

MEMORANDUM

DATE: May 14, 2026

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

FROM: Rey Guillen, SFHSS Executive Director

RE: May 14, 2026, Director's Report

SFHSS ANNUAL MEMBER SURVEY HAS BEEN RELEASED

The annual SFHSS Member Satisfaction Survey is underway. Postcard invitations were delivered to a randomized list of 30,000 SFHSS members including active employees and retirees from all four employer groups during the first week of May. We encourage all members who were invited to participate to share their experience with us as their feedback shapes our priorities to improve their experience.

UPDATE: BOARD OF SUPERVISORS HEARING ON BLUE SHIELD OF CA CARE DENIALS

In my report for April, I mentioned that on April 8, 2026, the Board of Supervisors' Budget and Finance Committee held a hearing regarding denial of prior authorization requests by Blue Shield of California. During the hearing, Chair Connie Chan requested that the Health Service System (HSS) gather prior authorization denial statistics from all health plans to submit along with the PY 2027 renewal packet in July. Since the last HSB meeting, HSS staff have met with all its medical plan partners to discuss what data is available and how to develop a uniform report with the collective data. Chair Chan also asked Blue Shield of CA to meet with members of Protect Our Benefits to hear their concerns. This meeting took place on April 24, 2026 and HSS sent a representative to monitor.

MENTAL HEALTH AWARENESS MONTH

May is Mental Health Awareness Month and this year's theme is "[More Good Days, Together.](#)" It is a HSS core belief that mental health is just as essential as physical health. That is why supporting our members' mental health by reducing stigma and addressing barriers to care is one of our strategic goals for 2026. During May, our Well-Being team is focusing on mental health awareness and education:

- Confidential Support: Reminding everyone we have an [Employee Assistance Program](#) (EAP) available 24/7, which offers free, confidential counseling and support services.
- Managing Workplace Stress: Hosting Webinars on [Creating Psychological Safety in the Workplace](#), [Staying Positive While Performing Difficult Client Services Work](#) and [Living with Change](#).
- Education: Sharing weekly tips on managing burnout and stress.

BLACK-OUT PERIODS CONTINUE (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

SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

the results of this 2026-2027 COBRA, FSA, DCSA & AB 528 RFP to the Board, and

- 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 through the annual SFHSS Rates and Benefits process for plan year 2027.

Black-Out Period notification to the Health Service Board began November 13, 2025, and extend through both:

- The completion of the San Francisco Health Service System (“SFHSS”) formal request for proposal for the Active (non-Retiree) Administrative Services Only PPO (ASO-PPO) Dental plan administration beginning Plan Year 2027 (the “Active ASO-PPO Dental RFP”) and the presentation of the results and SFHSS recommendation to the Board, and
- 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 Active ASO-PPO Dental RFP and the SFHSS Annual Rates and Benefits Process.

FOLLOW-UP FROM THE PRIOR HEALTH SERVICE BOARD REGULAR MEETING

Public Comment:

SFHSS Budget Update

- In order to meet our directed General Fund Budget target for FY26/27, SFHSS identified three (3) positions for workforce reduction: two (2) Sr. EAP Counselors, one (1) Accountant II. We followed the Mayor’s Budget Office guidelines to identify our Core, Mandated, and Discretionary programs and services to select the impacted positions.
 - SFHSS is mandated by SF City Charter § A8.422 to administer medical benefits. Other benefits such as dental and life insurance are provided for under the City’s various MOUs.
 - When we reviewed our organizational structure to see where in our General Fund budget we could eliminate positions while limiting the impact on our members, there were only a very limited number of positions that did not support our Core or Mandated programs and services. (see attached SFHSS Org Chart)
 - There was one position in Finance where the remaining team could absorb the work if duplicative workstreams, such as the additional out-of-state health plan payments for the six KPMR plans, could be eliminated. In addition, our internal EAP counselors do not provide a mandated service. All other positions provided necessary services to continue our mission as mandated by the Charter.

Skilled Nursing Facilities (see attachment)

- Based on the request from the Health Service Board, Kaiser Permanente (KP) has provided a report of our membership's placement in a SNF, and KP has committed to provide this report bi-annually. (see attached)
- Starting June 2026, Blue Shield of CA will provide:
 - Number of SFHSS Medicare retirees with a home address in San Francisco (SF) that had Skilled Nursing Facility (SNF) admission.
 - Number of SFHSS Medicare retirees with a home address in SF referred to a SNF in SF vs. out of County.

