

# SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

## **213: LEGAL SETTLEMENT POLICY**

### **Policy Background and Objectives**

SFHSS manages self-funded and flex-funded plans and may participate in legal claims to resolve disputes with providers. The resolution of the dispute may involve payments to SFHSS. This policy describes the acceptance and use of these settlements.

### **Settlement Policy**

- 1) The settlement funds will be accepted and deposited in the medical trust fund for the health plan that most closely matches claim.
- 2) The funds will be used in the underwriting rate setting process to set applicable health plan future rates, employer contributions and member contributions.
- 3) The underwriting rate setting process will consider the stability of the rates in determining the number of years for which rates will be adjusted.

### **Review**

- 4) The Board shall review this policy at least every three years.

### **Policy History**

- 5) The Board adopted this policy on January 12, 2023.