



City & County of San Francisco

HEALTH SERVICE BOARD

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

Minutes

Regular Meeting

Thursday, February 12, 2009

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 Claire Zvanski
 - Commissioner Karen Breslin
 - Commissioner James Deignan
 - Supervisor Sean Elsbernd, *excused*
 - Commissioner Sharon Johnson
 - Commissioner Mitch Katz, M.D., *excused*
- This meeting began at 1:09 p.m.**
- 02122009-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Regular meeting of January 8, 2009
- 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 regular meeting minutes of January 8, 2009.

Motion passed 5-0.

- 02122009-02 Discussion item **President's report** (President Heldfond)

Documents provided to Board prior to meeting:
None.

- President Heldfond stated that there is nothing to report at this time.

Public comments: None.

- 02122009-03 Discussion item **Management team updates:**

- Introductory remarks (Bart Duncan)
- Update on Health Service Board election (Laini Scott)
- Update regarding approval by Board of Supervisors of Rates and Benefits package for plan year 2009-2010 (Bart Duncan and Supervisor Sean Elsbernd)
- Open enrollment preparations and timeline (Rosemary Passantino and Marianne Lonsdale)
- Vendor contracting and performance management update (Robin Courtney)

Documents provided to Board prior to meeting:
None.

- Bart Duncan, HSS Director, reported on a recent RECCSF meeting at which he was the guest speaker. He commended the retired members on their support, spirit of cooperation and knowledge of benefit issues.
- Mr. Duncan also acknowledged the HSS Finance Team for their excellent work regarding this year's rates.
- Laini Scott, Health Service Board Commission Secretary and HSS Administrative Services Manager, reported the following regarding the upcoming Board election:
 - The election nomination period ended at 5:00 p.m. on February 9, 2009.

- There are three candidates running for the Board seat:
- Richard Rothman, a retired member;
- Sharon Ferrigno, an active member in the Police Department; and
- Sheila Hawthorne, an active member in the Department of Public Health.
- A candidate orientation session conducted by the Department of Elections will be held at HSS tomorrow, February 13. All candidates are expected to attend.
- Mr. Duncan stated that it has been a pleasure working with Commissioner Deignan and that he will be missed once his term expires.
- Mr. Duncan announced that the report related to the Board of Supervisors' approval of the rates and benefits package will be deferred until Supervisor Elsbernd arrives. He stated that he is optimistic of the outcome.
- Marianne Lonsdale, HSS Chief Operating Officer, reported the following:
 - Open enrollment planning and preparations are progressing on track.
 - Communications planning has been the focus of the past few weeks in order to meet the deadline for submitting the open enrollment pieces to the printer.
 - The next steps will be updating the PeopleSoft system, working with health plans to be onsite during open enrollment, and preparing the benefit analysts for their participation in the open enrollment process.
 - Commissioner Zvanski inquired if open enrollment will be conducted at sites other than HSS.
 - Ms. Lonsdale responded that the only offsite open enrollment location will be at City Hall for the Management Cafeteria Plan members, conducted by EBS. Due to staffing concerns, the decision was made to keep open enrollment solely at HSS.

- Rosemary Passantino, HSS Marketing and Communications Manager, reported the following open enrollment updates:
 - Plans are on track to print and mail the open enrollment benefit guides in March.
 - Payroll staffers announcing open enrollment will be included in CCSF employee paychecks in March.
 - Targeted mailings will be sent to PacifiCare members notifying them of the discontinuance of that plan and their need to enroll in an alternate health plan.
 - In addition to the open enrollment packet, union and retiree association newsletters have been contacted to assist in notifying members of open enrollment. The responses have been favorable.
 - An increase in foot traffic is anticipated at HSS during open enrollment due to the discontinuance of PacifiCare. Preparations are being made to accommodate members who come by HSS to conduct open enrollment transactions.
- Robin Courtney, Vendor Contracts and Performance Manager, reported the following updates:
 - HSS and Mercer continue to work on the 2009-2010 performance guarantees. They have been working on including disease management performance guarantees for all of the vendors.
 - Vendor responses have been received regarding the proposed new pharmacy language. HSS and Mercer are reviewing the responses, which will be included in the 2010-2011 contracts.
 - Red-lined versions of the 2009-2010 contracts will be prepared by Erik Rapoport, Deputy City Attorney, and submitted to the vendors on May 1.
 - The UHC follow-up audit will take place at HSS on February 26. Mercer and UHC representatives will be in attendance.

