

**MEMORANDUM**

**DATE:** September 11, 2025

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

**FROM:** Rey Guillen, SFHSS Executive Director

**RE:** September 11, 2025, Director's Report

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**ANNUAL BENEFITS CONTRACTS ASSESSMENT FOLLOW-UP**

At the August 14, 2025, Board meeting, HSS staff informed the Health Service Board of the status of benefit contracts under SFHSS jurisdiction and the planned competitive procurements known as Requests for Proposals (RFPs). This included, in addition to a required RFP for COBRA, AB528, Health Care FSA and Dependent Care Savings Account RFP to be released in September, a Dental PPO RFP for PY2027 to be released in November or December of this year.

Since the August HSB meeting, SFHSS continued our dental insurance market analysis and outreach. On August 25th, HSS released an online survey to enrollees in the Delta Dental Active PPO Dental Plan. As of September 5th, SFHSS has received over 2,400 responses and begun our analysis of current and past experiences with the Delta Dental PPO plan.

SFHSS enlisted subject-matter experts from our consulting partner, Aon, to prepare for an Active Dental PPO RFP, including determining patterns and themes from the August dental survey. Our collaboration continues to inform the draft scope of work for a Plan Year (PY) 2027 Active Dental PPO RFP, including criteria and objectives. We will share a summary of our findings and our recommendations at the November 13, 2025, Regular Board meeting.

At the Regular Board meeting on November 13, 2025, SFHSS plans to present the following:

- a) the results, themes, and patterns from the August 2025 Dental PPO Survey;
- b) the scope, criteria, objectives, process, and schedule for a PY2027 Active Dental PPO RFP and our intent to issue the RFP;
- c) HSS's intent to conduct early annual renewals for the following dental benefits separate from the PY2027 Active Dental PPO RFP: (i) Delta Dental PPO for Actives (self-insured); Delta Dental PPO for Retirees (fully-insured); DeltaCare USA Dental HMO for Actives and Retirees (fully-insured); UHC Dental HMO for Actives (fully-insured); UHC Dental HMO for Retirees (fully-insured); and
- d) HSS's intent to conduct early annual renewal requests for the following vision benefits: VSP Vision Basic and Premier Plans (fully insured) and VSP Vision VDT (employee-only, union-negotiated MOU benefit) to align with the expiration of the current five-year rate lock (2022-2026);
- e) a blackout notice (Board action item) for the PY2027 Active Dental PPO RFP as well as the PY2027 renewal process, including the aforementioned early annual renewals for dental and vision benefits; and

- f) HSS's intent to conduct targeted outreach and collaborate with our retiree population and retiree advocacy partners in preparation for a Retiree Dental PPO RFP to be released in 2026 for PY2028, which may include additional market research specific to retiree dental benefit trends and factors.

### **COMMISSION STREAMLINING TASK FORCE UPDATE**

San Francisco voters approved Proposition E in November 2024, creating the Commission Streamlining Task Force to review the City's appointive boards, commissions, and other public bodies. By February 1, 2026: The Task Force will prepare and send a final report with their recommendations for the Board of Supervisors. By March 1, 2026: The City Attorney will draft legislation reflecting the Task Force's recommendations to be sent to the Board of Supervisors. By April 1, 2026: The Board of Supervisors must hold a hearing on the drafted legislation. By July 2026: The Board of Supervisors will decide whether to place a Charter amendment on a future ballot.

**The Commission Streamlining Task Force will review the Health Service Board at its meeting on November 5, 2025.** Additional information and updates are available on the Task Force's work on the [Commission Streamlining Task Force page](#) on sf.gov. The Task Force's recommendations will be published [online](#) and shared at least two weeks in advance.

### **BLACK-OUT NOTICE CONTINUES** (see attachment)

Black-Out Period notification to the Health Service Board began on August 14, 2025, and extends through both:

- The completion of the San Francisco Health Service System ("SFHSS") formal request for proposal for COBRA, Healthcare Flexible Spending Account (FSA), Dependent Care Spending Account (DCSA), and AB 528 administration, and the presentation of the results of this 2026-2027 COBRA, FSA, DCSA & AB 528 RFP to the Board.
- The completion of the SFHSS Annual Rates and Benefits process for the 2027 plan year.

