

1 [Healthcare Quality and Cost Transparency Requirement]

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3 **Resolution requiring quality and cost transparency from healthcare vendors who**  
4 **contract with the Health Service System to provide health benefits to the City and**  
5 **County of San Francisco, the Unified School District of San Francisco, the Community**  
6 **College, and Superior Court employees, retirees, and their families.**

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8 WHEREAS, The Health Service System, along with the federal government, other state  
9 governments, and other large purchasers in California, are promoting healthcare quality and  
10 cost transparency to improve population health, minimize waste and stabilize costs; and

11 WHEREAS, Wide variations in quality and cost of healthcare are indicative of a large  
12 and systematic flaw in our nation's, and our region's, healthcare system and have been  
13 identified by researchers and the local and national media as key problems that must be  
14 remedied; and

15 WHEREAS, Healthcare quality and cost data is largely controlled by health plans,  
16 physician groups and health care providers, preventing purchasers and patients from gaining  
17 access; and

18 WHEREAS, Quality and cost transparency is widely accepted as essential for  
19 health system and provider performance accountability, which will benefit purchasers and  
20 patients throughout the Bay Area and beyond; and

21 WHEREAS, Wider patient access, healthcare quality and cost information will assist  
22 employers and patients throughout the Bay Area in making better healthcare choices; and

23 WHEREAS, The Health Service System is responsible for purchasing employee health  
24 insurance for four employers covering over 109,000 public employees, retirees and their  
25 dependents, which currently costs over \$720 million annually; and

1           WHEREAS, The Health Service System is committed to working collaboratively with  
2 contracted healthcare vendors, other regional purchasers and other stakeholders to advance  
3 quality and cost transparency in the service of improving our region’s healthcare delivery  
4 systems; and

5           WHEREAS, Access to cost and quality data, with appropriate patient privacy  
6 safeguards, would enable HSS, as the largest Bay area purchaser to work with other public  
7 purchasers toward support of the most effective quality and cost innovations; now, therefore,  
8 be it

9           RESOLVED, That the Board of Supervisors recommends that the Health Service  
10 System work to ensure transparent vendor partnerships by 2016 where members, employers  
11 and taxpayers know the value of the healthcare services provided to the City; and, be it

12           FURTHER RESOLVED, That the Board of Supervisors recommends that the Health  
13 Service System establish a payment reform and transparency advisory group made up of  
14 nationally recognized experts to outline a framework for a transparent healthcare system in  
15 San Francisco and potentially across the Bay Area; and, be it

16           FURTHER RESOLVED, That the Board of Supervisors recommends that Health  
17 Service System vendor contracts should contain provisions requiring transparency on cost,  
18 price, provider practice information, quality and safety, use of services and access metrics by  
19 all providers and facilities to make recommendations; and, be it

20           FURTHER RESOLVED, That the Board of Supervisors recommends that Health  
21 Service System vendor contracts should require plans to pursue agreements by 2016 with no  
22 anti-competitive provisions such as anti-tiering, bundled all-or-nothing requirements, or  
23 confidentiality gag clauses; and, be it

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1           FURTHER RESOLVED, That the Board of Supervisors recommends that Health  
2 Service System vendor contracts should contain contract language on payment reform and  
3 price transparency by 2016; and, be it

4           FURTHER RESOLVED, That the Board of Supervisors recommends that Health  
5 Service System healthcare vendor contracts should contain contract language requiring  
6 health plans, health care providers and physician groups to submit data to the HSS all payer  
7 claims database per data specifications negotiated with the Health Service System; and, be it

8           FURTHER RESOLVED, That the Board of Supervisors support passage of state  
9 legislative and regulatory actions to establish full quality and cost transparency in the public  
10 interest; and, be it

11           FURTHER RESOLVED, That the Health Service System shall report back to the Board  
12 of Supervisors on the status of their negotiations with healthcare vendors by March 31, 2016.

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