



City & County of San Francisco

HEALTH SERVICE BOARD

1145 Market Street ♦ Suite 200 ♦ San Francisco, CA 94103

Minutes

Regular Meeting

Thursday, March 13, 2008

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 Karen Breslin
 - Vice President Claire Zvanski
 - Commissioner James Deignan *arrived 1:29 p.m.*
 - Supervisor Sean Elsbernd
 - Commissioner Scott Heldfond
 - Commissioner Sharon Johnson
 - Commissioner Mitch Katz, M.D., *arrived 1:10 p.m.*
- 03132008-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Special Meeting of February 12, 2008
 - Closed Session of February 14, 2008
 - Regular Meeting of February 14, 2008Staff 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 special meeting minutes of February 12, 2008, the closed session minutes of February 14, 2008 and the revised regular meeting minutes of February 14, 2008 (deletion of the word “both” on the top of page 8). Motion passed 5-0.

□ 03132008-02 Discussion item

President’s report (President Breslin)

Documents provided to Board prior to meeting:
None.

- President Breslin announced the following:
- Jeff Hildebrant, HSS Assistant Director, has submitted his resignation, effective June 30, 2008;
- The rates have not yet been approved by the Board of Supervisors;
- Staff is proceeding with open enrollment preparations.

Public comments: None.

□ 03132008-03 Discussion Item

Update regarding approval by Board of Supervisors of Rates and Benefits package for Plan Year 2008-2009 (Supervisor Elsbernd)

Documents provided to Board prior to meeting:
None.

- Supervisor Elsbernd reported the following:
- The 10-County Survey and the rates and benefits package are scheduled to be presented at the Board of Supervisors Finance Committee meeting on March 19, 2008. Approval is anticipated.
- Once approved by the Finance Committee, both items will be presented to the full Board of Supervisors for final approval. The 10-County Survey will be presented on March 25, 2008 for final approval and the rates and benefits package will be presented first on March 25 and again on April 2, 2008 for final approval (as an Ordinance, the rates and benefits package requires two approvals by the full Board of Supervisors).

Public comments: None.

□ 03132008-04 Discussion item Management team updates:

- Open enrollment preparations and timeline (Jeff Hildebrant)
- Open enrollment communications (Rosemary Passantino)
- Vendor contracting and performance management updates (Robin Courtney)

Documents provided to Board prior to meeting:

Open enrollment payroll stuffer, new open enrollment application and sample benefits guide cover page.

- Jeff Hildebrant, Assistant Director, reported the following open enrollment update:
- While the rates have not been formally approved by the Board of Supervisors, open enrollment preparations are proceeding; the rates in the benefit guides indicate that approval is pending.
- Open enrollment is scheduled from April 1 to April 30, 2008.
- The mail house will begin to ship the benefit guides to retired members on March 17, 2008 or soon thereafter.
- Vendors will be on-site at HSS from April 14 through April 25, 2008.
- Rosemary Passantino, Communications Manager reported the following:
- New features have been included in the benefit guides, such as decision support information for choosing a medical or dental plan, comparison charts, a demographics chart and finance chart reflecting healthcare plan costs per member per month.
- A payroll stuffer announcing open enrollment will be included in all CCSF March 18, 2008 pay checks.
- Open Enrollment materials will be available on the myhss.org website, including PDFs of the enrollment application and benefit guides.

- Two pre-open enrollment seminars regarding decision support were conducted at HSS on March 4 and 11, 2008 to a “sold out” audience, totaling approximately 80 members.
- Robin Courtney, Vendor Contracts and Performance Manager, reported the following vendor contracting and performance updates:
- Six vendor report cards have been completed and are now listed on the website.
- Pacific Union Dental will be the next vendor report card to be completed, followed by Kaiser, Blue Shield and PacifiCare.
- Some areas needing improvement in FBMC’s vendor report card have been addressed by the vendor, such as the development of a new benefit brochure, which should be completed by open enrollment.
- The spot audit program for the self-reported vendor performance guarantee results will begin in the next few days for 2006-2007 Plan Year.
- Contract renewals will begin in the next few weeks.

Public comments: Gerry Meister, UESF Retired Division representative, asked if the retired members will receive open enrollment notification with their retirement checks.

In response to Ms. Meister’s question, Rosemary Passantino stated that the San Francisco Retirement System would need to determine how to distribute such information to retirees, and whether a payroll staffer could be included in the retiree paychecks.

Bart Duncan also suggested that in the future, perhaps STRS (California State Teachers’ Retirement System) could be contacted to assist in notifying retired members regarding open enrollment. He clarified that notifying retired members through a retirement check will be a longer term project and will not happen this year.

