

MEMORANDUM

April 11, 2019

TO: Karen Breslin, President, and Members of the Health Service Board
FROM: Abbie Yant, RN, MA Executive Director SFHSS
RE: March 2019 Board Report

Introduction

Rates and Benefits cycle is now in full swing. SFHSS is in receipt of several renewals offers from our vendors. We are preparing to issue the medical plan requests for proposals in June 2019.

2019 Health Service Board Elections

As of March 27, three of the five eligible candidates officially withdrew their names from the Health Service Board Election – leaving two candidates for the two Health Service Board seats up for election. Under Administrative Code Section 16.553, if there are no competing candidates for an open seat the Department of Elections is no longer required to hold an election, and the eligible candidate(s) will be declared to be a member(s) of the Health Service Board. Thus, the two remaining candidates Ms. Karen Breslin and Mr. Chris Canning are now eligible to assume the two open seats as of May 15, 2019.

They will be sworn into their offices after May 15, and prior to the Health Service Board's June 13, 2019 Board meeting.

Chris Canning is an SFPD Lieutenant with 12 years of service. He is also a former member of The San Francisco Police Officers' Association Board of Directors where he worked to protect the rights of the members and served on numerous labor committees. Chris has a Bachelor of Arts in Political Science with a minor in Business Management. He is an advocate for SFHSS members to ensure that they have access to quality Health care options and minimal out-of-pocket expenses. He has family members that are both active and retired City employees and supports retired employees in their need to have affordable, quality health care options.

Health Service Board – New Member Mayor Breed Appointee

Mary Hao has been the Director of Human Resources for the County of Marin since 2016. She has worked in public sector human resources and labor relations for over 20 years. Mary began her career with the University of California, Office of the President in the Office of Labor Relations and then joined the City and County of San Francisco in 1999. Mary worked with San Francisco City and County for fourteen years in labor and employee relations for the Department of Human Resources. She then spent two years managing the human resources function at the Juvenile Probation Department. Mary has a B.A. in History and a minor in Asian American Studies from the University of California, Los Angeles.

Vendor Black Out Period – Reminder

The HSB approved the vendor Black Out period commencing November 9, 2018. As a reminder, this black out period is still in effect. Medical, Dental and Vision vendor renewal meetings are underway. The current version of the Rates and Benefits Calendar is in your meeting packet.

Excise Tax

A bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on high-cost employer-sponsored health coverage was introduced to the Senate on March 6, 2019. We will report on this bill as we learn more. [Middle Class Health Benefits Tax Repeal Act 2019 \(S 684\)](#)

Well Being @ Work Celebration – March

The Well-Being Team hosted an amazing awards ceremony celebrating award winners from 39 departments! The Value of the Champion Video was engaging (please watch here: <https://youtu.be/XbnLhmiCCJ4>)!

Especially informative were the panelists who talked about Well-Being in their respective Departments: Robert O’Sullivan – Commander, San Francisco Police Department, Jennifer Carton-Wade – Assistant Hospital Administrator of Clinical Services, Laguna Honda Hospital and Rehabilitation Center and Mary Donovan – Wellness Manager, SFMTA.63%.

36 of the City’s Departments received Awards.

Follow-up from Prior Board Meetings

Retiree Migration Analysis

During the February Health Service Board meeting the Board viewed a presentation of the annual demographics report. Commissioner Follansbee inquired whether many retirees move back to their childhood homes. While we cannot know where retirees lived as a child, we were able to analyze the geographical movement of our retirees. Evaluating the 1,470 SFHSS members who retired in 2018 and moved, only 3.5% moved out of California.

Another 6.5% moved to different cities within California. 63% of the retirees remain in the Bay Area, 8.5% move to the Sacramento Valley, 8.5% move to southern California, 7.45% move to the north bay and 4.2% move to the central valley. The remainder are scattered in the Shasta, Sierra, and Amador regions of California.

HSS Members who retired in 2018			
	Did not Move	Moved within CA	Moved outside of CA
Retirees	90.00%	6.50%	3.50%

HSS Members who retired in 2018 and moved to another California City							
Bay Area	Sacramento Valley	Southern California	North Bay	Central Valley	Siesta	Amador	Shasta
62.80%	8.50%	8.50%	7.40%	4.30%	3.20%	3.20%	2.10%

CalPERS Health Policy Committee Changes Geographic Regions and possible rate development impact: See staff memo attached.

