officer's Financial Reporting next month. Mike Clarke said as of now there is a belief that there may be higher levels of plan utilization for medical care later in 2021. Mike Clarke also highlighted members have greatly benefited from telehealth to engage with their physicians.

Commissioner Scott requested a periodic review, perhaps quarterly, to monitor and report out on changes. Mike Clarke noted the request and will work with the CFO to track monthly claim expenses. Mike Clarke also pointed out that two factors contributed to the relatively low-rate increase: first, the RFP financials, and second, the rate stabilization mechanism helps capture some of the favorability in claims relative to forecast. Executive Director Yant stated SFHSS staff met early in the year regarding utilization and are working toward some uniformity amongst utilization reports so the reports tell a clearer story about the member population as a whole and Executive Director Yant committed to providing reports in a timely manner.

Commissioner Hao asked for the cost components breakdown for 2022 medical and pharmacy claims costs. Mike Clarke responded that about 80% of the overall plan expense is for medical services and 20% for prescription drugs. Within the medical expense category, in the BSC HMOs, about 1/3 of projected medical expense is capitation for primarily physician-delivered services, with the remaining 2/3 attributable to services like hospital care and other non-physician services.

Commissioner Hao moved to accept the BSC rate cards for Access+ and Trio. Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved the BSC Medical/Rx Flex-Funded Non-Medicare HMO Plans 2022 rates and contributions as presented.

12. REVIEW AND APPROVE HEALTH NET CANOPYCARE MEDICAL/RX FLEX-FUNDED NON-MEDICARE HMO PLAN 2022 RATES AND CONTRIBUTIONS: (Action)

The Health Net CanopyCare Medical/Rx Flex-Funded Non-Medicare HMO Plan 2022 Rates and Contributions presentation is available on the SFHSS website <https://bit.ly/3fANDXY>

Mike Clarke, Aon presented the following items:

- Health Plan Funding-Method Comparison by SFHSS Plan
- Health plan Rate Setting Process for Next Year Plan
- Non-Medicare Plan 2022 Rate Renewal Summary
- Non-Medicare Medical Plan 2022 Proposed Total Rates
- Segmenting Total Cost Rates into Employer and Member Contributions-Active Employee (CCSF)

- Segmenting Total Cost Rates into Employer and Member Contributions-Early Retiree (Based on City Charter)
- Health Net CanopyCare HMO 2022 Plan Rating-Recommendation
- Health Net CanopyCare 2022 HMO Plan Rating Summary
- 2022 Health Net CanopyCare HMO Monthly Rate Cards
- Health Net CanopyCare HMO 2022 Plan Rating-Recommendation

President Follansbee thanked Mike Clarke, Aon for the comprehensive yet succinct presentation. President Follansbee asked about the financial impact or liability of the Blue Shield of California's \$1 million large claim pooling target. Mike Clarke explained that a large claim pooling fee is an insurance mechanism and over time large claim fees are expected to exceed reimbursements. Mike said 8 years of large claim pooling experience data with BSC is known, as flex funding started in 2013, and in six out of eight years, large claim pooling fees exceeded the total amounts reimbursed back to the plan (in two years large claim experience reimbursed to SFHSS Trust was greater than the large claim pooling fees). Mike Clarke stated SFHSS should not be concerned that Health Net CanopyCare does not have an individual large claim pooling requirement as part of their flex-funded plan given premiums have exceeded reimbursements over the past eight years on the BSC HMO plans individual large claim pooling requirement.

Commission Scott moved to approve the Health Net CanopyCare Medical/Rx Flex-Funded Non-Medicare HMO Plan 2022 rates and contributions as presented. Commissioner Hao seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved Health Net CanopyCare Medical/Rx Flex-Funded Non-Medicare HMO Plan 2022 rates and contributions as presented.

13. REVIEW AND APPROVE BLUE SHIELD OF CA PPO-ACCOLADE PLAN MEDICAL/RX SELF-FUNDED NON-MEDICARE 2022 RATES AND CONTRIBUTIONS: (Action)

The BSC PPO-Accolade Plan Medical/Rx Self-Funded Non-Medicare 2022 Rates and Contributions is available on the SFHSS website <https://bit.ly/2Sf00kl>

Mike Clarke, Aon presented the following items:

- Health Plan Funding-Method Comparison by SFHSS Plan
- Health plan Rate Setting Process for Next Year Plan
- Non-Medicare Plan 2022 Rate Renewal Summary
- Non-Medicare Medical Plan 2022 Proposed Total Rates
- Segmenting Total Cost Rates into Employer and Member Contributions-Active Employee (CCSF)
- Segmenting Total Cost Rates into Employer and Member Contributions-Early Retiree (Based on City Charter)
- BSC PPO-Accolade Plan 2022 Plan Rating-Recommendation
- BSC PPO-Accolade 2022 Plan Rating-Summary
- 2022 BSC PPO-Accolade Administrative Fees
- BSC PPO-Accolade -Choice Not Available
- 2022 Monthly Rate Cards for BSC PPO-Accolade and BSC PPO-Accolade-Choice Not Available
- BSC PPO-Accolade