**SAN FRANCISCO HEALTH SERVICE SYSTEM
DIVISION REPORTS: May 2026**

PERSONNEL UPDATES (see attachment)

Member Services division:

- 1813 Senior Benefits Analyst position – backfill for Sonali Shenoy. Interviews completed, but position approval was rescinded as part of the citywide position approval rescission. We have requested MBO reactivation of the position so we can move forward with selection.
- 1210 Benefits Analyst – 2 positions, backfill for Lisa Brown Kang and Henry Cornejo. Requested MBO to approve both positions, once approved, we will prepare for job posting.

OPERATIONS: (see New Member Experience Dashboard attachment)

- For the 2026 plan year, SFHSS introduced a two-tier dependent care FSA structure, enabling non-highly compensated employees (non-HCEs) to contribute more than highly compensated employees (HCEs). This approach was designed to maximize tax-saving opportunities for non-HCEs while maintaining full IRS compliance. Each year, SFHSS undergoes non-discrimination testing for this benefit and has historically failed, requiring adjustments to employee elections. *This year, however, SFHSS passed the non-discrimination testing for the first time—an important milestone for the program.*
- In your packet is the new Member Experience Dashboard (MX) designed to build understanding of the complete member experience. This view is less transactional than an operations dashboard and geared more to understanding trends that relate to the key touchpoints in the member's journey and engagement with SFHSS. Expect continued refinements.
- SFHSS has been piloting a number of initiatives aimed at improving member service. Currently underway is a soft launch offering support via email.

FINANCE AND BUDGET:

- Finance is preparing the year-end closing and annual independent audit.

CONTRACTS:

- Completed the Active Dental ASO-PPO competitive procurement.

WELL-BEING: (see New Member Experience Dashboard attachment)

- Executed the Well-Being@Work Key Player Training on Mental Health Awareness month with 76 in attendance.
- Launched the 6th annual Mental Health Awareness Month Campaign with this year's theme, "Together in Well-Being: Mind, Heart, Body, Spirit."

ATTACHMENTS:

- Blackout Notice through June 2026 - COBRA, FSA, DCSA & AB528
- Blackout Notice through June 2026 RFP Dental
- Kaiser Permanente Skilled Nursing Facility Referrals Report
- Personnel - SFHSS Org Chart
- NEW Member Experience Dashboard

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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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

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CC: Members, Health Service Board

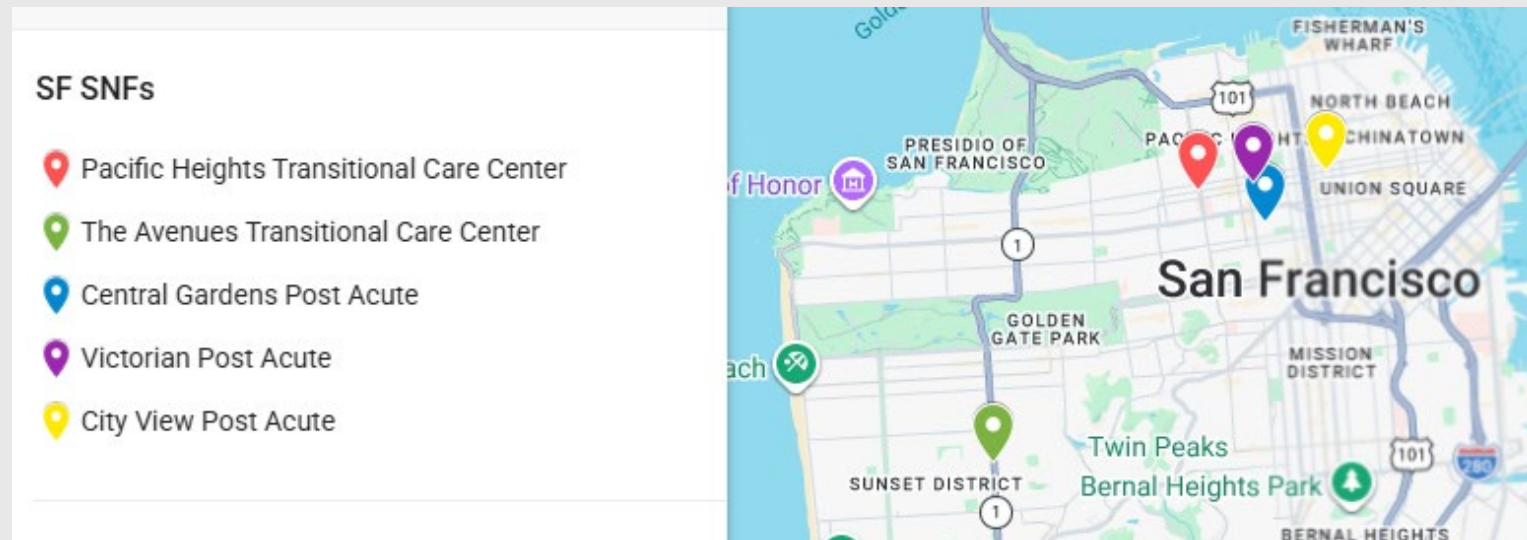
Members, San Francisco Board of Supervisors
Jennifer Donnellan, City Attorney