Kaiser Permanente Preventive Screening Rates

In a previous presentation of the SFHSS quarterly dashboards, Commissioner Follansbee had inquired why the preventative screening rates for Kaiser Permanente were considerably lower than even the national average benchmark included in the report. The SFHSS All Payer Claims Database vendor, IBM Watson Health, has been working with Kaiser Permanente (KP) to investigate. KP has acknowledged the lower screening rates are consistent with what they are seeing in their own systems. They recently implemented a new claims processing system. Investigation continues.

Matters brought before the Health Services Board – tracked until completed.

VSP Premier Utilization Question

Members enrolled in the Premier Plan in 2018 used all forms of vision care benefit (exams, lenses, and frames) at a much higher rate than members enrolled in the Basic Plan. Specifically, almost all enrollees in the Premier Plan obtained a vision exam and purchased lenses and/or frames in 2018 – whereas only about 4 in 10 Basic Plan enrollees obtained a vision exam and purchased lenses and/or frames in 2018.

Tracking List of Issues from Prior Board Meetings

- SFHSS Risk Management Policy
- Relationship with Workers Compensation
- Other Postemployment Health Care Benefits (OPEB)
- Plan Comparisons
 - Opioid Epidemic – Impact on Chronic Pain patients
 - Nutritional Counselling
 - Fertility Benefit
- The rationale for why the UHC City Plan administrative fee is lower for Medicare-eligible but not enrolled members, relative to other City Plan members.
- UHC Travel Shots/Travel Health update/response as to why UHC could not identify a provider.
- The UHC plan cap for copays for medical procedures/tests ordered – and how often are our members hitting that cap.

Attachments: March 2019

OPS Report
ESA Report
Well Being Report
Communications Report

SFHSS DIVISION REPORTS – February 2019

PERSONNEL

- Thank you to Malika Alim, HSS Senior Clerk for filling as acting 1209 Benefits Technician during the PCS recruitment process 1209
- Congratulation to Lisa Ocampo was promoted the Well-Being Program Coordinator Position (2593)
- Welcome to Vanessa Price-Cooper 1823 - Senior Admin Analyst to the Contracts Unit

- 0931 Well Being Manager – recruitment underway
- 9910 Interns - recruiting for next round
- 1813 Senior Benefits Analyst – recruitment underway, temporarily fill
- 1842 Management Assistant –interviews begin the week of April 1
- 0931 Contracts Manager – recruitment underway
- 2820 Sr. Health Planner – recruitment underway

OPERATIONS

- All customer service levels were met in March
- Member calls and in-person counseling volume was consistent with prior years in March. Top member assistance needs were:
 - Premium delinquency questions and payments (550)
 - member eligibility and enrollment questions (394)
 - Retiree counseling (331)
 - New hire in-person counseling (283)
 - 1095 information and questions (172)

The Operations division of HSS is collectively working on system requirements for an expanded self-service opportunity in October's Open Enrollment.

Enterprise Systems and Analytics

- 1095-C electronic filing with the IRS was completed prior to the April 1, 2019, deadline
- The annual SFHSS DxCG (Diagnostic Cost Grouper) Risk Scores report was prepared for presentation at the April Health Service Board meeting

Communications

- Communications team continues to prepare designs and new materials for PY2020; prepare materials for 2019 Open Enrollment.
- Team design and art direct promo materials, employee posters and digital art for Open Enrollment with graphic designer and COO.
- Continue updating the new website, sfhss.org, working closely with the management team and Member Services on ongoing best practices representation of materials, resources, and navigation.

FINANCE DEPARTMENT

Budget and Procurement

- Working with Mayor's Office on FY 2019-20 and FY 2020-21 Budget Requests
- Submitted SFHSS for Mayor's Budget book
- Preparing for FY 2018-19 Accelerated Year-End Close
- Attended Interdepartmental Billing Lessons Learned Workshop

Accounting

- Attended FY 18-19 Year-End Planning meeting
- Attended Cash Lessons Learned meeting

Contracts

- Fully executed Group Agreement with Kaiser Permanente
- 1823 Senior Administrative Analyst with experience in contracting and City procurement hired March 25, 2019

WELL BEING

- 127 individuals participated in the Well-Being@Work Celebration.
- Launched one additional Diabetes prevention program cohort – there has been a total of 4 programs started with a goal of 10 programs in total by December 31, 2019.
- 4% increase in the number of EAP Organizational Services offered and a 3% increase in people served when compared to Q1 2018 – On track.
- Colorful Choices Kickoff event offered at the Wellness Center.
- 37% decrease in overall Wellness Center participation when compare Q1 of 2019 to 2018. This decrease largely results from the decrease in the number group exercise offerings due to cancelations.