During this time, Board members are prohibited from unauthorized communications and other prohibited activities in connection with the 2026-2027 COBRA, FSA, DCSA & AB 528 RFP the annual SFHSS Rates and Benefits process for plan year 2027.

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### **FOLLOW-UP FROM THE PRIOR HEALTH SERVICE BOARD REGULAR MEETING**

#### **Question about Over-The-Counter Drug Benefits**

At the August 14, 2025, Regular Board meeting, a member asked about an advertised Over-The-Counter (OTC) benefit for Kaiser Permanente Senior Advantage members. An OTC benefit provides a limited allowance for items such as vitamins, minerals, allergy remedies, pain relievers, first aid kits, and diabetic supplies, among others. The member asked Kaiser and Blue Shield whether their HSS Medicare plan included an OTC benefit. Although both Kaiser and Blue Shield submitted proposals to add an OTC drug benefit for an additional cost per member per month, due to the limited nature of the benefit and the increase in cost, SFHSS determined that it did not make sense to add this benefit.

**SAN FRANCISCO  
HEALTH SERVICE SYSTEM**

Affordable, Quality Benefits & Well-Being

Health Plan	Quarterly Benefit Allowance	Cost PMPM
Kaiser Permanente Senior Advantage	\$70	\$2.20
Blue Shield Medicare Advantage PPO	\$80	\$2.80

**Challenges for Overseas Members to Access Blue Shield PPO Benefits**

An overseas member called into the August 14, 2025 Regular Board meeting to share the challenges they experienced with the Blue Shield PPO plan as an overseas member.

Following the meeting, HSS asked Blue Shield to reach out to the member to provide support. Blue Shield is working directly with the member to resolve the issue.

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

**PERSONNEL UPDATES** (see attachment)

**Retirements:**

- Monica Vigil retired 8/14/2025
- Anna Tobe retired 8/15/2025

**Recruitments:**

**Finance & Vendor Management:**

- 0953 Chief Financial and Affordability Officer - Job description in review phase.

**Enterprise Systems & Analytics:**

- 0932 Enterprise Systems and Analytics (ESA) Director - Job description in review phase.
- 1053 Senior IS Business Analyst Permanent Civil Service (PCS) – Job posting closed on 8/27/25. Reviewing minimum qualifications. Supplemental questionnaire will be sent on 9/5/25.

**Member Services:**

- 1210 Benefits Analyst (2) PCS – Back fill positions for the recent retirements. Conditional offer pre-employment status of applicants.
- 1209 Benefits Technician PCS - Back fill for Stephanie Recinos’s PCS vacancy from her promotion. Raters are scoring the exams and will return score grids by 9/15/2025.

**OPERATIONS:** (see attachments)

- All divisions are focused on delivering Open Enrollment projects.

**FINANCE AND BUDGET:**

- The Controller’s Office will provide interim support in the absence of a Chief Financial and Affordability Officer
- PY2026 detailed rates for benefits management system in final phase
- Annual MGO external audit in progress

**CONTRACTS:**

- Executed 2025 Agreement with Kaiser Permanente (HMO, KPSA, KPMR).

**SAN FRANCISCO  
HEALTH SERVICE SYSTEM**

Affordable, Quality Benefits & Well-Being

- Executed 2025 Agreement with Blue Shield (MAPD, ASO-PPO, Access+ and Trio HMOs)
- Ongoing administration of basic (group) life, supplemental life, supplemental AD&D, long-term disability and voluntary short-term disability benefits implementation for PY2026 as a result of the Life and Disability Benefits RFP.
- Executed 2025 Agreement with AllCode for PeopleSoft Consulting Services

**WELL-BEING:**

- Completed the Good Nurtured 4-week city-wide challenge with 1026 individuals registered.

