

November 10, 2005

# MINUTES

Regular Meeting

Thursday, November 10, 2005  
1:00 PM

City Hall, Room 416  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94103

□ **CALL TO ORDER**

□ **PLEDGE OF ALLEGIANCE**

□ **ROLL CALL**

President Scott Heldfond  
Vice President James Deignan  
Commissioner Karen Breslin  
Supervisor Sean Elsbernd, *Excused*  
Commissioner Sharon Johnson  
Commissioner Mitch Katz, M.D., *Arrived at 1:10 PM (after Item 1)*  
Commissioner Claire Zvanski

- President Heldfond and the Board congratulated Supervisor Elsbernd who is absent because of his pending marriage celebration.

□ **11102005-01**

**ACTION ITEM**

**APPROVAL (WITH POSSIBLE MODIFICATIONS) OF THE MINUTES OF THE FOLLOWING MEETING:**

- Regular Meeting of October 13, 2005

STAFF RECOMMENDATION: Approve Minutes.

*Documents provided to Board prior to meeting: Draft minutes.*

PUBLIC COMMENTS: None

ACTION: Motion was moved and seconded by the Board to approve the draft minutes for October 13, 2005. Motion passed 5 to 0.

□ **11102005-02**

**DISCUSSION ITEM**

**PRESIDENT'S REPORT** (Scott Heldfond):

- General Overview and updates regarding the *Selection of Cortex Applied Research through RFQ Process to Provide Governance Consulting Services with Funding through the Controller's Office (Schedule #1)*. President Heldfond stated that Cortex was selected by a unanimous decision by a committee panel that consisted of: Bart Duncan, members of the Controller's Office, and Commissioner Zvanski. The consulting contract will be paid for by the Controller's Office. The estimated budget cost is \$100,000.

PUBLIC COMMENTS: None

□ 11102005-03

**DISCUSSION ITEM DIRECTOR'S REPORT (Bart Duncan):**

Bart Duncan presented an overview of the following matters:

- Overall Progress Report for the First Four Months as a New Department
- Coordination with Partner Employers
- Coordination with Department of Human Resources and San Francisco Employees' Retirement System
- Internal Process Improvements
- Update on Uniprise Performance Review-presentation will be given at the next HSB meeting. Claire Dunn, retiree representative and Ed Harrington (active representative) volunteered to work with the performance evaluation committee.
- Interdepartmental Emergency Preparedness Discussions
- Update on Current HSS Phone and Front Counter Service. A special request by Supervisor Elsbernd to DTIS to check HSS software/hardware problems has resulted in an upgrade in the configuration of the telephone software. The telephone calls in queue have increased from 6 to 40 people who will result in faster answering time and less wait time (busy signal). Telephone hours have increased daily by 1 hour: mornings are from 8:30 AM to 11:00 AM and the afternoon hours are from 1:30 PM to 4:00 PM.

PUBLIC COMMENTS: None

<b>COMMITTEE MATTERS</b>
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11102005-04

**DISCUSSION ITEM COMMITTEE REPORTS:**

Rates and Benefits Committee (Karen Breslin)

- First Rates and Benefits Committee meeting was held on Tuesday, October 25, 2005. The Board received the Rates and Benefits schedule for the 2006-2007 plan year (**Schedule #2**). Commissioner presented an overview of the meeting. Next Rates and Benefits meeting will be held on November 22, 2005.
- President Heldfond recommended that draft minutes of the committee meetings be available for review at the HSB meetings.

Rules Committee (Claire Zvanski)

- Rules Committee met early on October 25, 2005 (prior to the Rates and Benefits Committee). The Rules Committee will not meet on November 22, 2005 (public cancellation notice will be mailed). Commissioner Zvanski stated that future Rule Committee meetings are pending further study and review of the rules in regards to changes mandated by the City Charter and implemented by the passing of

Proposition C and its impact on the Health Service Board and the Health Service System.