- BSC PPO-Accolade-Choice Not Available
- BSC PPO-Accolade 2022 Plan Rating-Recommendation

President Follansbee recalled the Board's participation in the 2018 Innovation Day which introduced point-of-care vendors to bring more services to members and said it appears the BSC PPO-Accolade plan offers high impact particularly for those in somewhat isolated areas. Mike Clarke agreed and mentioned that Accolade brings vendors like Ginger and Hinge Health available to members. Executive Director Yant thanked President Follansbee for recalling the Innovation Day that initiated Strategic planning but also recommended SFHSS consider plans that provide these point-of-care solutions. Executive Director Yant noted the RFP process presented plans with the point-of-care options and now BSC PPO-Accolade can connect PPO members with unique needs to services to improve their health and well-being. Commissioner Scott noted the work of the staff to bring the recommendation full circle. Commissioner Zvanski appreciated the plan offered additional vendors and services to accommodate members' needs at an affordable rate.

Vice President Canning motioned to approve the BSC PPO-Accolade Plan Medical/Rx Self-Funded Non-Medicare 2022 rates and contributions as presented. Commissioner Scott seconded the motion.

PUBLIC COMMENT: none

ACTION: The Health Service Board unanimously approved BSC PPO-Accolade Plan Medical/Rx Self-Funded Non-Medicare 2022 rates and contributions as presented.

14. REVIEW AND APPROVE KAISER PERMANENTE (CALIFORNIA) FULLY INSURED NON-MEDICARE MEDICAL/RX 2022 RATES AND CONTRIBUTIONS: (Action)

The Kaiser Permanente CA Fully Insured Non-Medicare Medical/Rx 2022 Rates and Contributions presentation is available on the SFHSS website <https://bit.ly/3oy3Jpx>

Mike Clarke, Aon presented the following items:

- Health Plan Funding-Method Comparison by SFHSS Plan
- Health plan Rate Setting Process for Next Year Plan
- Non-Medicare Plan 2022 Rate Renewal Summary
- Non-Medicare Medical Plan 2022 Proposed Total Rates
- Segmenting Total Cost Rates into Employer and Member Contributions-Active Employee (CCSF)
- Segmenting Total Cost Rates into Employer and Member Contributions-Early Retiree (Based on City Charter)
- Kaiser Non-Medicare HMO 2022 Rating-Recommendation
- Kaiser HMO 2022 Rates and Contributions-Summary
- Kaiser HMO 2022 Rates and Contributions-Rate Card Information
- Kaiser Permanente (CA) 2021-2022 Rate Changes
- 2022 Kaiser Permanente (CA) Monthly Rate Cards-Early Retirees and 93/93/83 Contribution Strategy for Actives
- 2022 Kaiser Permanente (CA) Monthly Rate Cards-Early Retirees and 100/96/83 Contribution Strategy for Actives
- Kaiser Non-Medicare HMO 2022 Rating-Recommendation

Commissioner Scott noted little change in membership from year to year and hoped the membership consistency was recognized in the actuarial practice. President Follansbee reiterated Commissioner Scott pointed out how the health care costs have to do with changes in providers (from one system to the next) and the Kaiser membership persistency should work to the benefits of SFHSS. President Follansbee asked how SFHSS rates compare to other contracted entities with Kaiser. Mike Clarke agreed and asked a Kaiser Permanente representative to speak to their approach to setting premiums and the underwriting approach for SFHSS. Lorina Siegrist, Vice President Underwriting, Kaiser Permanente, shared the process looks at population changes such as age, gender profile, membership mixes like single-family that inform the risk population.

Lorina Siegrist said the standard rating methodology looks at utilization with several rating factors such as demographics, pooling levels, retention are all factors applied consistently across different Kaiser customers and those factors generate projected expenses and revenue targets to meet those expenses which then determine the average commercial rate increase needed to meet those expected expenses. Lorina Siegrist said over the last five to seven years, the average rate increase has been between three to six percent.

President Follansbee asked if SFHSS falls in the higher rate range increase and if so, what are the determining factors. Mike Clarke responded that in five of the six most recent annual renewals, the renewal rate increases have been approximately five percent, with one year having a slight rate decrease. Lorina Siegrist added that factors like membership mixes of population aging or health conditions contribute to higher utilization but SFHSS has been close to Kaiser's average health plan increases. Commissioner Scott referenced that from the SFHSS demographics report, health risk factors in the SFHSS Kaiser population may not be increasing at rates that Kaiser may be observed in its book of business for other Kaiser customers. Commissioner Hao expressed concern that this year's increase was driven by an increase in Kaiser Permanente's increase in expenses whereas last year's rate increase was driven by utilization. Kate Ferrante, Vice President of Strategic Accounts, Kaiser Permanente, pointed out that within an integrated delivery system not everything is captured in the exact utilization and that was compounded in a pandemic year so many expenses cannot be connected to a specific group factor. Kate Ferrante also said the overall expenses for all customer groups increased but Kaiser used the same rating methodology across all its customers and was able to keep the average commercial rate increase the same. Mike Clarke stated that the SFHSS specific plan utilization for the plan year 2020 which was presented in April 2021 reported utilization suppression primarily in March through June 2020, and what is being projected for 2022 is an expectation that the utilization will likely resume to pre-pandemic levels, more like what transpired in 2019. President Follansbee mentioned that as of now Kaiser Permanente has not charged members co-pays for telehealth services which may have some impact on revenue. Kate Ferrante thanked President Follansbee for acknowledging the no-cost sharing for telehealth visits during the pandemic and this situation is an example of services not captured in utilization. President Follansbee thanked Kaiser Permanente for this service for members.