- Mercer has completed Delta Dental's onsite audit and is scheduled to submit the draft report to HSS on February 13. The final report is expected to be submitted by March 6, 2009.
- There are three vendor report cards to complete, Kaiser, Blue Shield and FBMC-COBRA. Two report cards will be completed by the end of this fiscal year, and the last one will be completed early in the following fiscal year.

Public comments: Richard Rothman, retired City employee, inquired which department is responsible for informing new employees of health care eligibility under Prop. B.

Gerry Meister, UESF retired division representative, stated that it would be helpful for retirees to receive the same payroll stuffers as the active members.

BUDGET AND FINANCE COMMITTEE MATTERS

- 02122009-04 Action item Approval of proposed administrative budget for fiscal year 2009-2010 (Committee Chair Breslin)
 - Documents provided to Board prior to meeting:** Summary prepared by Tess Navarro.
 - Committee Chair Breslin referenced the special Budget and Finance Committee meeting that took place prior to this regular Board meeting and the budget overview presented by Tess Navarro, HSS Chief Financial Officer.
 - Public comments:** None.
 - Action:** Motion was moved and seconded by the Board to approve the administrative budget for fiscal year 2009-2010 as presented in the budget overview approved by the Budget and Finance Committee on February 12, 2009.
 - Motion passed 5-0.**

REGULAR MATTERS

- 02122009-05 Discussion item Financial reports as of December 31, 2008 and forecast for Plan Year 2008-2009 (Tess Navarro)

Documents provided to Board prior to meeting:

1. Report for the General Administrative Fund; and
2. Report for the Trust Fund.
 - Tess Navarro, Chief Financial Officer, stated that she has nothing new to report to the Board from the prior regular meeting regarding the General Administrative Fund.
 - Ms. Navarro reported that there is also nothing new to present to the Board regarding the Trust Fund.
 - A mid-year retrospective review of the self-funded plan will be presented with Mercer in the upcoming months. The annual projected numbers may change at that time after six months' retrospective review.
 - Commissioner Zvanski asked for confirmation that the trust fund is not operating at a deficit because she has received inquiries from members.
 - Ms. Navarro confirmed that the trust fund is not operating at a deficit and that all negative amounts reflected on the reports have been planned for and taken into consideration in the trust fund balance.
 - Mr. Duncan reiterated that the trust fund is not operating at a deficit and noted that for the first time, contingency margins are disclosed in the financial statements, which can be found on the myhss.org website.
 - President Heldfond referenced the presentations by Mercer last year in which the contingency margins, stabilization amounts and reserve policies were provided to and approved by the Board.

Public comments: Claire Dunn, new Chair of Protect Our Benefits Committee and retired teachers' and retired City employees' representative, reported on members' concerns regarding premium increases over the next two years.

- 02122009-06 Discussion item Report on network and health plan issues (if any)
(Respective plan representatives)

Public comments: None.

- 02122009-07 Discussion item Opportunity to place items on future agendas

Public comments: None.

- 02122009-08 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

- Bart Duncan reported the following on the rates and benefits package before the Board of Supervisors that was originally to be presented by Supervisor Elsbernd in item 3:
- The Board of Supervisors' Budget and Finance Committee will hear the rates and benefits package on Wednesday, February 18.
- A draft report by the Budget Analyst's office recommends unqualified approval of the ordinance and resolution.
- If approved in the Committee, the rates package will move forward for first reading at the next Board of Supervisors' meeting on Tuesday, February 24, and the final reading will be on March 3, 2009.

Public comments: None.

Adjourn: 1:38 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.

If any materials related to an item on this agenda have been distributed to the Health Service Board after distribution of the agenda packet, those materials are available for public inspection at the Health Service System during normal office hours. For more information, please contact Laini K. Scott at (415) 554-1727 or email at laini.scott@sfgov.org.