

MEMORANDUM

DATE: October 8, 2026

TO: Art Howard, President, and Members of the Health Service Board

FROM: Rey Guillen, SFHSS Executive Director

RE: October 8, 2026, Director's Report

HEALTH NET TRANSITION UPDATE

Following the update provided in September, we have completed our review of Centene's offer to extend Health Net coverage through the end of 2027 and determined that the Health Net plan will terminate effective February 28, 2027. Our 2027 Open Enrollment materials clearly communicate the upcoming termination and encourage current Health Net members to select another available plan during Open Enrollment. For members who remain enrolled in Health Net, we will conduct a special enrollment opportunity after January 1, 2027, supported by targeted outreach and transition assistance. Our priority remains ensuring continuity of coverage and a smooth transition for all affected members.

**BOARD EDUCATION ABOUT ACCOUNTABLE CARE ORGANIZATIONS (ACOS)
POSTPONED**

The Annual Board Education Calendar presented in August included a planned "Basics of ACO Plans" education session for December 2026. Given Health Net's decision to exit the California commercial market and the resulting termination of our Health Net plan effective February 28, 2027, we have decided to postpone this session. As Health Net is currently one of our two ACO plan providers, we believe the Board will be better served by receiving this education once we have greater clarity regarding the future composition of our ACO plan offerings. We will reschedule the session at the appropriate time so that the Board's education reflects the ACO strategy and plan options that will be most relevant going forward.

2027–2031 STRATEGIC PLAN

Since the September HSB meeting, staff has moved from establishing the strategic framework into the substantive development of the 2027–2031 Strategic Plan. Following the Board's feedback on the new HSS Purpose; updated Mission, Vision, and Core Values; and Five Strategic Pillars—improve operational efficiency, strengthen financial resilience, enhance the member experience, increase understanding of HSS's role across the City, and cultivate a thriving workforce. The HSS Executive Team has begun working with each of the six HSS division managers to develop draft Objectives and Key Results that translate the framework into meaningful five-year outcomes for HSS. We have completed an initial leadership session and are now conducting divisional workshops to refine these Objectives, identify measurable Key Results, and distinguish long-term strategic outcomes from the initiatives and day-to-day work needed to achieve them. . The Board's September discussion is also informing this work, particularly around the need to clearly articulate our value to the City, as well as the thoughtful use of AI and other technology to reduce administrative workload, with appropriate guardrails and a continued focus on supporting—not replacing—our staff and preserving human-to-human service. We remain on track to develop a draft Strategic Plan for Executive Team and all staff review in November, with the goal of bringing the completed plan to the

HSB in December.

OPEN ENROLLMENT

Open enrollment for Plan Year 2027 is underway! In the last weeks leading up to the active phase of Open Enrollment, staff were extremely busy with final preparations including:

- Member Services staff training completed.
- Website fully updated.
- Communications delivered to all members.
- Benefit enrollment system setup completed.
- Obtained and posted videos from all vendors.
- All available plan documents reviewed.
- External call center staff provided system access and training.

KAISER PERMANENTE MULTI-REGION PLANS OUTSIDE OF CALIFORNIA:

For retirees enrolled in Kaiser Permanente Senior Advantage (KPMR) plans, SFHSS has implemented the following steps in the transition to Blue Shield:

- Sent a customized postcard to all affected members.
- Worked with Blue Shield to create dedicated transition resources on their microsite.
- Issued Kaiser Permanente disenrollment notices.
- Completed Blue Shield customer service staff training.
- Mailed a Blue Shield transition letter.
- Mailed a customized Open Enrollment letter.
- Conducted individual outreach to members whose mail was returned.
- Enrolled impacted members into the corresponding Blue Shield PPO plan by default.

In August, Kaiser Hawaii sent termination letters earlier than the agreed-upon timeframe. Kaiser acknowledged the error and issued corrective communications. Unfortunately, in late September, Kaiser Hawaii again sent letters to 51 SFHSS Medicare members advising them of the plan termination and erroneously guiding members to re-enroll. The issue was identified on October 2nd. The SFHSS account team acted immediately upon the identification of the issue. To expedite addressing the conflicting messaging to members, Kaiser initiated outbound calls to the impacted members on the same day, and an apology letter will be mailed. SFHSS Member Services staff will also be calling these same members to follow-up on any questions or confusion the letter may have caused.

