

File No. 130654

Committee Item No. 13

Board Item No. 36

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Sub-Committee

Date: 07/17/2013

Board of Supervisors Meeting

Date: July 23, 2013

#### Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

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Completed by: Victor Young

Date July 12, 2013

Completed by: Victor Young

Date 7/18/13

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1 [Establishing Monthly Contribution Amount - Health Service Trust Fund]

2  
3 **Resolution establishing monthly contribution amount to Health Service Trust**  
4 **Fund.**

5 2102 22 JUL

6 WHEREAS, Under Section A8.423 of Appendix A to the City Charter, the Health  
7 Service Board (the "HS Board") is required to conduct a survey of the ten counties in  
8 the State of California, other than the City and County of San Francisco, having the  
9 largest populations to determine the average contribution made by each such county  
10 toward the providing of health care plans, exclusive of dental or optical care, for each  
11 employee of such county; and

12 WHEREAS, Under Section A8.423, the HS Board is required to certify to the  
13 Board of Supervisors "the average contribution" as determined by the survey; and

14 WHEREAS, According to the California Department of Finance, the ten most  
15 populous counties in the State of California other than San Francisco (in descending  
16 order of population) are: Los Angeles, San Diego, Orange, Riverside, San Bernardino,  
17 Santa Clara, Alameda, Sacramento, Contra Costa and Fresno (collectively, the  
18 "Survey Counties"); and,

19 WHEREAS, According to the survey of each of the Survey Counties which was  
20 completed on April 11, 2013, a copy of which is on file with the Clerk of the Board of  
21 Supervisors in File No. 130654, which is hereby declared to be a part of this resolution  
22 as if set forth fully herein, the HS Board has determined that "the average contribution"  
23 is the sum of **five hundred fifty-nine dollars and sixty-five cents (\$559.65)**; and

24 WHEREAS, The HS Board has certified "the average contribution" to the Board  
25 of Supervisors as required by Charter Section A8.423; now, therefore, be it

1           RESOLVED, That the certification by the HS Board of "the average contribution"  
2 is hereby accepted and shall constitute the monthly amount to be contributed to the  
3 Health Service Trust Fund for Plan Year starting January 1, 2014 and ending  
4 December 31, 2014.  
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<p><b>Items 12 and 13</b>  <b>Files 13-0653 and 13-0654</b>  <i>(Continued from July 10, 2013)</i></p>	<p><b>Department</b>                  Health Service System (HSS)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p>	
<ul style="list-style-type: none"> <li>• The proposed ordinance (File 13-0653) would amend Administrative Code Section 16.703, establishing the Health Service System’s 2014 health, vision, and dental plans and premiums.</li> <li>• The proposed resolution (File 13-0654) would approve the 2014 employers’ contribution of \$559.65 per member per month to the Health Service System Trust Fund.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impacts</b></p>	
<ul style="list-style-type: none"> <li>• In accordance with the City’s Charter, the Health Service Board is required to conduct a survey of the ten most populous California counties each year to determine the average of the health premium contributions made by the ten counties. Based on this survey, the average 2014 contribution is \$559.65 per member per month, which is \$24.87 or 4.65 percent more than the ten-county average contribution of \$534.78 in 2013.</li> <li>• However, the City’s monthly health premium contributions for employees is proposed to be (a) \$1,046.99 for the City’s Health Plan, a 16.84% reduction, (b) \$562.30 for Kaiser, a 4.71% increase, and (c) \$612.56 for Blue Shield, a 5.3% reduction.</li> <li>• The total costs for the City, employees, retirees, and their dependents of \$595,803,151 in 2014 for health, vision, dental, long-term disability and life insurance, is \$4,054,015, or 0.7 percent more than the \$591,749,136 costs for these plans in 2013.</li> <li>• Of the total 2014 costs of \$595,803,151, the City’s costs (excluding employee or retiree contributions) are \$523,163,928, or approximately 87.8 percent of the total costs.</li> <li>• Health premiums in 2014 will be increased by federal fees and taxes from legislation including the Patient Protection and Affordable Care Act.</li> <li>• Health premium contributions in 2014 will be affected by cost-sharing agreements that were negotiated between the City and various City unions in 2012.</li> </ul>	
<p style="text-align: center;"><b>Recommendations</b></p>	
<ul style="list-style-type: none"> <li>• Approve the proposed ordinance (File 13-0653) to amend Administrative Code Section 16.703, establishing the Health Service System’s 2014 health, vision, and dental plans and premium contribution rates.</li> <li>• Approve the proposed resolution (File 13-0654), setting the City’s 2014 average contribution to the Health Service System Trust Fund under Charter Section A8.428 in the amount of \$559.65 per member per month.</li> </ul>	

## MANDATE STATEMENT/BACKGROUND

The Health Service Board oversees the Health Service System (HSS). The HSS administers non-pension benefits, including health, dental, vision, and other benefits that may be available to City employees, such as life and long term disability insurance.