- After meetings with HSS Director, Bart Duncan, the Public Employees Committee of the Labor Council and Ms. Patty Tamara, of SEIU 790, Commissioner Zvanski stated that approval of the amendments of the following rules on today's agenda (Action Items 5 and 6) will not only make these rules compliant with the health care industry, but will save the Health Service System approximately one million dollars.
- Commissioner Sharon Johnson requested postponement of approval of these rule amendments until all members and unions that are affected by these rules are notified and given the chance to participate in discussions. President Heldfond stated that the work and agenda of any committee should not be held back when the committee has followed the timeline procedures and guidelines for posting meeting notifications. The committee has completed their work (meetings& discussions) and should move forward with today's agenda. Commissioner Breslin agreed and stated that the Rules Committee completed their work and everyone has had an opportunity to respond to the rule amendments. She recommended approval of the amendments. Bart Duncan confirmed to the Board that all public, employees, unions, employee organizations etc. were notified and received agendas prior to all committee and HSB meetings.
- Dr. Katz stated that he would approve both of these amendments and that the System could use the one million dollars. However, since there is not any time pressure, he does not mind forwarding action on these amendments another month.
- Commissioner Deignan stated that he would not mind waiting another month.
- Commissioner Zvanski stated that she did not mind deferring these items until the next meeting and requested clarification on whether these rule amendments qualify for a Meet and Confer.
- Deputy City Attorney Gina Rocanova confirmed to the Board that since all posting and notifications procedures of the rule change was met and the unions did not respond and had did not use the opportunity to request a Meet and Confer; therefore, the Rules Committee and the HSB has met all obligations necessary to proceed with the committee recommendation for approval of the amendments.
- President Heldfond recommended that the next two items (rule amendments) be deferred until the next HSB meeting. The Board agreed unanimously to defer action until next month.

PUBLIC COMMENTS: Richard Rothman of SEIU Local 790 recommended that the two rules should be moved forward to the opening of the MOU for next year and become a part of the City's proposal and discussed at the bargaining table. He also expressed

concern about the timing of the committee and board meetings, which hinders the participation of active members.

- 11102005-05            **ACTION ITEM**            **APPROVAL OF AMENDMENT TO PARTS II.A.2 AND II.B.1(a) OF HSS RULES AND REGULATIONS, TO BE EFFECTIVE AS OF JULY 1, 2006, ELIMINATING THE ABILITY OF A MEMBER TO BE ENROLLED IN TWO DIFFERENT BENEFIT PLANS, AS BOTH A MEMBER AND AS A DEPENDENT OF A MEMBER** (Claire Zvanski)

COMMITTEE RECOMMENDATION: Approve Amendment.

PUBLIC COMMENTS: None

ACTION: None. Deferred to next meeting

- 11102005-06            **ACTION ITEM**            **APPROVAL OF AMENDMENT TO PART II.B.2(i), TO BE EFFECTIVE AS OF JULY 1, 2006, ELIMINATING THE ABILITY OF TWO MEMBERS TO ENROLL A COMMON DEPENDENT IN TWO DIFFERENT BENEFIT PLANS, AS A DEPENDENT OF EACH MEMBER** (Claire Zvanski)

COMMITTEE RECOMMENDATION: Approve Amendment.

PUBLIC COMMENTS:

ACTION: None. Deferred to next meeting.

<b>REGULAR MATTERS</b>
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- 11102005-07            **DISCUSSION ITEM**            **OVERVIEW FROM DEPARTMENT OF HUMAN RESOURCES OF FUTURE MOU NEGOTIATIONS**(Phil Ginsburg, Director of DHR and Micki Callahan)

- President Heldfond expressed gratitude and appreciation to Mr. Phil Ginsburg and the DHR staff for their assistance to Health Service System and the Health Service Board during their transition period, which was implemented by the passing of Proposition C. Mr. Ginsburg stated that as a result of the transition, the Health Service System and DHR are working closer together than when they were one entity. He introduced to the Board the DHR staff that accompanied him to the HSB meeting: his Client Services Team: Emily Morrison, Kerry Ko, and Tom Burns; Jamie Austin, Financial Officer, Steve Ponder, Compensation Manager, and Micki Callahan, Assistant Employee Relations Director. Mr. Ginsburg gave an overview of DHR and future MOU negotiations and the City's budget situation. DHR's payroll costs are approximately \$2.3 billion of the City's \$5 billion dollar budget and a large portion of that cost is contributed to retirement and health care cost. Mr. Ginsburg stated that it is a pleasure to work with Bart Duncan and is looking forward to meeting the challenges that are implemented by changes in both the DHR and HSS departments.