**ATTACHMENTS:**

- Personnel - SFHSS Org Chart
- Operations Monthly Dashboard
- Blackout Notice through June 2026
- Blue Shield Medicare Advantage PPO Transition Dashboard



# Operations Dashboard

Health Service Board Meeting • September 11, 2025

Reporting: August 2025

# Operations Dashboard for the Month of August 2025

## Call Center Support

### Call Volume



**3452**  
calls handled  
August 2024

**2759**  
calls handled  
August 2025

### Average Speed to Answer

**Goal: <3 minutes**



**2 min 36 secs**  
August 2024

**3 min 51 secs**  
August 2025

### Abandonment Rate

**Goal: <10%**



**5.48%**  
August 2024

**10.67%**  
August 2025

### Average Handle Time

**Goal: <10 min**



**14 min 51 secs**  
August 2024

**7 min 00 secs**  
August 2025

### First Contact Resolution

**Goal: >75%**



**68%**  
August 2024

**70%**  
August 2025

### Call Drivers Metrics



Eligibility or Enrollment



Benefits



Payments-Refunds-Deduction



Retiree



Demographic Change



### Call Drivers

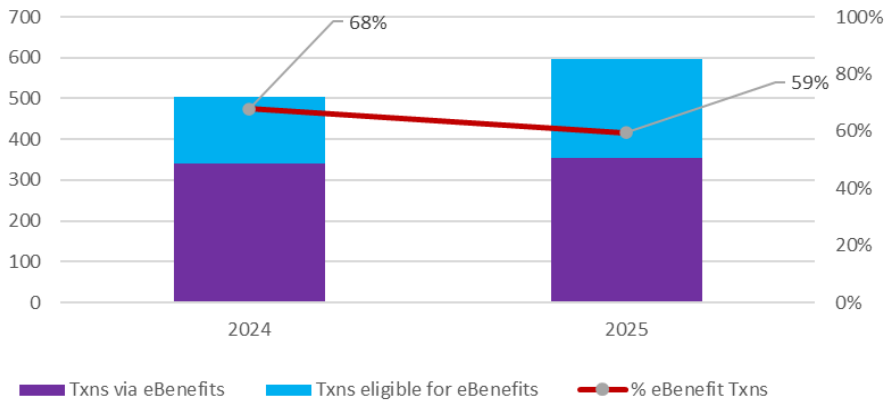
0% 10% 20% 30% 40% 50% 60%

# Operations Dashboard for the Month of August 2025

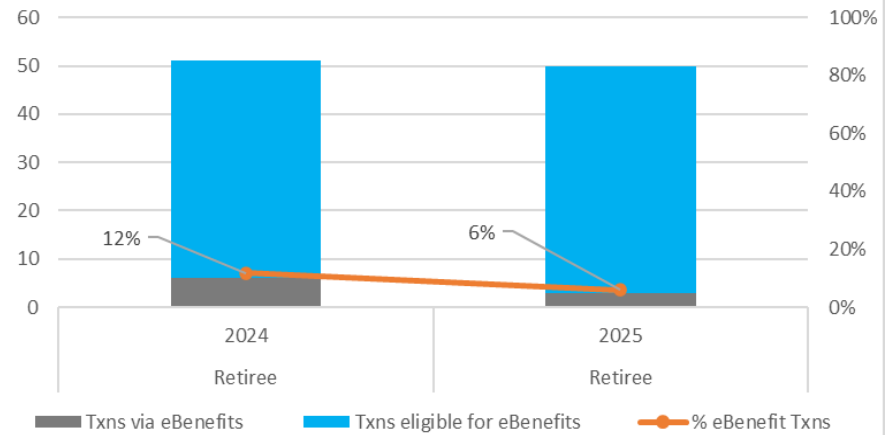
## Transactions



**eBenefits Transactions Actives**



**eBenefits Transactions Retirees**



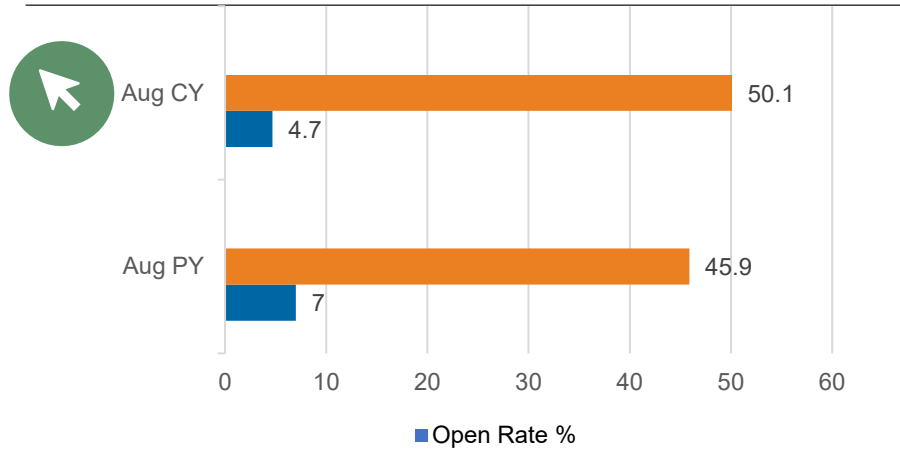


# Communications Dashboard for the Month of August 2025

## Member Engagement

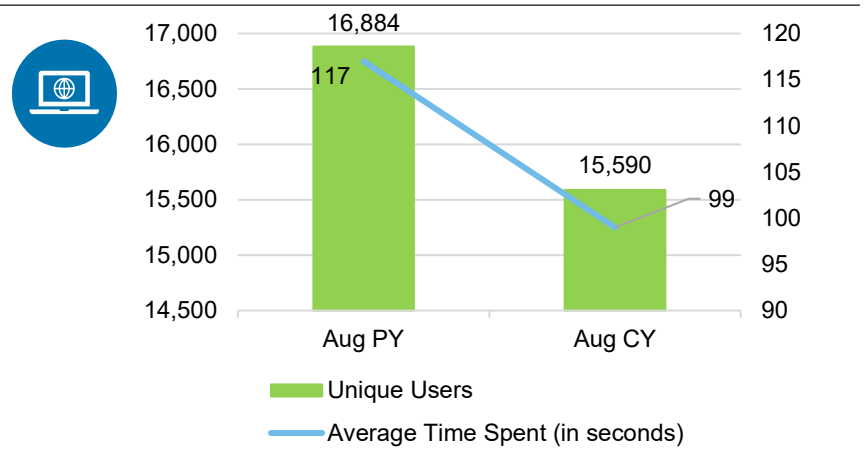