SFHSS SNF Referrals

DATA FOR PERIOD OF JAN-DEC 2025

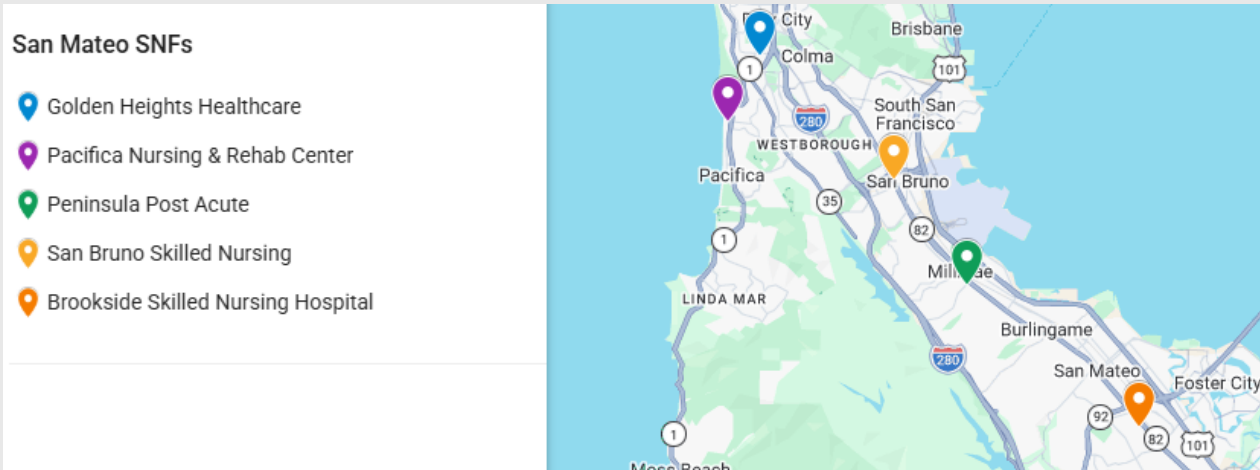
Skilled Nursing Facilities in Kaiser Permanente Network

San Francisco County		
Facility	Bed Count (Total Capacity)	Beds Available (as of 5/1/26)
Pacific Heights Transitional Care Center	120	1
The Avenues Transitional Care Center	140	0
Central Gardens Post Acute	92	2
Victorian Post Acute	90	1
City View Post Acute	180	2



Note: This does not represent our entire network, but rather only facilities in/adjacent to San Francisco. Please also note that due to the ever-changing count of available beds in any given facility at any given time, the count of currently available beds represents a snapshot as of 5/1/26 and is subject to change.

Skilled Nursing Facilities in Kaiser Permanente Network

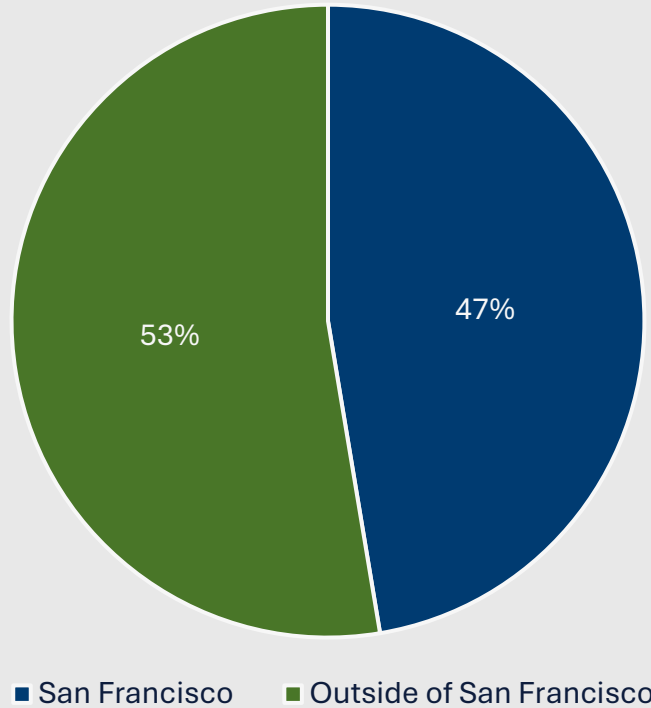


San Mateo County			
Facility	City	Bed Count (Total Capacity)	Beds Available (as of 5/1/26)
Golden Heights Healthcare	Daly City	102	2
Pacifica Nursing and Rehabilitation Center	Pacifica	68	4
Peninsula Post-Acute	Burlingame	62	4
San Bruno Skilled Nursing	San Bruno	45	3
Brookside Skilled Nursing Hospital	San Mateo	96	0

