



City & County of San Francisco

HEALTH SERVICE BOARD

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

Minutes

Regular Meeting

Thursday, December 10, 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
 Supervisor Sean Elsbernd
 Commissioner Sharon Johnson
 Commissioner Mitch Katz, M.D., arrived 1:10 p.m.
 Commissioner Sharon Ferrigno
- 12102009-01 Action item Approval (with possible modifications) of the minutes of the meeting set forth below:
 - Regular Meeting of November 12, 2009Staff 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 November 12, 2009.
Motion passed 6-0.

- 12102009-02 Discussion item **President's report** (President Heldfond)
Documents provided to Board prior to meeting: None.
 - President Heldfond stated that he had nothing to report.Public comments: None.

- 12102009-03 Discussion item **Interim Director's Report** (Catherine Dodd):
 - HSS recruiting
 - Chief Operating Officer
 - Vacancies
 - Presentations
 - Police Officers Association
 - CMS
 - Member Services (Mark Villares)
 - Calls/visits
 - Holdovers
 - Social Security number project
 - Communications (Rosemary Passantino)
 - Open enrollment planning
 - Expanding member seminars
 - HSS forms
 - Aging in to Medicare
 - Vendor Contracts and Performance (Robin Courtney)
 - Kaiser data lag performance guarantee
 - Medicare Secondary Payer offset reimbursement from Kaiser
 - First quarter vendor scorecards

Documents provided to Board prior to meeting:

1. Interim Director's report;
2. Reports from Member Services, Communications, and Vendor Contracts;
3. EAP seminar flyer; and
4. Handouts: (1) Environmental Tips for Home and (2) the Connection between the Environment and

Breast Cancer.

- HSS Interim Director, Catherine Dodd, PhD, RN, referenced her report previously posted on the myhss.org website, and reported the following:
- Confirmation was received today that the Mayor's Office has cleared filling the Chief Operating Officer position. Dr. Dodd also met with the Mayor's Office this morning regarding the current vacancies at HSS.
- Dr. Dodd has begun holding 8:00 a.m. meetings with the benefit analysts three days a week, which has resulted in improvements in work product and accuracy. Due to layoffs, holdovers and rehiring, the workload is significant at a time that is typically rather quiet.
- Since many of the addresses and telephone numbers in PeopleSoft are incorrect (and HSS does not have access to make updates), a complex system is being implemented to notify departmental personnel officers of address changes verified by the benefit analysts. Dr. Dodd intends to follow up directly with departmental officers and DHR to confirm that the address updates have been made.
- Dr. Dodd commended Robin Courtney for her hard work as the department's new Chief Financial Officer, while also continuing in her former role as Vendor Contracts and Performance Manager.
- Open Enrollment planning is on track.
- President Heldfond commended Dr. Dodd for her leadership and guidance in moving HSS forward in such a stunning manner.
- Mark Villares, Member Services Manager, reported the following updates:
- Call volume and in-person visits increased in the month of November due to laid-off and holdover members contacting HSS regarding their benefits.
- The certification of members with holdover benefits continues. Of the 146 certification letters mailed in November, 128 members

responded. A second request was mailed to the remaining 18 members with notification of January 1, 2010 as their benefits termination date, if no prior response is received.

- Effective January 1, 2010, benefits will be terminated for nine members who have reported other coverage.
- HSS is in the process of collecting missing or incorrect Social Security numbers for every member and dependent to comply with the Centers for Medicare and Medicaid Services (“CMS”) and vendor requirements.
- A report in July 2009 identified 10,847 missing Social Security numbers for dependents of retired and active members (spouses and children). Letters sent to members requesting the missing information yielded 8,163 Social Security numbers. A second request will be mailed in early December, in addition to telephone calls, to collect the remaining outstanding numbers. Benefits will be terminated on December 31, 2009 for those members not responding to the requests.
- Rosemary Passantino, HSS Communications Manager, reported the following:
 - Open Enrollment planning has begun and a detailed communications timeline has been established.
 - The member seminars are being expanded to include a winter retiree series that will be held at HSS from 2:00 to 3:00 p.m. on selected days. EAP seminars will also be incorporated into the HSS seminar calendar.
 - A Pure Prevention seminar was held at HSS on December 3, 2009, which presented information on the connection between cancer and toxic chemicals in home and personal products. This seminar was well attended and positive feedback has been received.
 - All HSS forms are being reviewed and updated with the assistance of the benefit analysts for consistency and clarity.