Co-Pays for Video Visits by Plan

Blue Shield of California (Actives):

Blue Shield of California (BSC) offers the Teladoc benefit to their fully insured and flex-funded clients. SHFSS's Teladoc benefit offers members the ability to speak to a physician via phone or via online (skype,) both with a \$0 copay. The member would choose the type of visit by either contacting Teladoc via phone or via their online application and making an appointment for a call back (calls are usually returned within 7 to 10 mins).

BSC also offers, in accordance with AB415, members to have a telephonic or online appointment with their physician *if* the physician has the capability to offer this type of consultation. If the physician does offer this type of consultation, it is offered at a \$0 copay to the member.

Kaiser (Actives, Early Retirees, Medicare Retirees):

Telehealth Services Offered at \$0

Save a trip to the doctor's office with a phone call

SFHSS members can schedule phone appointments or use Kaiser's call center for on-demand urgent care and for help deciding what type of care is needed and where to get it. Call Kaiser anytime 1-866-454-8855 to make an appointment or to speak to an advice nurse.

What it includes:

- 24/7 access to medical professionals
- Consultations for urgent issues
- Timely connections to the right care

Video appointments via your mobile device with a doctor

See your doctor from where ever you are. SFHSS members may use the [KP Preventive Care mobile app](#) to schedule, view and manage video appointments. Members can also check their email reminders for information about their appointment.

What it includes:

- Primary care appointments
- Specialty care appointments
- Scheduled follow-up care and specialist consults
- Wellness Coaching by Phone

UnitedHealthcare (Actives and Early Retirees):

UHC virtual visits are in-network only and any provider is the same cost. This is the same as their primary care coverage. All plan documents, SBC's, summaries and SPD are on the myhss.org website and have plan coverage information provided.

Primary care visit to treat an injury or illness - 15% coinsurance 50% coinsurance

Virtual visits (Telehealth) - 15% coinsurance by a Designated Virtual Network Provider. (No virtual coverage non-network)

UnitedHealthcare (Medicare Retirees):

Virtual Doctor Visits

UnitedHealthcare's Virtual Doctor Visits lets you choose to see and speak to doctors using your computer or a mobile device, like a tablet or smartphone. Those doctors are providers that can offer virtual doctor visits. During a virtual visit, you can ask questions, get a diagnosis and the doctor may be able to prescribe medication that, if appropriate, can be sent to your pharmacy. Doctors can't prescribe medications in all states. You can find a list of participating virtual doctors online at www.welcometouhc.com/sfhss.

In Network: You pay \$0 copayment using Doctor on Demand and AmWell. You pay \$0 copayment using other in-network providers that have the ability and are qualified to offer virtual medical visits.

Out-of-Network: You pay \$0 copayment using out-of-network providers that have the ability and are qualified to offer virtual medical visits.

UnitedHealthcare (Medicare Retirees): (continued)

Virtual Behavioral Visits

UnitedHealthcare's Virtual Behavioral Visits lets you choose to see and speak to a mental health professional using your computer or a mobile device, like a tablet or smartphone. This service can be used for initial evaluation, medication management, and ongoing counseling. Providers can't prescribe medications in all states. You can find a list of participating virtual behavioral visit providers online at www.welcometouhc.com/sfhss

In Network: You pay \$15 copayment using in-network providers that have the ability and are qualified to offer virtual behavioral visits.

Out-of-Network: You pay \$15 copayment using out-of-network providers that have the ability and are qualified to offer virtual behavioral visits.

Nurseline

There is no charge to a member using Nurseline: Members may call the NurseLine at 1-877-365-7949 TTY 711, 24 hours a day, seven days a week and speak to a registered nurse (RN) about medical concerns and questions.

The Value of the Champion Video (watch here: <https://youtu.be/XbnLhmiCCJ4>)

Cost shares for telephonic visits would be applied based upon how the physician bills either a Primary care visit (\$5 cost share) or Specialist visit (\$15 cost share).

MEMORANDUM

DATE: April 11, 2019
TO: Karen Breslin, President, and Members of the Health Service Board
FROM: Leticia Pagán, MS Senior Health Program Planner SFHSS
RE: CalPERS Health Regions Policy Update

Introduction

At the January Health Service Board meeting, SFHSS shared the following announcements with context drawn from committee discussion, research and presentation facilitated by the CalPERS Health Policy Benefits team. The following memorandum provides available updates related to each announcement.

1. Health Regions for Public Agencies and Schools Decision: A1 Scenario has been approved to take effect January 1, 2020, representing a shift from a five region to three region model.
2. Adoption of new naming convention for current geographically-based regions
3. HMO Regional Factor Decision: Approval granted for CalPERS to internally create a range for HMO Regional Factors as part of the rate development process for 2020.