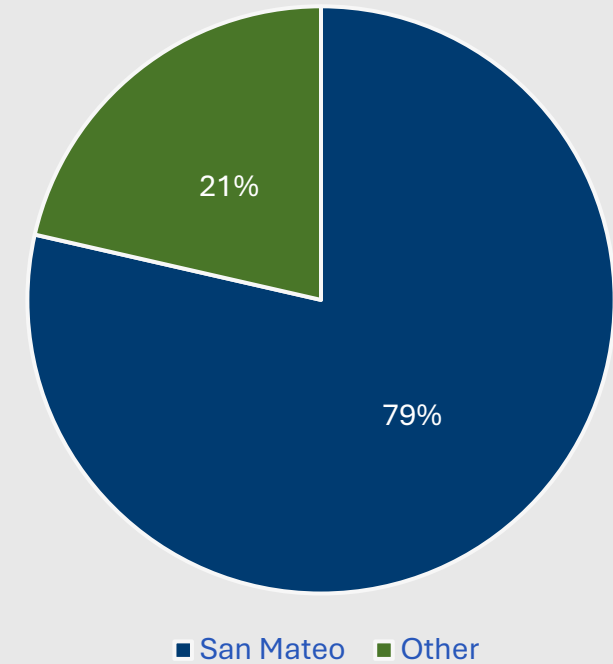
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SNF Referrals – Commercial

County of Residence: Commercial Claimants



County of SNF Placement: Commercial Claimants Residing in SF

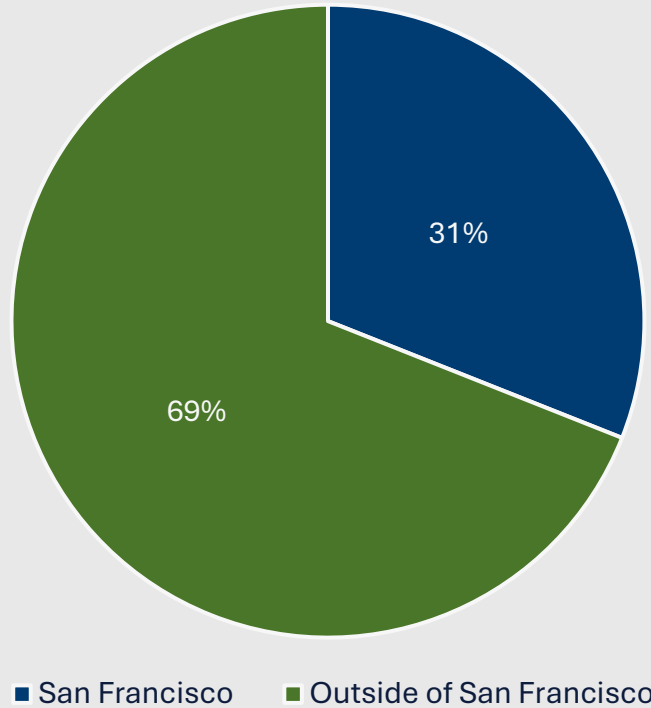


Other includes: County of San Francisco, County of Alameda, County of Contra Costa, Santa Clara, and Sacramento.

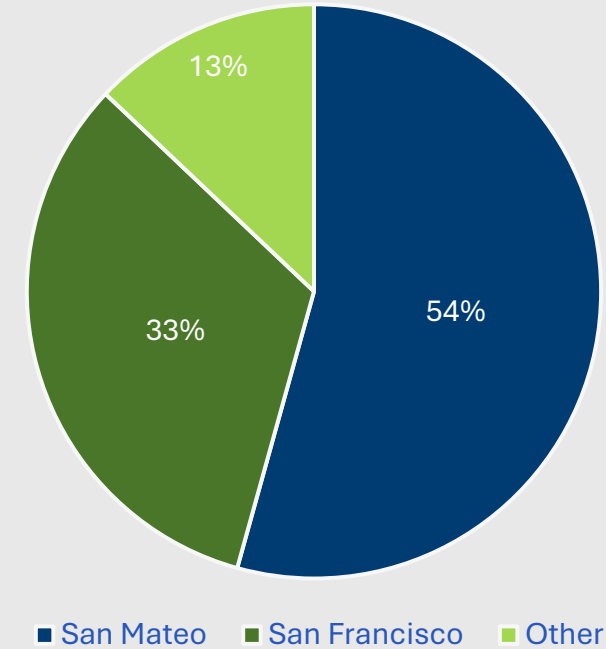
**A member can be admitted into more than one county and will be counted in each*