SFHSS received concerns from two retirees:

- **First member:** After reading the September SFHSS newsletter, the member expressed surprise that it did not include information about the Kaiser plan transition. SFHSS provided to the member the full transition plan and explained the rationale for using targeted communications rather than a newsletter that reaches more than 60,000 members. The member stated they were reassured after learning about the support available during the transition.
- **Second member:** This member reported difficulty obtaining assistance from Blue Shield with locating a provider. Blue Shield had no record of a prior call before the member contacted SFHSS. Blue Shield subsequently reached out to assist, and the member then made two additional calls. After reviewing those calls, the Blue Shield

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Affordable, Quality Benefits & Well-Being

Medicare Concierge Team confirmed the member was fully supported. During the first call, the agent guided the member through the provider search process; during the second call, the agent clarified a question regarding the provider list.

HSB FOLLOW-UP FROM THE AUGUST AND SEPTEMBER HEALTH SERVICE BOARD REGULAR MEETING

1. SFHSS 1-800 phone number. At the September meeting, a member commented that SFHSS materials no longer published the 800# and requested the number be prominent in materials. After looking into the issue, SFHSS realized that the 800# was discontinued in 2021. Two reasons led to the discontinuation of the number. 1) Almost all nationwide cellular carriers include unlimited nationwide calling and 2) With very few members using the dedicated 800 number, maintaining the service was no longer a cost-effective use of resources.
2. Blue Shield holding medical groups accountable for keeping their own provider directories updated. At the August 2026 Health Service Board meeting an active member shared loss of access to a primary care physician due to a sudden contract termination by the medical group, resulting in disruption of care and difficulty finding a replacement. He emphasized that this impacts referrals, prescriptions, and continuity of care, and that current support and information from Blue Shield and the IPA are inadequate.
 - Blue Shield's provider manual outlines the responsibilities of IPAs/Medical Groups for maintaining accurate provider directory information and attesting to its accuracy every 90 days. Specifically, IPAs/Medical Groups are required to regularly review and validate provider demographic, participation, and directory data, submit timely updates, and attest to the accuracy of that information every 90 days to help ensure members have access to accurate provider information.

SAN FRANCISCO HEALTH SERVICE SYSTEM DIVISION REPORTS: October 2026

PERSONNEL UPDATES (see attachment)

Welcome:

- 1210 Benefits Analyst, Member Services -Neila Romero. Effective 9/28/2026

Recruitments:

Member Services division:

- 1210 Benefits Analyst position to fill 1209 vacancy. Position was upgraded to a 1210 Benefits Analyst -Toni Renney. Effective 10/13/2026

Information Systems division:

- 0931 Information Systems Manager- Job announcement posted 8/13/2026 for 3 weeks. Deadline extended to 10/14/2026.

OPERATIONS: (see attachment)

FINANCE AND BUDGET:

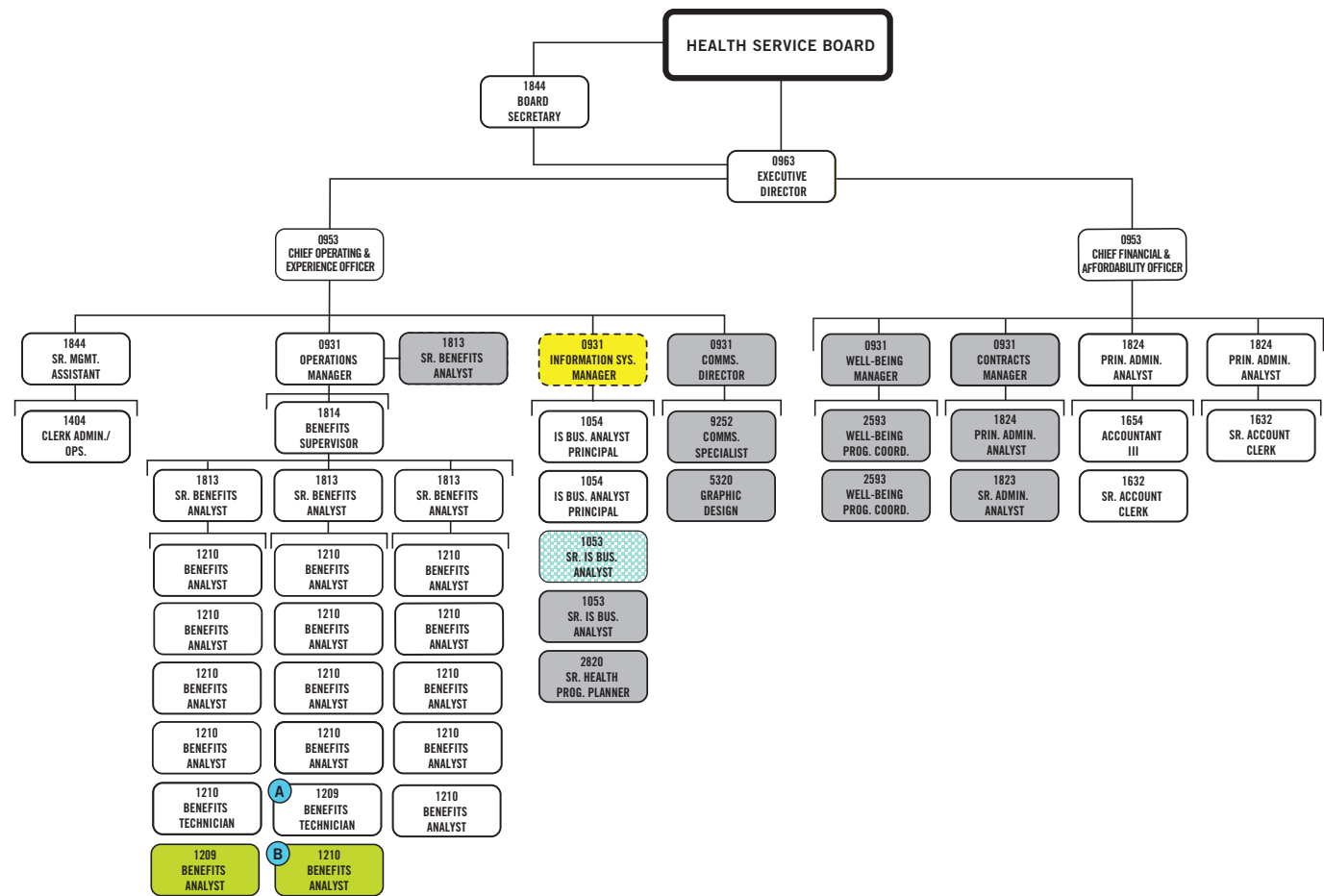
- The annual financial audit is on time with no findings so far and completion is anticipated in the third week of October.

ATTACHMENTS:

- Personnel - SFHSS Org Chart
- Operations Dashboard

SAN FRANCISCO
HEALTH SERVICE SYSTEM

Organizational Chart – Recruitable Budgeted Positions



LEGEND

RECENTLY HIRED/
PROMOTED

ACTIVELY
RECRUITING

PENDING MBO
APPROVAL

POSITIONS 100%
CHARGED TO TRUST

POSITIONS PARTIALLY
CHARGED TO TRUST

VACANT

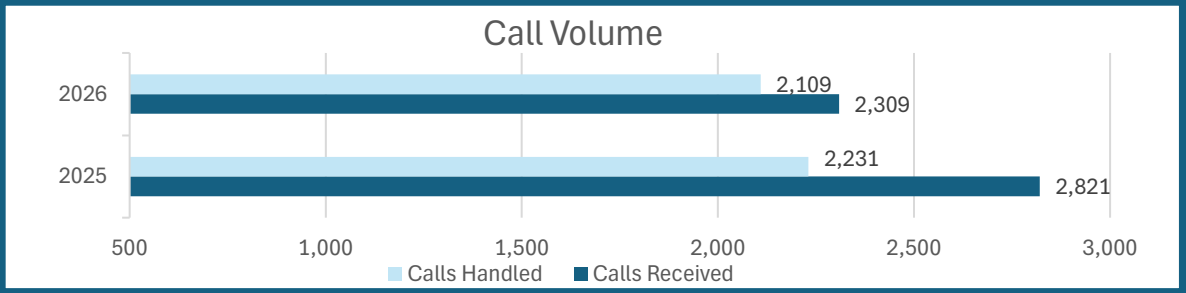
10.2.2026
SFHSS.ORG

- BUDGETED POSITIONS FILLED BY DIFFERENT WORKING CLASS**
- A** 1210 Benefits Analyst filled by 1209 Benefits Technician
 - B** 2820 Senior Health Program Planner filled by 1210 Benefits Analyst