- 03132008-05 Discussion item Financial reports and forecast as of January 31, 2008 for Plan Year 2007-2008 and General Fund budget update for Fiscal Year 2008-2009 (Tess Navarro)

Documents provided to Board prior to meeting:

1. Report for General Administrative Fund; and
2. Report for Trust Fund.
 - Tess Navarro, Chief Financial Officer, reported the following regarding the General Fund Administration budget:
 - There is an estimated salary savings of approximately \$75,000. However, this amount is being cautiously reported, since the rate package has not yet been approved by the Board of Supervisors and there is a possibility of staff overtime related to open enrollment.
 - She is currently working with the actuarial professional services contract (Mercer) to ascertain if there are any additional cost increases due to the extension of the rates negotiations.
 - The estimated Workers' Comp shortage is anticipated to be covered by the City Attorney's work order. The current City Attorney's charges are under review, as well as any potential year-end savings.
 - Ms. Navarro presented the following Trust Fund update:
 - The year-to-date actual is -\$8.3M.
 - The annual projection is -\$11.2M, as previously reported.
 - Regarding the Fiscal Year 2008-2009 General Fund, Ms. Navarro reported the following:
 - The budget has been submitted and is being currently reviewed by the Mayor's Budget Analyst's Office.
 - The Mayor's Budget Analyst's Office will be meeting with individual departments within the next week or two. Ms. Navarro will notify

Commissioner Johnson, Finance and Budget Committee Chair, when the HSS meeting is scheduled to discuss the 2008-2009 budget submission.

Public comments: None.

□ 03132008-06 Action item

Resolution commending Bart Duncan, HSS Executive Director, for his outstanding performance (President Breslin)

Documents provided to Board prior to meeting:
Resolution.

- President Breslin presented a resolution that she prepared regarding Bart Duncan's outstanding performance as Executive Director. She noted that many of Mr. Duncan's accomplishments outlined in the resolution were contributed by members and staff.
- Mr. Duncan expressed surprise, gratitude and sense of overwhelm at the outpouring of member support. He thanked the HSS management team, the Board and members.
- Commissioner Zvanski commented, as a long-time member of the Board, on the remarkable changes and outstanding strides made in the past two-plus years which are attributed to Mr. Duncan's vision and team building as Executive Director.

Public comments: Claire Dunn spoke on behalf of the retired City workers and retired teachers that she thoroughly concurs with the resolution presented. She spoke of the prospect of improvements at HSS when Prop. C was presented to the voters and the bonus received by the members after it passed in the hiring of Bart Duncan. She expressed deep regret at Mr. Duncan's possible departure from HSS, and wished him well should he not rescind his resignation.

Action: Motion was moved and seconded by the Board to approve the resolution commending Bart Duncan for his outstanding performance as HSS Executive Director. Motion passed 7-0.

- 03132008-07 Discussion item Report on network and health plan issues (if any)
(Respective plan representatives)

 - Commissioner Zvanski asked Mark Frey, Kaiser Permanente Senior Account Executive, if perhaps a number system could be devised for members standing in long pharmacy lines, which would benefit members who cannot stand for a long time. She also suggested that a number system might also provide member confidentiality.
 - Mr. Frey responded that he will check into Commissioner Zvanski's suggestions and will report back to the Board.

Public comments: None.

- 03132008-08 Discussion item Opportunity to place items on future agendas

Public comments: None.

- 03132008-09 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

Public comments: None.

- 03132008-10 Action item PUBLIC EMPLOYEE APPOINTMENT: Vote on whether to hold closed session regarding appointment of an interim Health Service System Executive Director and recruitment of new Executive Director (President Breslin)

Staff recommendation: Hold closed session.

Documents provided to Board prior to meeting: None.

Public Comment on all Matters Pertaining to the Closed Session: None.

Action: Motion was moved and seconded by the Board to hold a closed session. Motion passed 7-0.

Closed session pursuant to Government Code Section 54957.(b)(1) and San Francisco Administrative Code Section 67.10(b)

- 03132008-11 Discussion Item Closed session began at 1:51 p.m.
- PUBLIC EMPLOYEE APPOINTMENT: Discussion and possible action to appoint an interim Health Service System Executive Director (President Breslin)
- Documents provided to Board prior to meeting: None.
- Closed session ended at 3:15 p.m.

Reconvene in Open Session

- 03132008-12 Discussion Item Open session began at 3:19 p.m.
- Vote to elect whether to disclose any or all discussion held in Closed Session (San Francisco Administrative Code 67.12) (President Breslin)
- Action:** Motion was moved and seconded by the Board to disclose the results of the discussion held in closed session. Motion passed 6-0. (Dr. Katz departed the closed session at 2:25 p.m.)
- President Breslin reported that in the closed session Bart Duncan agreed to remain as Executive Director of the Health Service System and the Board has agreed to work closely with him to move initiatives forward.
 - Mr. Duncan thanked the Board members for their efforts in moving forward as a team and he also thanked the Health Service System members for their support, which was a crucial part of his decision to stay.
- Public Comments:** Herb Weiner, retired City employee, commented that everyone wins with Mr. Duncan's decision to remain as HSS Executive Director. He stated that HSS is a model for the City in its efficiency and that Mr. Duncan's leadership and vision are necessary for the department to continue moving forward.

Commissioner Heldfond responded that there was something systemically wrong to have a bright, best of the best executive director resign from his position. He stated that more work is needed to make HSS a model agency and that the Board is committed to working together with staff to create such an agency.

Gerry Meister commented that she was delighted that the retired teachers' meeting will be held the following week and that Mr. Duncan will be the guest speaker.

Claire Dunn reported that she wrote her RECCSF Bulletin column at today's meeting because it must be turned in tomorrow. She left space at the end for the result of today's meeting and that she is delighted to include a terrific ending.

Adjourn: 3:27 p.m.

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 Administrative Services Manager, Laini K. Scott for further assistance at (415) 554-1727.

Health Service Board and the Health Service System Web Site: <http://www.myhss.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 Administrative Services Manager, Laini K. Scott, at (415) 554-1727 or by email at laini.scott@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.

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 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site 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.