Background

Regions enable CalPERS to provide high quality health plans to public agency and school contracting employers with rates that are competitively priced and in alignment with the cost of care in the market. Beginning in January 2018, the Health Policy Benefits team performed an extensive evaluation of CalPERS specific data to examine and measure the costs of care in the regions as they compare to the statewide average. The analysis on regions included new information on the cost of care by both county and three-digit zip code. The goal of the evaluation was to assess costs throughout the state, scan the market, hear from employers and stakeholders, and determine if any changes to the regions were warranted. CalPERS surveyed and met with employers as well as the associations for retirees, employer, and labor, representing members. The primary areas of concern included:

- The current geographically-based names used for regions
- Premium volatility from year to year that significantly impacts local agency budgets more than estimated.
- Premiums in the Bay Area and Other Northern regions, where the cost of healthcare is greater compared to Southern California areas.

Health Regions for Public Agencies and Schools Decision: Adoption of Three Region Model

Currently the five regions are Bay Area, Los Angeles Area, Other Northern California, Other Southern California, and Sacramento Area (Figure 1). Effective January 1, 2020, CalPERS public agency and school health pricing regions will change from five to three (Figure 2). The new A1 three-region model was adopted as a reflection of the extensive analysis of health care cost done throughout the state with engagement from employers and stakeholders. The move to three regions will more closely align premiums to the cost of health care in the area.

Adoption of New Naming Convention for Current Geographically-Based Regions

The CalPERS naming convention will change to sequential numbering. In the new three-region model, Region 1 will consist of 43 Northern California counties, Region 2 will consist of 12 counties in the southern part of the state, and Region 3 will be comprised of Los Angeles, Riverside, and San Bernardino counties (Figure 2).

HMO Regional Factor Decision: CalPERS to internally create a Range for HMO Regional Factors Approved

Regional factors are used along with the state premium to determine regional rates for public agencies and school employers. To avoid extreme regional factors and to create consistency among the health plans calculations for the future, the Pension & Health Benefits Committee approved the recommendation back in December for the CalPERS Health Policy Benefits team to internally create a range for HMO regional factors that the health plans must stay within. This gives CalPERS greater control but also provides plans with latitude to respond to trends and to the particular enrollment that they have.

CalPERS Office of Public Affairs notes that there is no information available at this time related to the internally developed range for HMO Regional Factors, a policy that their Health Actuary Team will implement as a part of the rate development process that is now underway. Preliminary 2020 plan rates will be debuted at the May 14th CalPERS Pension & Health Benefits Committee Meeting. Final rates will be approved by the Board in June.

Figure 1. Current CalPERS Regions for Public Agencies and Schools



Status Quo: Five (5) Regions – Summary Metrics

Current Location	Total Covered Lives (TCL)	Percentage of Total Covered Lives
Bay Area	183,734	39%
Other Northern CA	34,986	7%
Sacramento Area	38,873	8%
Los Angeles Area	140,704	30%
Other Southern CA	69,725	15%
Total	468,022	100%

SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

Figure 2. New CalPERS Regions for Public Agencies and Schools



Region 1: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, San Mateo, San Francisco, San Joaquin, Sutter, Tehama, Trinity, Tuolumne, Yolo, Yuba

Region 2: Fresno, Imperial, Inyo, Kern, Kings, Madera, Orange, San Diego, San Luis Obispo, Santa Barbara, Tulare, Ventura

Region 3: Los Angeles, Riverside, San Bernardino

Out of State: All U.S. counties outside of California

Management Operations Report

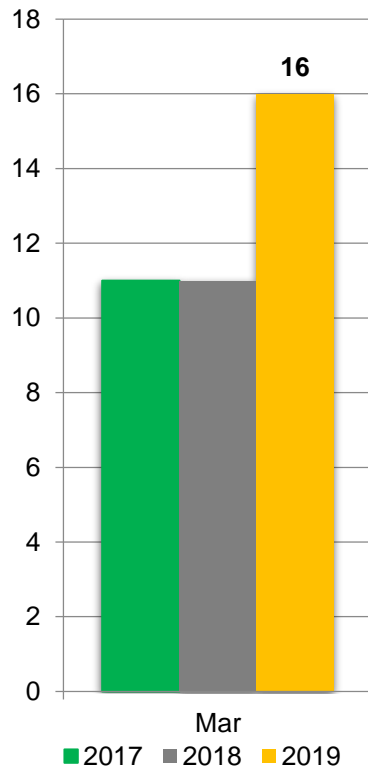
Health Service Board Meeting | April 11, 2019