Commissioner Scott moved to approve the Kaiser Permanente CA Fully Insured Non-Medicare Medical/Rx 2022 rates and contributions as presented. Commissioner Zvanski seconded the motion.

PUBLIC COMMENT: None

ACTION: The Health Service Board unanimously approved Kaiser Permanente CA Fully Insured Non-Medicare Medical/Rx 2022 rates and contributions as presented.

15. REVIEW AND APPROVE ACTIVE EMPLOYEE 2022 DENTAL RATES FOR SELF-FUNDED DELTA DENTAL PPO PLAN, FULLY INSURED DELTACARE USA HMO PLAN AND FULLY INSURED UNITEDHEALTHCARE (UHC) HMO PLAN: (Action)

The Active Employee 2022 Dental Rates presentation is available on the SFHSS website <https://bit.ly/340D76S>

Mike Clarke, Aon presented the following items:

- Health Plan Funding-Method Comparison by SFHSS Plan
- Health plan Rate Setting Process for Next Year Plan
- Active Employee 2022 Dental Rates-Summary
- Active Employee 2022 Dental Rates-Summary Today's Recommendation
- Delta Dental of California: Overview-Active Employee Dental PPO Rating
- Delta Dental of California: Administrative Fee for Active Employee Dental PPO Plan
- Delta Dental of California: Active Employee Dental PPO-2022 Projected Rates
- Fully Insured Dental Plans-2022 Rating
- Active Employee Fully Insured Dental HMO 2022 Rates
- Active Employee 2022 Dental Rates-Recommendation

President Follansbee thanked Mike Clarke for the detailed analysis and presentation. Commissioner Breslin asked how many members utilize PPO dentists in the plan. Mike Clarke didn't recall the exact number but referenced the March HSB utilization presentation contained this information. Commissioner Breslin asked a Delta Dental representative to clarify two points she addressed to Delta Dental at the last Board meeting, 1. Are all dentists are eligible for the Delta Dental Premier status and 2. Why Delta Dental doesn't allow benefit assignments to out-of-network dentists. Sharen Stanek-Lowe, National Account Manager, Delta Dental, confirmed that all Delta Dentists are eligible to be premier dentists and claims fee schedules are determined by individual contracts. MuhammadReza Navid, Group Vice President, Sales & Marketing, Delta Dental assured the Board Commissioner Breslin requested a written explanation, so dentists understand their options. Commissioner Scott suggested counsel's advice because the request involves information about contracts. Executive Director Yant commented SFHSS is working with Delta Dental on several issues to clarify misinformation and provide educational materials as well as network access, customer satisfaction, and administrative issues. Executive Director Yant said an update can be shared at the June Health Service Board meeting.

Scott moved to approve the Active Employee 2022 Dental Rates as presented. Commissioner Breslin seconded the motion.

PUBLIC COMMENT:

ACTION: The Health Service Board unanimously approved Active Employee 2022 Dental Rates as presented.

REGULAR BOARD MEETING MATTERS

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

Paul Brown, Area Vice President for Blue Shield of California, introduced Tiffany Cheong, Major Accounts Manager. Paul Brown shared that Tiffany has a wealth of experience, is a fellow International Society of Certified Employee Benefits Specialist, and has worked with Blue Shield of California for the past eight years. Tiffany Cheong said she has attended HSB meeting in the past and is excited to work with SFHSS

Sharen Stanek-Lowe, National Account Manager, Delta Dental, said she is standing in for Merriam Pabanon, Account Manager, National and Specialist Accounts, while she is out on leave and shared that Delta Dental provided Richard Rothman's with a detailed explanation as to why he received two EOBs from Delta Dental. Sharen Stanek-Lowe said Shelly Walsh, Director, Markets Enablement and Operations, Delta Dental as well as MuhammadReza Navid, Group Vice President, Sales & Marketing, joined the call today to demonstrate Delta Dental's commitment in partnering with SFHSS to address the concerns from Commissioners and Members.

Karen Breslin recently called United Health Care and complimented their customer service staff for answering her questions and making suggestions.

President Follansbee thanked all the health plan representatives for working with SFHSS staff to resolve issues and create action plans to help communication and organization going forward.

17. ADJOURNMENT: 4:59 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 read aloud by the Board Secretary up to the three-minute maximum allotted to each commenter. 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, 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.

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.