Ms. Callahan stated that she is looking forward to working with the HSB and HSS and that the negotiation/bargaining season is

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approaching and will probably start in January 2006.

PUBLIC COMMENTS: None

- 11102005-08      **DISCUSSION ITEM**      **REPORT ON STATUS OF AUDIT AND PRELIMINARY OVERVIEW OF FINANCIAL STATEMENTS FOR FISCAL YEAR 2004-2005**(Jamie Austin and Tess Navarro)
- *Documents provided to Board prior to meeting: Draft Statement of Changes in Net Assets for Fiscal Year 2004-2005(Schedule #3).* A detailed report of this statement was given by Jamie Austin. The field work of the KPMG audit is complete and a more complete and final financial audit report will be presented to the Board by KPMG at the December meeting. Tess Navarro explained to the Board the cash and investments held with the City and County Treasurer and the total assets for June 30, 2005 and 2004.

PUBLIC COMMENTS: None

- 11102005-09      **ACTION ITEM**      **APPROVAL OF FINANCIAL REPORTS FOR SEPTEMBER 2005 AND UPDATE ON FUTURE IMPROVEMENTS TO THE REPORTS FOR THE CHARTER BENEFITS FUND AND THE NON-CHARTER BENEFITS FUND** (Tess Navarro):

STAFF RECOMMENDATION: Approve Reports.

*The following documents was provided to Board prior to meeting: (1) Draft Report for the General Administrative Fund, in the format presented at the meeting of October 13, 2005 (Schedule #4); and (2) Draft Report for the Charter Benefits and the Non-Charter Benefits in the combined format in use for Fiscal Year 2004-2005 (Schedule #5).* Tess Navarro presented an overview of these financial reports to the Board.

PUBLIC COMMENTS:

Action: Motion Moved and seconded by the Board to approve these reports. Motion passed 6 to 0.

- 11102005-10      **ACTION ITEM**      **APPROVAL OF CLASSIFICATION AND FUNDING FOR THE FOLLOWING NEW STAFF POSITION TO BE FUNDED FROM THE HEALTH SERVICE SYSTEM TRUST FUND PURSUANT TO CHARTER SECTION A8.423 (OBTAINING AND DISSEMINATING INFORMATION REGARDING PLAN BENEFITS)** (Bart Duncan and DHR Staff):

- Health Service System Marketing and Communications Manager

STAFF RECOMMENDATION: Approve classification and funding.

*Documents provided to Board prior to meeting: Form of resolution approving classification and funding(Schedule #6).*

PUBLIC COMMENTS: John Madden, retiree, opposed the funding of this position by the trust fund.

ACTION: Motion was moved and seconded by the Board to approve classification and funding. Motion passed 6 to 0.

- 11102005-11      **DISCUSSION ITEM**      **REPORT ON IMPLEMENTATION OF PLAN FOR OBTAINING MEDICARE PART D SUBSIDIES** (BART DUNCAN)

- Mr. Duncan reported that the application process of Medicare Part D is complete with CMS and the staff is waiting to receive from CMS the rejected records. HSS will be ready to move forward to the next level of the process which will be to update their records. Mr. Duncan stated they he met with the Retiree's Association last week and they were pleased with the communication received regarding Medicare Part D subsidies.

.PUBLIC COMMENTS: None

□ 11102005-12      **DISCUSSION ITEM      **UPDATED STATUS REPORT ON CONTRACTS FOR CURRENT VENDORS TO THE HEALTH SERVICE SYSTEM (Gina Roccanova)****

- *Documents provided to Board prior to meeting: Chart prepared by City Attorney's Office outlining status of each contract (Schedule #7).* Ms. Roccanova gave an overview on the status of the contracts for current vendors to HSS. A new B500 form will be used next year to facilitate health care contract reports. A B501 form will be used for non-trust fund benefits contracts which will be reusable and will adapt easily to changes in the law.
- President Heldfond requested that upon completion of the United Health Care contract that a copy of it is given to Nancy Gin, Chair of Protect Our Benefits (POB). Bart Duncan assured him that a copy will be given to her as soon as it is signed.