### Newsletter Engagement

**Goal: >50% Subscribers and 50% Open Rate**

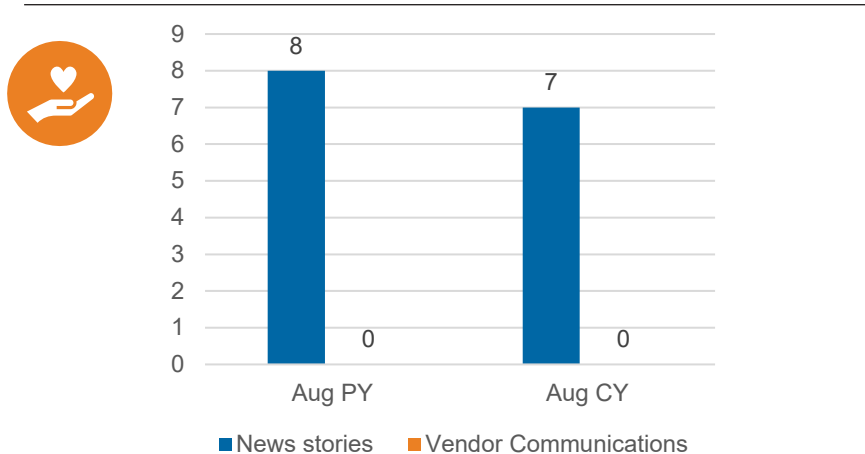


### SFHSS Website Engagement

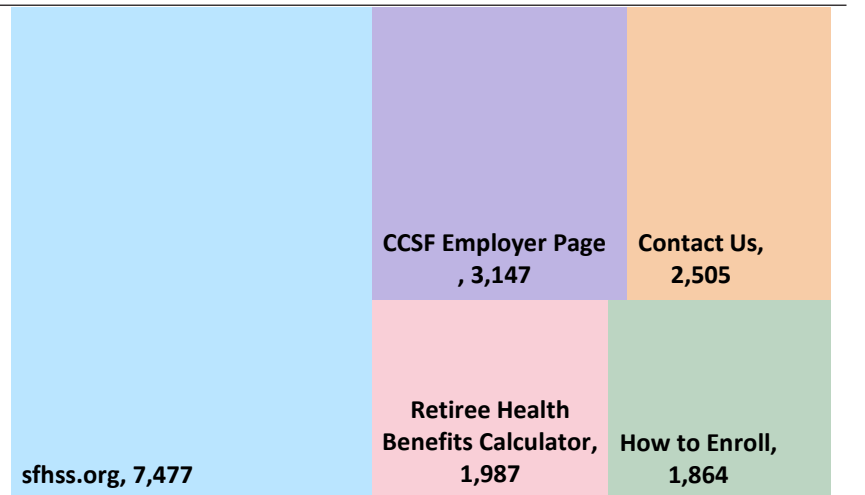
**Goal: >100 seconds**



### Preventive Care Communications **Goal: > 3**



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**MEMORANDUM**

**DATE:** August 14, 2025  
**TO:** Mary Hao, President, and Members of the Health Service Board  
**FROM:** Rey Guillen, Executive Director, SFHSS  
**RE:** Black-Out Period Notice, August 14, 2025 through June 2026

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This memorandum shall serve as the Black-Out Period notification to the Health Service Board (“Board”) that will begin today, August 14, 2025, and extend through the completion of the San Francisco Health Service System (“SFHSS”) formal request for proposal for COBRA, Healthcare Flexible Spending Account (FSA), Dependent Care Spending Account (DCSA) and AB 528 administration and the presentation of the results of this 2026-2027 COBRA, FSA, DCSA & AB 528 RFP to the Board.

During this time, Board members are prohibited from unauthorized communications and other prohibited activities in connection with the 2026-2027 COBRA, FSA, DCSA & AB 528 RFP.

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, COBRA, Healthcare Flexible Spending Account (FSA), Dependent Care Spending Account (DCSA) and AB 528 administration and/or the 2026-2027 COBRA, FSA, DCSA & AB 528 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