SNF Referrals – Medicare

County of Residence: Medicare Claimants



County of SNF Placement: Medicare Claimants Residing in SF



Other includes: County of Santa Clara, County of Alameda, County of Contra Costa, County of Marin, County of Yolo, County of Marin, County of Placer, and County of Sacramento

**A member can be admitted into more than one county and will be counted in each*

Total Membership

COMMERCIAL		
Member County	Members	% of Members
San Francisco, CA	20,032	37%
San Mateo, CA	9,694	18%
Alameda, CA	8,361	15%
Contra Costa, CA	7,880	14%
All Other	8,483	16%
Total	54,450	100%

**TOTAL VOLUME OF COMMERCIAL SNF ADMISSIONS:
38 Claimants, 51 Admits**

MEDICARE		
Member County	Members	% of Members
San Francisco, CA	4,490	32%
San Mateo, CA	2,738	19%
Alameda, CA	1,403	10%
Contra Costa, CA	1,738	12%
All Other	3,709	26%
Total	14,079	100%

**TOTAL VOLUME OF MEDICARE SNF ADMISSIONS:
374 Claimants, 504 Admits**

Skilled Nursing Facilities – NOTE

The availability of beds in any given skilled nursing facility is subject to change at a moment's notice and may vary by the day or multiple times a day. As such, we have provided a “snapshot” of currently available beds as of 5/1/2026. Bed availability and facility placement decisions may be impacted by factors including but not limited to:

- Broad volatility in bed availability in the industry
- Seasonal variability
- Patient area of residence (home address)
- Patient preference to be placed near family or for another location
- Expertise/skills needed for a member's medical needs including specific clinical/therapeutic skills or hospice-capabilities
- Variation in contracted beds vs total beds: Kaiser Permanente may contract a set number of beds in a facility which are dedicated to certain levels of care
- Any routine or event-related quality review at a facility or active performance improvement plan
- Infectious disease considerations:
 - Isolation beds for patients needing specific types of isolation
 - Infectious disease outbreaks in a facility
- Gender-specific bed availability - with shared rooms, bed availability varies as patients are matched by gender

As shared with SFHSS, Kaiser Permanente's priority when considering SNF placement is to direct patients to the right care, in the right place, and at the right time. Our SNF placement process is driven by the patient's needs, our focus on providing the highest quality of care during that SNF stay, and in the successful transition of their care to home afterwards.

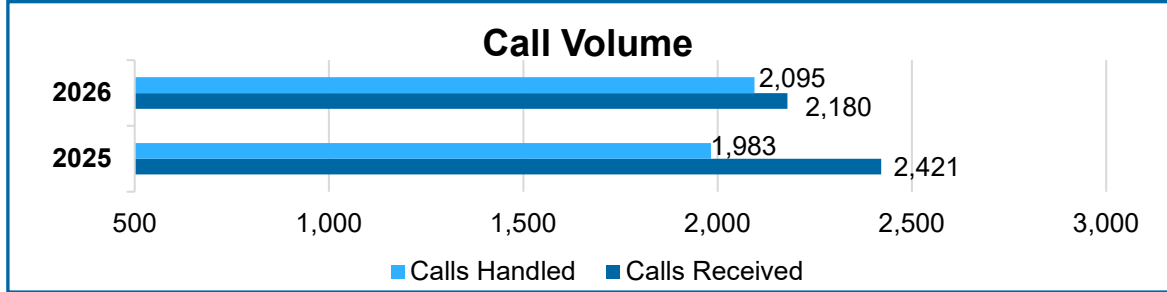
Skilled Nursing Facilities in San Francisco & San Mateo Counties