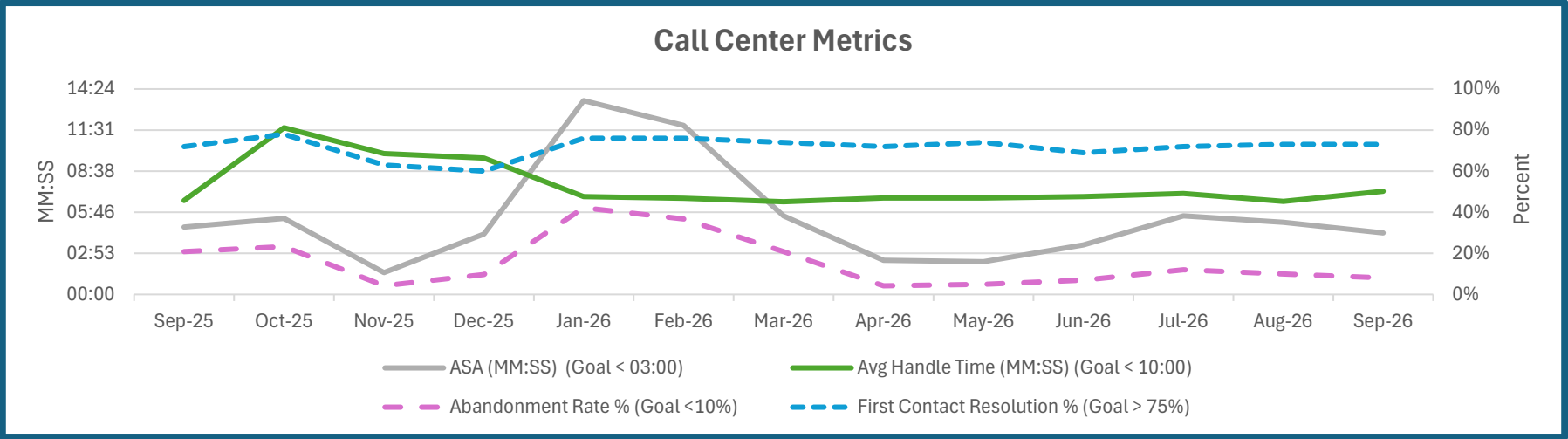
Member Experience Dashboard

Member Experience Dashboard – September 2026

Phone Support

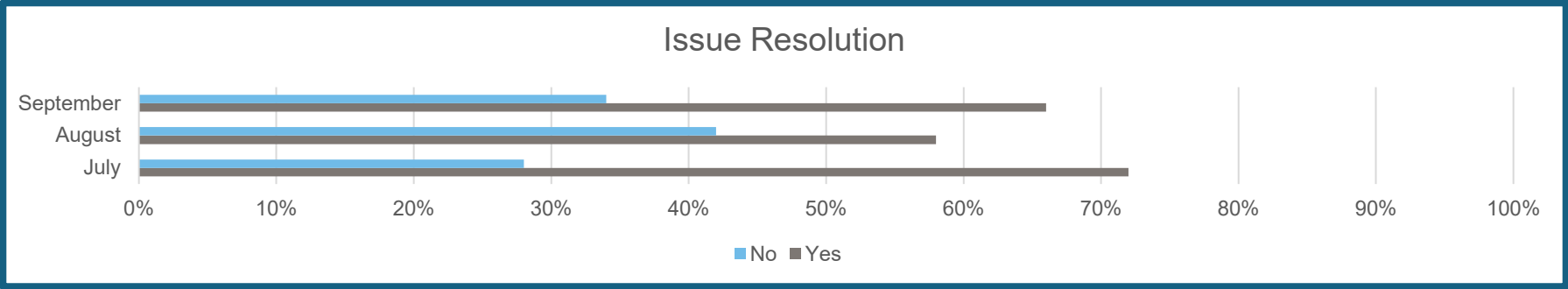
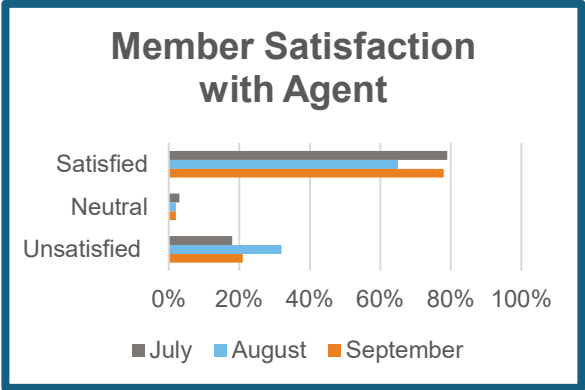
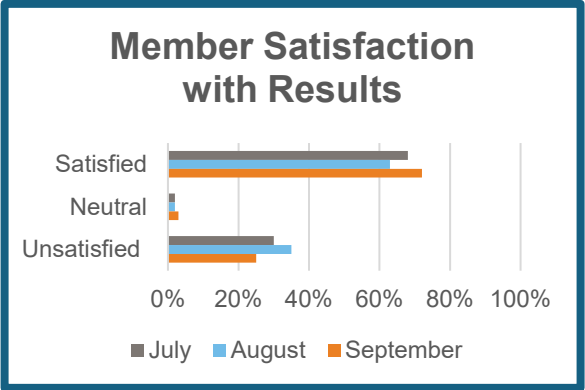