# Blue Shield Medicare Advantage PPO Transition Dashboard

Health Service Board Meeting • September 11, 2025

# Health Service System Call Metrics – August 2025

## BSC Transition Calls Handled

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**August – 81**  
Calls handled

## BSC Transition In-Person Interactions

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**August – 7**  
Number of in-person interactions

## HSS to BSC Calls

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**August – 44**  
Members Connecting with BSC through the HSS Phone System

**Average Speed to Answer\***  
**Goal: <3 mins**

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**August – 5 min 08**  
secs

**Average Handle Time\***  
**Goal: <10 mins**

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**August – 7 mins 06**  
secs

**First Contact Resolution**  
**Goal: >75%**

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**August – 88%**

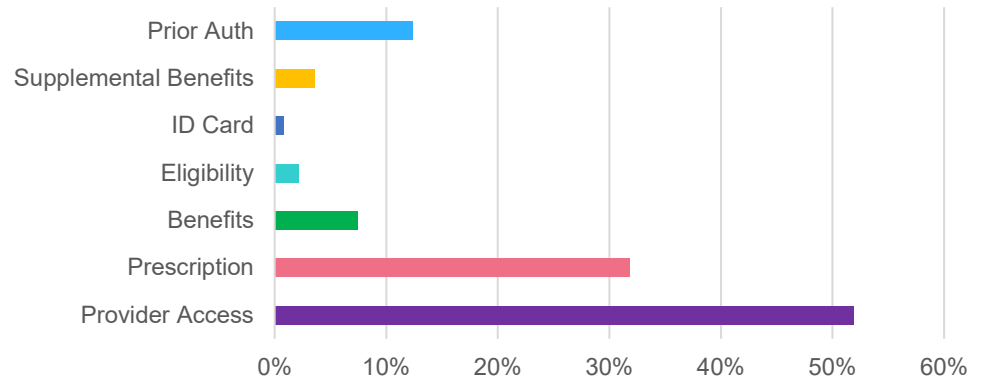
# Blue Shield Call Metrics – August 2025

## Call Volume



August – 3,828

## Support Drivers Metrics - August



## Abandonment Rate

Goal: <3%



August – 1.74%

## BSC to HSS Calls



August – 84

Members connecting with HSS through BSC phone system

## Average Speed to Answer

Goal: <3 mins



August – 40 sec

## Average Handle Time

Goal: As Long as Required



August – 17 mins

## First Contact Resolution

Goal: >75%



August – 96%