Calls and Office Visits: March 2019

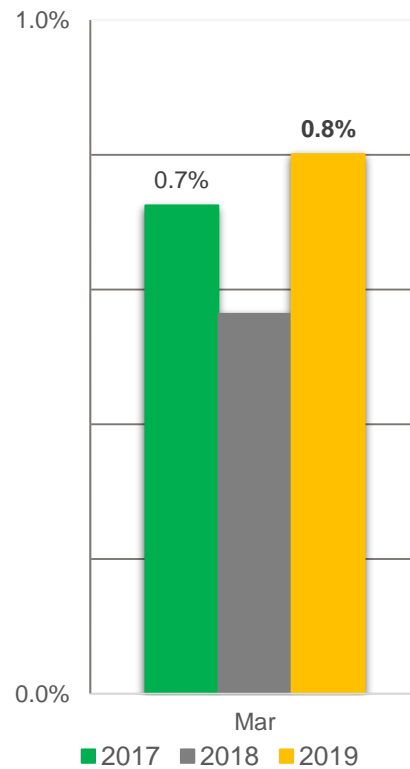
Inbound calls:
3,717 answered calls
(4.2% ↓ from 2018)



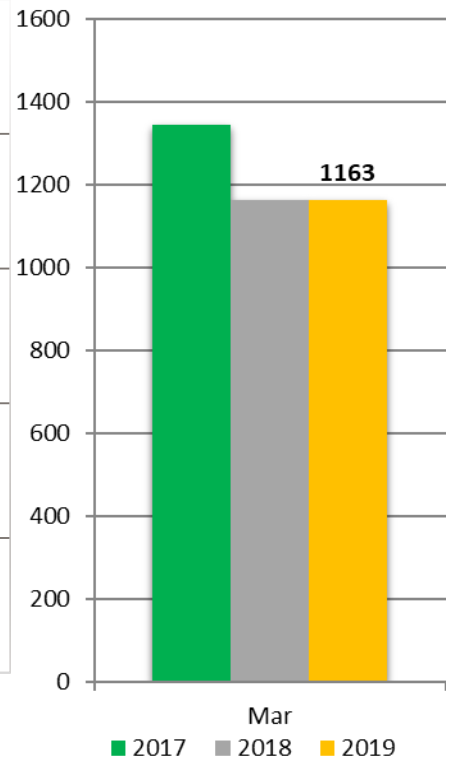
Speed of answer:
16 seconds
(45.5% ↑ from 2018)



Abandonment rate:
0.8%
(30 calls)



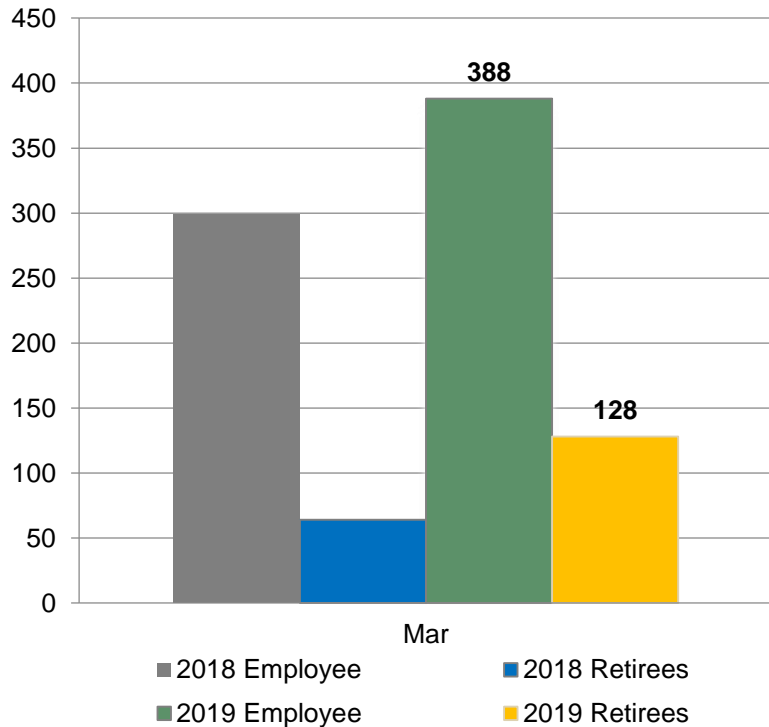
In-person assistance:
1,163 members
(0% → from 2018)