County	Facility	Contracted in Network	Bed Count (Total Capacity)	Beds Available (as of 5/1/26)
SF	City View Post Acute	Yes	180	2
SF	Central Gardens Post Acute	Yes	92	2
SF	Victorian Post Acute	Yes	90	1
SF	Pacific Heights Transitional Care Center	Yes	120	1
SF	The Avenues Transitional Care Center	Yes	140	0
SF	San Francisco Campus for Jewish Living	No	374	9
SF	San Francisco Post Acute	No	53	1
SF	San Francisco Health Care and Rehab	No	168	Not accepting referrals as of 5/1
SF	Sequoias San Francisco Convalescent Hospital	No	50	Not accepting referrals as of 5/1
SF	San Francisco Towers	No	27	Not accepting referrals as of 5/1
SF	Laguna Honda	No	649	Not accepting referrals as of 5/1
SM	Pacifica Nursing and Rehabilitation Center	Yes	68	4
SM	Golden Heights Healthcare	Yes	102	2
SM	Peninsula Post-Acute	Yes	62	4
SM	San Bruno Skilled Nursing	Yes	45	3
SM	Brookside Skilled Nursing Hospital	Yes	96	0
SM	Golden Pavilion Healthcare	No	239	9
SM	Millbrae Care Center	No	140	10
SM	Hayes Convalescent Hospital	No	34	Not accepting referrals as of 5/1
SM	Laurel Heights Community Care	No	32	Not accepting referrals as of 5/1
SM	Burlingame Skilled Nursing	No	287	Not accepting referrals as of 5/1

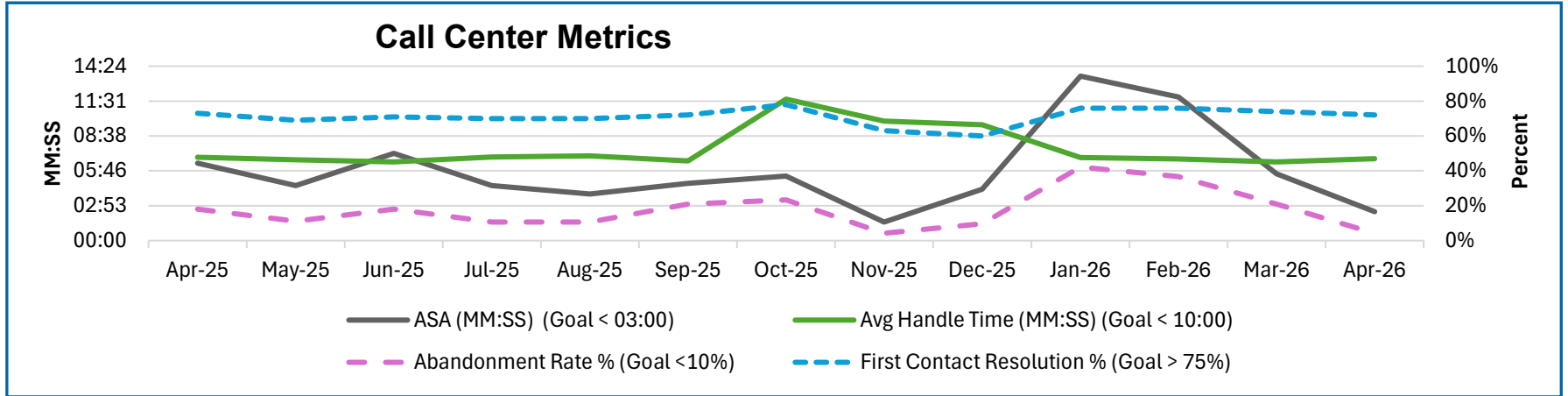
Member Experience Dashboard

Member Experience Dashboard – April 2026

Phone Support



In-Person Support



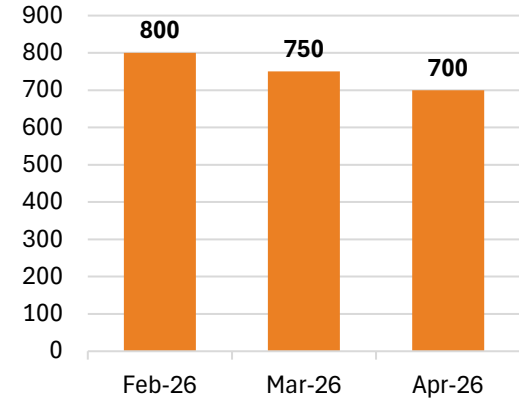
Member Experience Dashboard – April 2026

Processing / Operations

Document Processing

Category	Received	Completed	Net Change	Remaining Balance
Case Review/Action Required	2,037	1,195	842	104
Compliance Document	435	445	-10	154
Application	434	542	-108	418
Court Order	87	53	34	6
CMS Reconciliation	26	1	25	90
Demographic Change	25	39	-14	6
Appeal	24	52	-28	23
HIPAA	22	27	-5	5
Adoption/Surrogacy Assistance Form	1	2	-1	0