PUBLIC COMMENTS: Nancy Gin thanked President Heldfond for remembering to giving her a copy of the UHC contract. She stated that she would also like to have copies of contracts numbers. 1-8 of the vendor contract list (schedule #7) and would like to get them before the contracts expire.

□ 11102005-13      **DISCUSSION ITEM      **REPORT ON NETWORK AND HEALTH PLAN ISSUES (IF ANY)****

- Bart Duncan reported that he was just recently informed that Mills Peninsula have negotiated an exclusive deal with Pacific Care for their Medicare Advantage product, effective January 1, 2006. Mr. Duncan stated that he is working closely with Health Net to see who will be impacted by this change and adjustments will be made to ensure they will be able to continue to have access to their physicians for the remaining current year. The Board will be updated and requests for options, if needed will be given at the next Board meeting. President Heldfond recommended that an update be given at the next Rates and Benefits Committee meeting (November 22, 2005).

PUBLIC COMMENTS: None

□ 11102005-14      **DISCUSSION ITEM      **OPPORTUNITY TO PLACE ITEMS ON FUTURE AGENDAS****

PUBLIC COMMENTS: None

□ 11102005-15      **DISCUSSION ITEM      **OPPORTUNITY FOR THE PUBLIC TO COMMENT ON ANY****

**MATTERS WITHIN THE BOARD'S JURISDICTION**

PUBLIC COMMENTS: None

- **ADJOURN 2:45 PM**

## **SUMMARY OF HEALTH SERVICE SYSTEM RULES REGARDING PUBLIC COMMENT**

- Speakers are urged to fill out a speaker card in advance, but may remain anonymous if so desired.
- A member of the public has up to three minutes to make pertinent public comments before action is taken on any agenda item.
- A member may comment on any matter within the Board's jurisdiction at the designated time at the end of the meeting. The complete rules are set forth in Section A(6) of the Health Service System Rules and Regulations. A copy of these Rules and Regulations is available at any time upon request. Call the Commission Secretary, Arnetta Brown, for further assistance at (415) 554-1727.

## **HEALTH SERVICE BOARD AND THE HEALTH SERVICE SYSTEM WEB SITE**

<http://hss.sfgov.org>

## **DISABILITY ACCESS**

The meeting will be held at City Hall, #1 Dr. Carlton B. Goodlett Place, Room 416. The closest accessible BART Station is Civic Center, three blocks from City Hall. Accessible MUNI lines serving this location are: #42 Downtown Loop, and the #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call (415) 923-6142. There is accessible parking in the vicinity of City Hall at Civic Center Plaza adjacent to Davies Hall and the War Memorial Complex.

Accessible seating for persons with disabilities (including those using wheelchairs) will be available.

The following services are available upon request:

- American Sign Language interpreters will be available upon request.
- A sound enhancement system will be available upon request at the meeting.
- Minutes of the meeting or hearing are available in alternative formats.

If you require the use of any of these services, please contact Commission Secretary, Arnetta Brown, at (415) 554-1727 or by email at [arnetta.brown@sfgov.org](mailto:arnetta.brown@sfgov.org) at least 72 hours prior to the meeting.

In order to assist the City's effort to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

## **KNOWING YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE**

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact [Adele Destro](#) by mail to [Interim](#) Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94103-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at [sotf@sfgov.org](mailto:sotf@sfgov.org).

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Ms. Destro or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org/sunshine/>

#### **Lobbyist Registration and Reporting Requirements**

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code § 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94103; telephone (415) 581-2200; fax (415) 581-2317; web site [www.sfgov.org/ethics](http://www.sfgov.org/ethics).

#### **SUMMARY OF HEALTH SERVICE BOARD RULES REGARDING CELL PHONES AND PAGERS**

- The ringing and use of cell phones, pagers and similar sound-producing electronic devices is prohibited at Health Service Board meetings and its' committee meetings.
- The chair of the meeting may order the removal from the meeting room of any person(s) in violation of this rule.
- The chair of the meeting may allow an expelled person to return to the meeting following an agreement to comply with this rule.

The complete rules are set forth in Chapter 67A of the San Francisco Administrative Code and in the Rules and Regulations of the Health Service System.