BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place
Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

August 4, 2025

Mike Stuart, Interim President and CEO Blue Shield of California 601 12th Street Oakland, CA 94607

Re: Board of Supervisors Resolution No. 318-25

Dear Mr. Stuart:

On July 8, 2025, the Board of Supervisors of the City and County of San Francisco adopted Resolution No. 318-25 (Urging University of California Health and Blue Shield of California to Resolve Dispute Regarding Reimbursement for Medical Services and Treatment), which was enacted on July 18, 2025.

The Board of Supervisors directs the Clerk of the Board to forward the following document for your attention:

• One copy of Resolution No. 318-25 (File No. 250728)

If you have any questions or require additional information, please contact the Office of the Clerk of the Board at (415) 554-5184, or by e-mail: <u>board.of.supervisors@sfgov.org</u>.

Sincerely,

Angela Calvillo Clerk of the Board

jw:ak:ll:edm

cc: Members of the Board of Supervisors: Supervisors Matt Dorsey, Myrna Melgar, Jackie Fielder,
Danny Sauter, Connie Chan, Bilal Mahmood, Chyanne Chen, Stephen Sherrill,
Shamann Walton, Joel Engardio, Rafael Mandelman
Adam Thongsavat, Liaison to the Board of Supervisors, Mayor's Office
Aly Bonde, Policy Director, Mayor's Office

[Urging University of California Health and Blue Shield of California to Resolve Dispute Regarding Reimbursement for Medical Services and Treatment]

Resolution urging University of California Health and Blue Shield of California to resolve dispute regarding reimbursement for medical services and treatment by renewing their contract, thereby continuing to preserve members' ability to access crucial healthcare services.

WHEREAS, University of California Health (UC Health) and Blue Shield of California (Blue Shield) began renegotiating their insurance contracts on June 11, 2025; and

WHEREAS, The two parties have agreed to extend their current contract by 30 days to August 9, 2025; and

WHEREAS, The University of California San Francisco's hospitals and medical institutions treat more than two and a half million outpatients a year and 41,000 inpatients, many of whom are insured by Blue Shield of California; and

WHEREAS, One Medical, which is an affiliate of UC Health, provides primary care to many San Franciscans, including some insured by Blue Shield; and

WHEREAS, This dispute disproportionately jeopardizes the healthcare of elderly San Franciscans and Californians, some 35,000 of whom receive Blue Shield insurance through the California Public Employees' Retirement System (CalPERS) and rely on UC Health for medical treatment; and

WHEREAS, Blue Shield provides medical insurance to approximately 5,000 City employees and retirees; and

WHEREAS, Many San Francisco Health Service System (SFHSS) members chose Blue Shield because of the relationship with UC Health, and that termination of its relationship

with UC Health in the middle of a coverage period may pose unprecedented challenges and hardships; and

WHEREAS, Many SFHSS members receive healthcare at UC Health and its affiliates, and their access to medical services hinges upon the continuation of UC Health's contract with Blue Shield of California; now, therefore, be it

RESOLVED, That the Board of Supervisors urges UC Health and Blue Shield to resolve their dispute by renewing their contract, thereby continuing to preserve members' ability to access crucial healthcare services; and, be it

FURTHER RESOLVED, That the Board of Supervisors urges, in the event that no long-term resolution between Blue Shield and UC Health is possible, that the parties at minimum commit to preserve existing services for the remainder of the plan year, and provide certainty of future benefits for the 2026 plan year in time for Open Enrollment; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby directs the Clerk of the Board to send a copy of this resolution to Interim CEO and President of Blue Shield of California Mike Stuart, CEO of the Blue Cross Blue Shield Association Kim A. Keck, and UC Health Executive Vice President David Rubin.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number: 250728 Date Passed: July 08, 2025

Resolution urging University of California Health and Blue Shield of California to resolve dispute regarding reimbursement for medical services and treatment by renewing their contract, thereby continuing to preserve members' ability to access crucial healthcare services.

July 08, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250728

I hereby certify that the foregoing Resolution was ADOPTED on 7/8/2025 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

Unsigned	07-18-2025
Daniel Lurie Mayor	Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo Clerk of the Board 07-18-2025 Date

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August 4, 2025

Kim Keck, President/CEO Blue Cross and Blue Shield ASSN 225 North Michigan Avenue Chicago, IL 60601

Re: Board of Supervisors Resolution No. 318-25

Dear Ms. Keck:

On July 8, 2025, the Board of Supervisors of the City and County of San Francisco adopted Resolution No. 318-25 (Urging University of California Health and Blue Shield of California to Resolve Dispute Regarding Reimbursement for Medical Services and Treatment), which was enacted on July 18, 2025.

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Sincerely,

Angela Calvillo
Clerk of the Board

jw:ak:ll:edm

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WHEREAS, One Medical, which is an affiliate of UC Health, provides primary care to many San Franciscans, including some insured by Blue Shield; and

WHEREAS, This dispute disproportionately jeopardizes the healthcare of elderly San Franciscans and Californians, some 35,000 of whom receive Blue Shield insurance through the California Public Employees' Retirement System (CalPERS) and rely on UC Health for medical treatment; and

WHEREAS, Blue Shield provides medical insurance to approximately 5,000 City employees and retirees; and

WHEREAS, Many San Francisco Health Service System (SFHSS) members chose Blue Shield because of the relationship with UC Health, and that termination of its relationship

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FURTHER RESOLVED, That the Board of Supervisors hereby directs the Clerk of the Board to send a copy of this resolution to Interim CEO and President of Blue Shield of California Mike Stuart, CEO of the Blue Cross Blue Shield Association Kim A. Keck, and UC Health Executive Vice President David Rubin.



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Resolution

File Number: 250728 Date Passed: July 08, 2025

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July 08, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250728

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Angela Calvillo Clerk of the Board

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August 4, 2025

David Rubin, Executive Vice-President UCSF Health 505 Parnassus Avenue P.O. Box 0296 San Francisco, CA 94143-0296

Re: Board of Supervisors Resolution No. 318-25

Dear Mr. Rubin:

On July 8, 2025, the Board of Supervisors of the City and County of San Francisco adopted Resolution No. 318-25 (Urging University of California Health and Blue Shield of California to Resolve Dispute Regarding Reimbursement for Medical Services and Treatment), which was enacted on July 18, 2025.

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