Outbound Mail

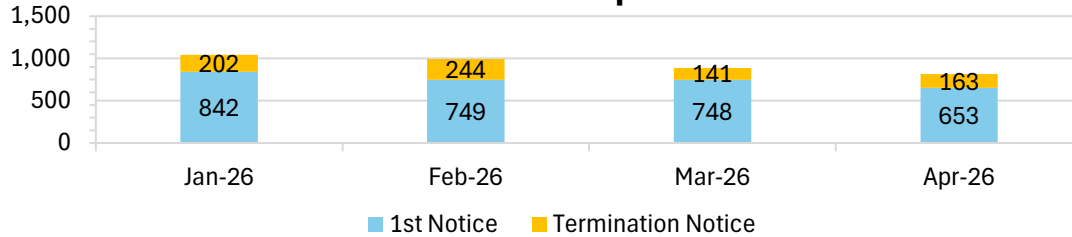


2,473
Members YTD with
Returned Mail

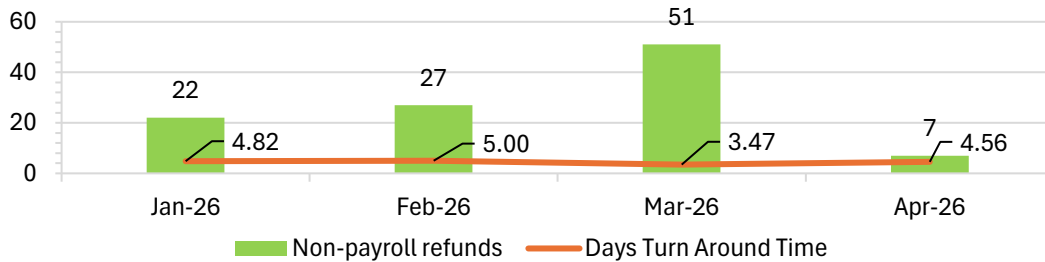
Member Experience Dashboard – April 2026

Processing / Operations

Premium Delinquencies



Non-Payroll Refunds



Website Engagement

Average Session Duration in Seconds

57

Unique Users

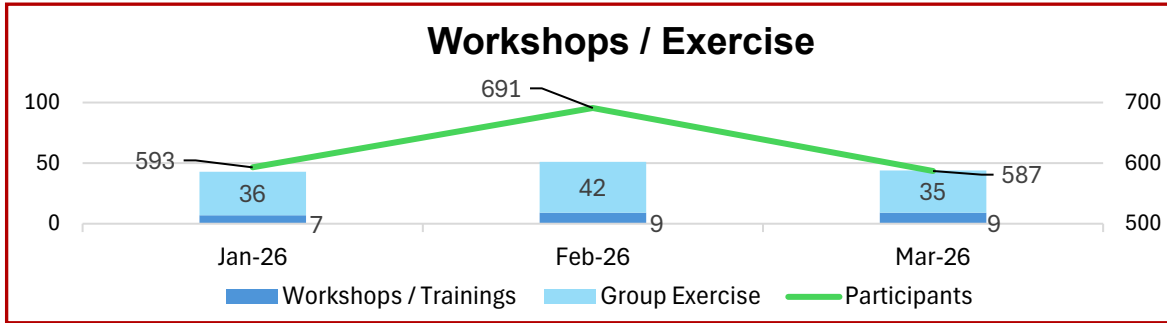
17,426

Top SFHSS.ORG Visited Pages

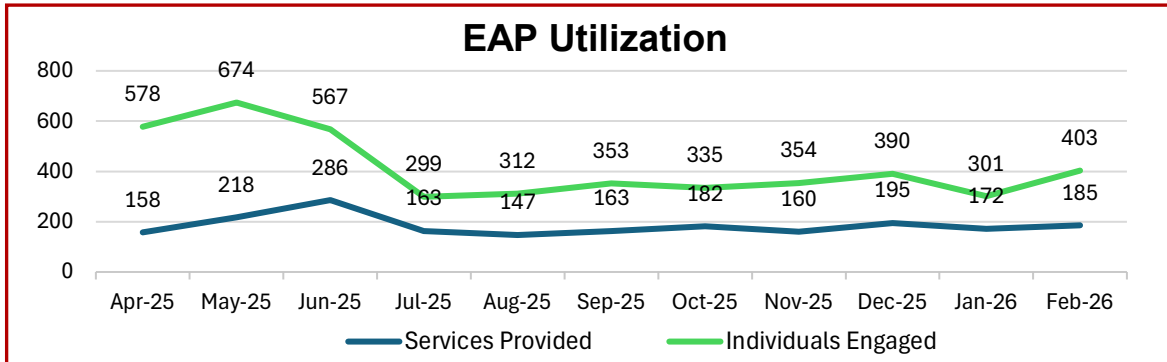
Landing Page	7,293
Retiree Rate Calculator	2,627
CCSF Employer Page	2,627
Contact Us	2,383
Events	1,218