In-Person Support



Member Experience Dashboard – September 2026

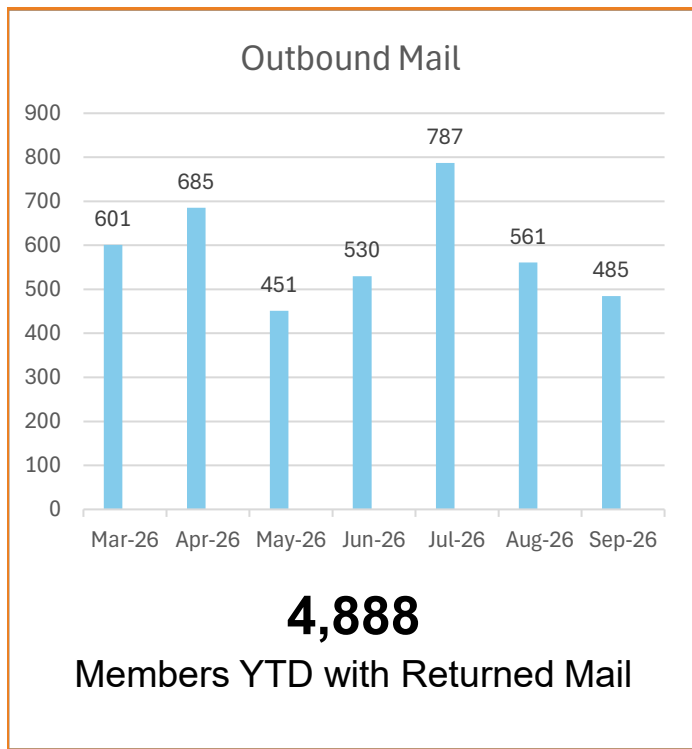
After Call Member Survey



Member Experience Dashboard – September 2026

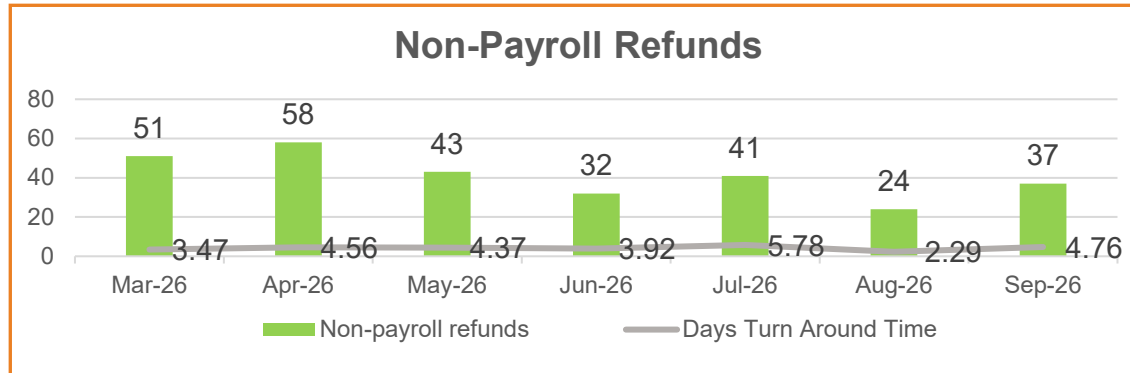
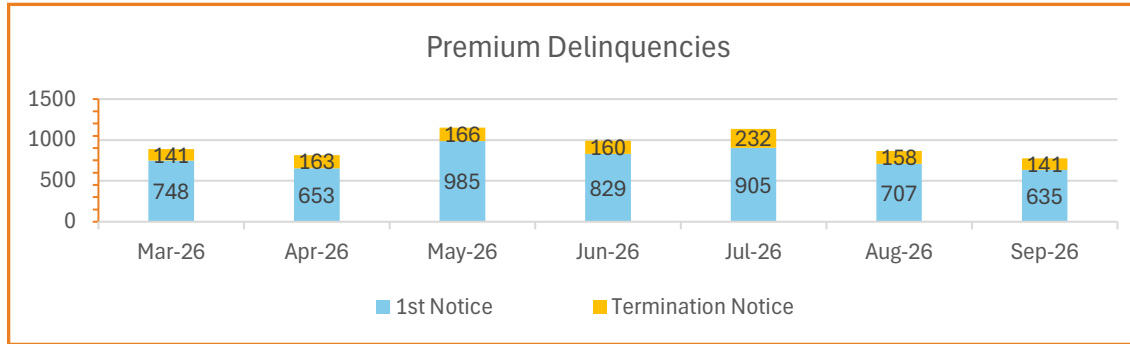
Processing / Operations