- Revised letters to members aging-in to Medicare have been reviewed and approved by HSS. The goal is to standardize the communications across the HMO vendors. Kaiser's communications have been reviewed and approved. Blue Shield's aging-in to Medicare communications are under review.
- Robin Courtney, HSS Chief Financial Officer, reported the following updates:
 - The first quarter vendor scorecards have been completed. All vendors scored satisfactorily with the exception of FBMC due to COBRA processing issues.
 - Kaiser's contract has been amended to include a performance guarantee to reflect its agreement to provide dashboard data to Mercer within 90 days. The ultimate goal is to improve the timing even further.
 - HSS is seeking reimbursement from Kaiser for a \$56,000 offset against the City College District's federal grant funds for Medicare Secondary Payer, in accordance with its contract with HSS. Kaiser is processing the request.
 - The 10-County Survey has been completed with a 5.2% increase in the employer contribution. The average monthly employer contribution for Fiscal Year 2010-2011 is \$472.85.
 - Due to a \$53.1M deficit projected by the Controller's Office for the current fiscal year, all General Fund departments must submit mid-year reduction proposals to the Mayor's Budget Office. The Health Service System's mid-year reduction target is \$77,720. The Mayor's Office has accepted the Health Service System's proposal to use claims forfeitures for its 2009-2010 mid-year General Fund reduction target.
 - The City's projected General Fund deficit for the 2010-2011 fiscal year is \$522.1M. The Health Service System's target reduction for fiscal year 2010-2011 is \$601,434. HSS is in the early stages of identifying sources of funds to meet the general fund reduction, including working with the Controller's Office

to revise the amount of expenditures eligible for recovery, which could reduce the target amount.

- Dr. Katz arrived during this segment.
- The above-referenced reports and handouts may be viewed on the myhss.org website.

Public comments: None.

- 12102009-04 Discussion item Financial reports as of October 31, 2009, forecast for Plan Year 2009-2010 and FY 2009-2010 budget forecast (Robin Courtney)

Documents provided to Board prior to meeting:

1. Report for the General Administrative Fund;
2. Report for the Trust Fund; and
3. Memo regarding FY 2009-2010 budget targets.
 - Robin Courtney, HSS CFO, reported the following updates:
 - It is anticipated that the financial reports for the General Administrative Fund will remain on target. The Chief Operating Officer position will be funded by using salary savings.
 - The Trust Fund projection assumes that the variance will be the result of the stabilization amount and closeout of the flex-funded plan. The total projected stabilization amount is -\$0.8M of which -\$0.9M is attributed to the City Plan and \$0.1 is attributed to Delta Dental. The rates also include \$2.9M for the closeout of PacifiCare (\$2.6M for the HMO rates and \$0.3M in the City Plan rates).
 - The above-referenced financial reports may be viewed on the myhss.org website.

Public Comments: None.

- 12102009-05 Discussion item Report on network and health plan issues (if any)
(Respective plan representatives)

 - Sandy Lynch, UHC Account Executive, reported that the contract with Stanford University and Lucille Packard Hospital expires on December 31, 2009. Negotiations have been ongoing for several months with the hope that resolution will be achieved. Letters have been sent to 87 members notifying them of the possibility of the plans' termination. A progress report will be presented to the Board in January.

Public comments: None.

- 12102009-06 Discussion item Opportunity to place items on future agendas

Public comments: None.

- 12102009-07 Discussion item Opportunity for the public to comment on any matters within the Board's jurisdiction

Public comments: None.

- 12102009-08 Action item Vote on whether to hold closed session to appoint Interim Director as permanent Director to the Health Service System, effective January 1, 2010.
(Government Code Section 54957(b) and San Francisco Administrative Code Section 67.10(b))
(President Heldfond)

Staff recommendation: Hold closed session.

 - President Heldfond stated that although he had personally committed to the members that they would be a part of the selection process for a permanent director, the matter must be taken up in closed session. He encouraged members to rely on the Board regarding previous discussions and apologized for changing the process.

Public comment on all matters pertaining to the closed session: Larry Barsetti, Veterans Police Officers Association and Protect Our Benefits PAC representative, accepted President Heldfond's apology and stated that he understands process. He thanked President Heldfond for remembering the retired members and noted that they like Catherine Dodd.

Gerry Meister, UESF-Retired Division and RECCSF representative (for Sue Blomberg), stated that they are delighted that process is being followed and hope that they will be consulted. She also noted that the retirees like Catherine Dodd.

Action: Motion was moved and seconded by the Board to hold a closed session to appoint the Interim Director as permanent Director to the Health Service System, effective January 1, 2010.

Motion passed 7-0.

Supervisor Elsbernd departed after the vote.

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

- 12102009-09 Action item Discussion and action to appoint Interim Director as permanent Director to the Health Service System, effective January 1, 2010 (President Heldfond)
Documents provided to Board prior to meeting: None.

Reconvene in Open Session

- 12102009-10 Action item Report on action taken in closed session (President Heldfond)
 - President Heldfond reported that the Board authorized him to negotiate with Dr. Dodd on the position of permanent Director of the Health Service System.Public Comments: None.
Action: Motion was moved and seconded by the Board not to disclose the discussion regarding action taken during closed session.
Motion passed 6-0.

- 12102009-11 Action item Vote to elect whether to disclose any or all discussion held in Closed Session (President Heldfond)
Public Comments: None.
Action: Motion was moved and seconded by the Board not to disclose any of the discussion held in closed session.
Motion passed 6-0.

- Adjourn: 2:25 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.