Member Experience Dashboard – April 2026

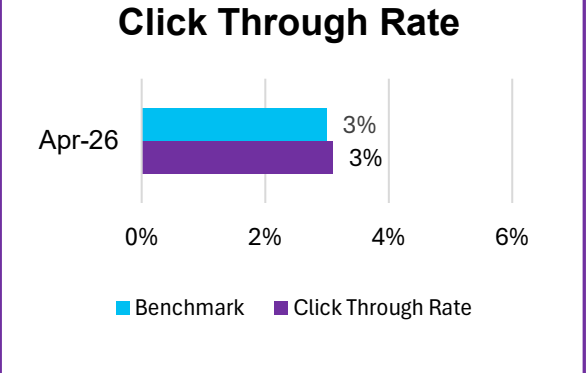
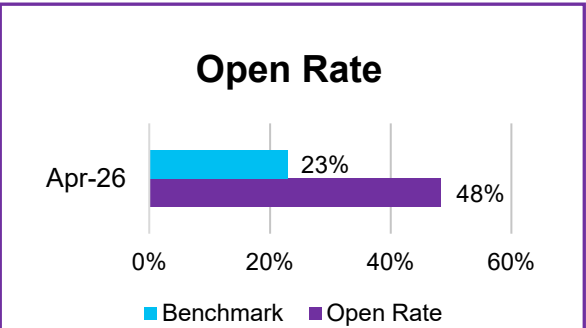
Well-Being Activities



Employee Assistance Program



Newsletter



Member Experience Dashboard – April 2026

NOTES:

- **Call Center Metrics:**
 - **Average Speed to Answer (ASA)** - average amount of time in minutes and seconds for a live interaction once the call has entered the queue
 - **Average Handle Time** – average duration in minutes and seconds for a call interaction including hold time and talk time.
 - **Abandonment Rate %** - percentage of callers who hang up before reaching a live agent
 - **First Contact Resolution %** - percentage of member cases resolved during the first interaction.
- **Document Processing Data:** The data reflects the number of correspondences received within each category during the reporting month. Categories have been consolidated under main headings for clarity, for example, the Applications category includes all new hire applications across CCSF, CCD, USD, and other groups, as well as retiree applications for both Medicare and non-Medicare retirees.
 - **Completed Tasks:** The completed task count reflects all tasks resolved during the reporting month, regardless of when they were originally received. It is not uncommon for tasks, particularly applications, to be completed in a month after they were received. Common reasons for this include:
 - The member submitted required supporting documents across two separate months
 - The member submitted a retiree application in advance of their retirement date, requiring SFHSS to wait until the retirement date before processing
 - SFHSS is pending data entry by SFERS or the member's department before action can be taken
 - **Net Change & Remaining Balance:** The Net Change is calculated as the number of tasks completed minus the number of tasks received during the reporting month. The Remaining Balance reflects the total number of incomplete tasks in each category, regardless of the month in which they were received.

Member Experience Dashboard – April 2026

NOTES:

- **Premium Delinquencies:** Delinquencies happen when premium payments are not received. This may occur if there isn't enough money in a paycheck or pension, or if an employee is on unpaid leave and hasn't arranged another way to pay for their benefits. Delinquency notices are sent each month. The first notice alerts the member that a payment was missed. If the balance is not paid, the member will receive a second notice that their benefits have been terminated.
- **Non-Payroll Refunds:** Refunds occur when there are premium differences. For example, a member changes from an EE+1 coverage tier to an EE Only. Refunds also occur when a member sends in a payment after the deadline to reinstate benefits as a result of delinquency. Non-payroll refunds are for those members not in payroll such as retirees or employees on leave. They require manual processing and consequently a higher work effort to process versus payroll refunds.
- **Captured in the outbound mail are:**
 - Member-requested and generated documents (e.g., coverage certificates, incomplete notices, 1095-C copies, applications)
 - Delinquency and Medicare eligibility/enrollment
 - Special mailings as needed (e.g., FSA terminations, domestic partner tax forms, corrections)
- **Returned Mail:** Members who have 5 pieces of returned mail are at risk for termination of benefits. It is the responsibility of the member to maintain current contact information with SFHSS. Included in the YTD count is the returned mail from the prior year open enrollment mailing which is logged after all the year-end activities.
- **Well-Being and EAP Metrics** have a two month lag on participation / utilization data.
- **Open Rate** measures percentage of successfully delivered emails which were opened by recipients.
- **Click Through Rate** measures percentage of recipients who click on a specific link.
- **Average Session Duration** measures the actual time a website is in the active foreground indicating user interest.