Delinquencies & Terminations: March 2019

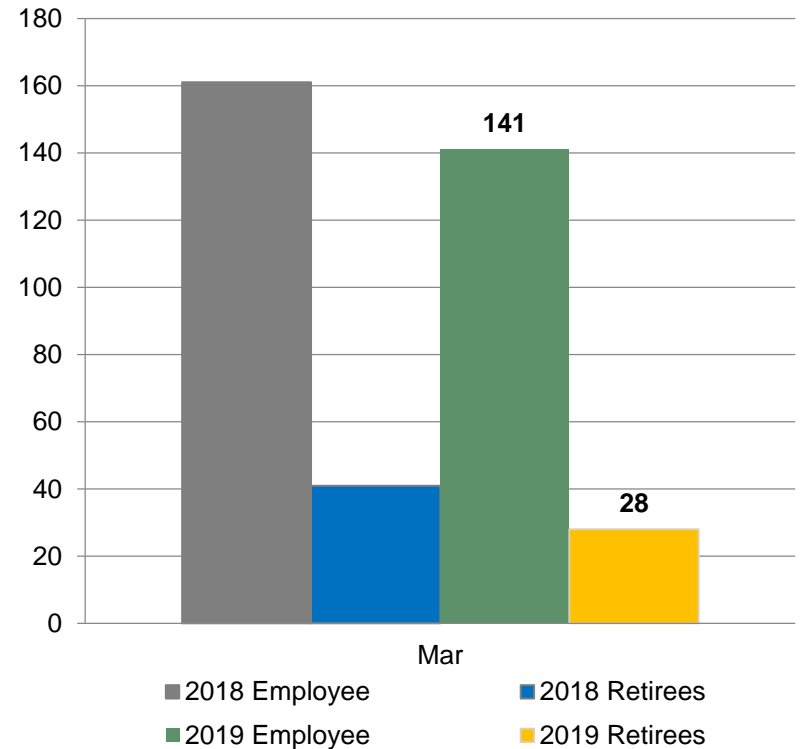
Delinquency Notices Sent.

- Employees: 388
- Retirees: 128












Termination Notices Sent.

- Employees: 141
- Retirees: 28



Key Initiatives

Project	Status	Key Accomplishments
Cybersecurity		<ul style="list-style-type: none"> 99% of SFHSS systems now on DT's cybersecurity client
eBenefits		<ul style="list-style-type: none"> Kick-off projected for April 1 delayed due to contracting Met with Department of Technology on April 11 to define scope of additional retirees to onboard Met with vendor to discuss document redirect solution
VOIP telephony upgrade		<ul style="list-style-type: none"> Tentative rollout out planned for late June / early July pending DT equipment procurement
Payment Gateway: Member facing payments		<ul style="list-style-type: none"> Reviewed scope and timeline with vendor on April 4 Decision made to merge phase 2 (recurring payments) with phase 3 for member self-service SFHSS will be first City department online. Developer coding for this new platform taking longer than projected. Detailed scope of work due by end of April
Enterprise Content Management System (ECM) Business Insights		<ul style="list-style-type: none"> Working with vendor to update agreement
Salesforce upgrade to Lightning		<ul style="list-style-type: none"> Completed system testing of new functionality Reviewed new look and feel and invited feedback from member services staff on April 11

 On Schedule, Adequate Resources, Within Budget, Risks in Control
  Potential issues with schedule /budget can be saved with corrective actions
  Serious issues. Project most likely delayed or significant budget overrun

March 2019 Web Traffic

All Users
100.00% Users

+ Add Segment

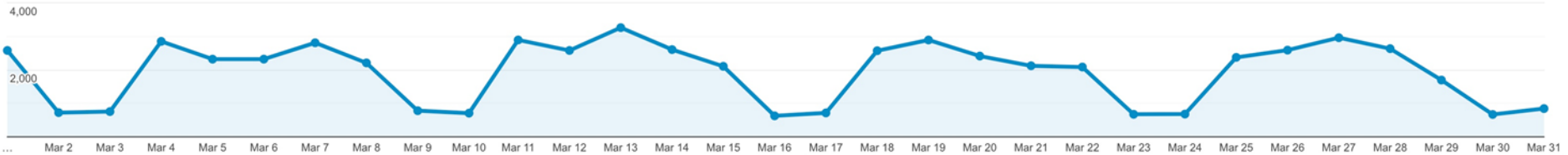
Mar 1, 2019 - Mar 31, 2019

Overview

Pageviews vs. Select a metric

Hourly Day Week Month

Pageviews



Users
13,690

New Users
11,515

Sessions
18,325

Number of Sessions per User
1.34

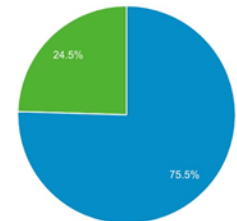
Pageviews
59,980

Pages / Session
3.27

Avg. Session Duration
00:03:03

Bounce Rate
36.63%

New Visitor Returning Visitor



Well-Being@Work Update:

Department Key Players

Key Player	Goal	Actual
Champion	82% of Departments have Champions	82%
Department Lead	82% of Departments have Leads	76%

Onsite Activities

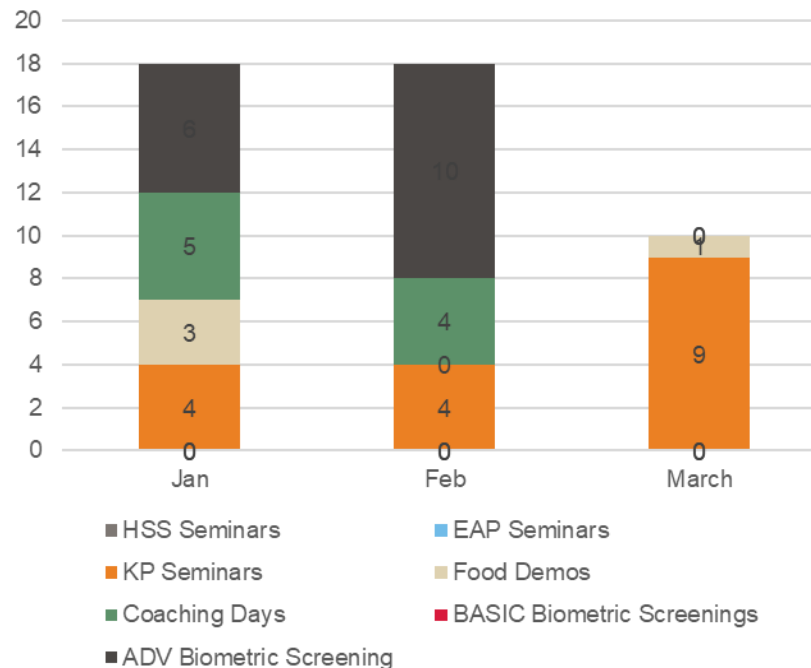
Number of Services - March 2019

- 46 onsite activities (YTD)

Year to Year Comparison (March 2018/2019)

- 54% decrease in onsite activities compared to 2018 due to staffing limitations that enable SFHSS Well-Being from providing offsite presentations and no Champion trainings.

2019 Onsite Activities



Well-Being@Work Update:

Well-Being@Work Celebration Highlights

- 63% (36) of Departments received Awards
- 51% (29) departments received Spotlights
- The Value of the Champion Video (watch here: <https://youtu.be/XbnLhmiCCJ4>)
- 132 individuals participated representing 65% of city departments