Category	Beginning Balance	Received	Total Work	Completed	Net Change	Ending Balance
Case Review/Action Required	328	677	1005	662	15	343
Application	1187	464	1651	264	200	1387
Compliance Document	789	458	1247	335	123	912
Court Order	32	51	83	47	4	36
Return Mail	269	48	317	35	13	282
Appeal	62	23	85	9	14	76
Demographic Change	38	22	60	21	1	39
HIPAA	37	14	51	9	5	42
CMS Reconciliation	95	13	108	11	2	97
Adoption/Surrogacy Assistance Form	2	1	3	1	0	2
Subpoena	3	0	3	0	0	3



Member Experience Dashboard – September 2026

Processing / Operations



Website Engagement

Average
Session
Duration in
Seconds

73

Unique
Users

27,076

Top SFHSS.ORG Visited Pages

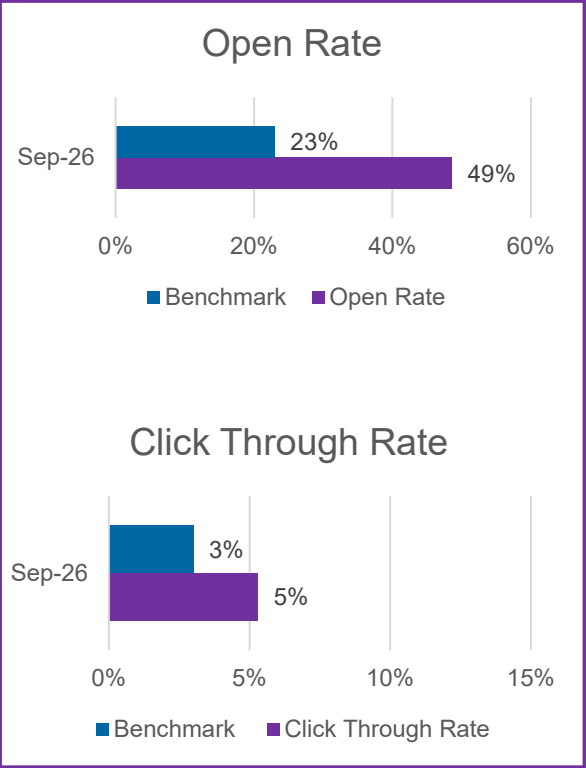
Landing Page	15,475
CCSF Employer Page	5,285
Contact Us	3,231
How to Enroll	3,139
OE Resources	2,268

Member Experience Dashboard – September 2026

Well-Being Activities



Newsletter



Member Experience Dashboard – 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.
 - **After Call Survey**—added to the Dashboard starting with the September 2026 HSB meeting. The data collection started 7/1/2026. The following questions are asked of members who call the Call Center for support.
 - Did your issue get fully resolved during this interaction? (Yes—1, No—2)
 - How satisfied were you with the service or solution you received today? (1 Dissatisfied through 5 Highly Satisfied)
 - How would you rate the representative you spoke with? (1 Dissatisfied through 5 Highly Satisfied)
- **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 – 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 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.