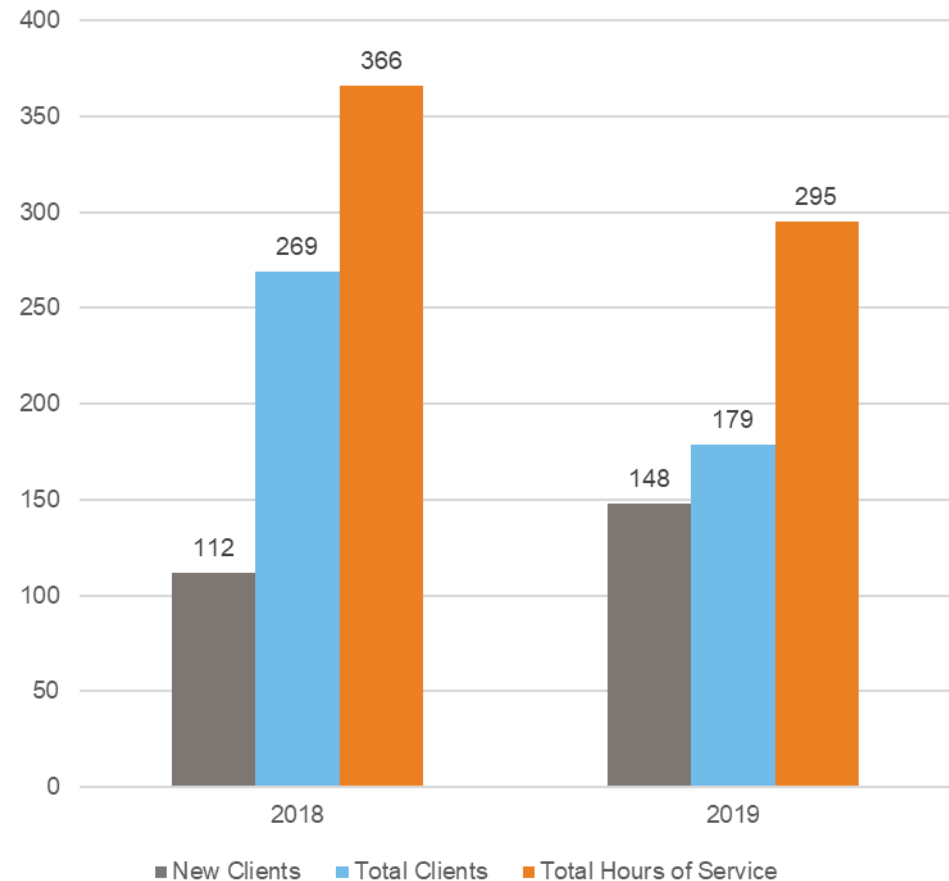


Employee Assistance Program (EAP)

Counseling Services

- 24% increase in new clients for Q1 2019 compared to 2018 (March 52)
 - ✓ 50% decrease in total clients when compare Q1 2019 to 2018 – this accounts for the increase in organizational services

EAP Counseling Clients, New and Total by Month 2018 vs 2019



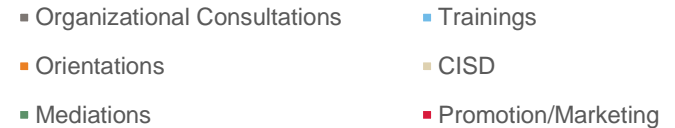
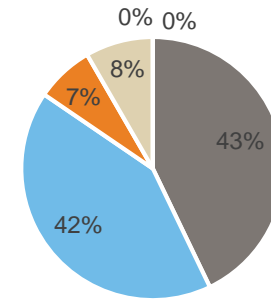
Employee Assistance Program (EAP)

Organizational Well-Being Services Highlights:

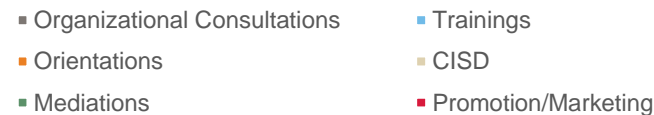
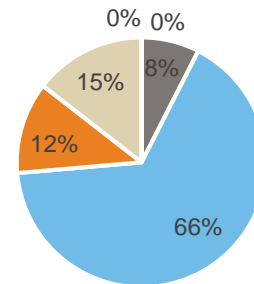
- 84 organizational services for Q1 (26 – March); 800 people served
 - ✓ 4% increase in services compared to Q1 – 2018
 - ✓ 3% increase in people served compared to Q1-2018

- 43% of all organizational services represent consultations however, trainings served 66% of the people in organizational services

% of Organizational Services by Type



% of People Served by Type of Organizational Services



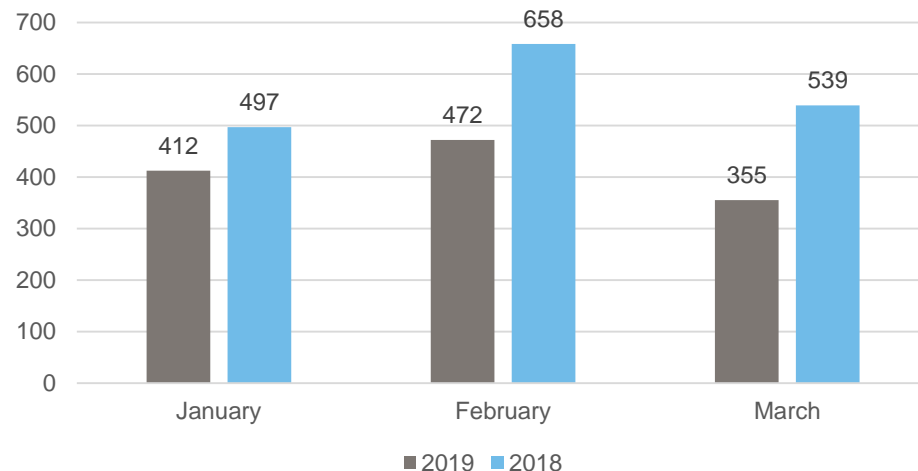
Wellness Center Metrics

Highlights:

- Total participation is down by 39% for Q1 when compared to 2018.
 - ✓ Decrease results from a lower number of group exercise class offerings and lower attended events than expected for Colorful Choices kickoff and Health Screening.

- Group exercise continues to make up the highest participation of all participation in the Wellness Center (57% YTD; 55% for March).

Total Participation 2018 vs. 2019



% of Activity to Total Participation