The Health Service Board adopts the annual health, vision, and dental plans, and the respective plan premiums and premium equivalents paid by employers and members.

- HSS employers include the City and County of San Francisco (City), the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the San Francisco Superior Court (Superior Court).
- HSS members are active and retired employees of the above noted employers, their dependents, and members of eligible boards and commissions. Dependents include children, spouses, domestic partners, surviving spouses of deceased members, and other legal dependents.

Under City Charter Section A8.423, the Health Service Board is required to (a) conduct a survey of the ten most populous California counties each year, excluding San Francisco, and (b) determine and set the health plan premiums paid by the City, employees, and retirees. In accordance with Section A8.423 of the City's Charter, the City's contribution to the Health Service System Trust Fund is based on the average of the contributions made by each of the ten counties.

The 10-County "average contribution" in 2014 is \$559.65, which is \$24.87 or 4.65 percent more than the 10-County "average contribution" of \$534.78 in 2013.

## DETAILS OF PROPOSED LEGISLATION

File 13-0653: The proposed ordinance would amend Administrative Code Section 16.703 to approve the Health Service Systems' 2014 health, vision, and dental plans and premiums, and life insurance and long term disability insurance.

File 13-0654: The proposed resolution would approve the City's 2014 contribution to the Health Service System Trust Fund, under Charter Section A8.4289, at \$559.65 per member per month.

### Proposed Health Plans

On June 13, 2013, the Health Service Board approved the subject health, vision, and dental plans and monthly premiums for 2014 as follows:

City Plan Preferred Provider Organization (PPO)<sup>1</sup>

The City Plan is a self-funded plan administered by United HealthCare (UHC). The Health Service Board adopted no plan design changes to the City Plan in 2014.

Kaiser and Blue Shield Health Maintenance Organizations (HMO)<sup>2</sup>

Consistent with the 2013 plan year, two HMOs will be offered to HSS members for the 2014 plan year; Kaiser and Blue Shield of California. The Blue Shield HMO plan is a flex-funded product for active and early retiree members. The Health Service Board adopted no plan design changes to the Kaiser HMO or the Blue Shield HMO.

Vision Plans

Members enrolled in one of the three health plans receive vision benefits through Vision Service Plan (VSP), a third party insurer. The VSP plan is a fully-insured plan. The 2014 rates will increase 5.5% which includes 2% due to federal healthcare reform taxes. The cost of the vision plan is added to the cost of the medical plan for all monthly health plan premiums.

**Sources of Health Plan Premium Increases**

The following two major changes will affect health plan premiums and the payment of these premiums in 2014.

(1) The premiums covered by the employer for each health plan will vary according to union membership of the covered employee as per negotiated Memorandum of Understanding (MOU) agreements (please see section entitled, 'Changes in Contribution Strategy', below).

(2) Federal healthcare reform will add fees and taxes to the premium calculation (please see section entitled, 'Impacts of Federal Legislation', below).

According to Mr. Gregg Sass, Interim CFO at HSS, all other changes in premiums are a result of health plan premium increases and/or savings from under-utilization.

**Changes in Contribution Strategy**Changes in City and County (CCSF) Contribution Strategy

Historically, active CCSF employees have paid nothing for employee-only health and dental insurance coverage. Starting January 1, 2014, in accordance with some union MOU agreements<sup>3</sup>,

<sup>1</sup> Under a PPO, physicians, hospitals, and other providers contract with a third-party administrator or insurer to provide health care at reduced rates to members.

<sup>2</sup> An HMO offers care through a closed panel of providers, in which members select a primary care physician, who coordinates care to direct access to medical services.

<sup>3</sup> According to Mr. Sass, this negotiated change would impact approximately 7,800 employee-only members, which is approximately 70% of active employee-only members, by July 1, 2014. The Health Service Board approved two sets of rates to reflect this change in 2014. One set of rates is for members under this new '90/10 Contribution Model', and the other set of rates is for members under the existing contribution model.

the employee contribution amount will increase to a maximum of 10 percent of the premium. This contribution calculation is called the '90/10 Contribution Model'.

Under the '90/10 Contribution Model', the City will contribute the greater of the 10-County average amount (\$559.65) or 90 percent of the employee-only premium for active employees in the Kaiser and Blue Shield populations. For active employee-only members in the City Plan, the City will contribute 90 percent of the Blue Shield employee-only premium plus one-half of the difference between 90 percent of the Blue Shield employee-only premium and 100 percent of the City Plan employee-only premium. This change applies only to those employees that do not have dependent coverage.

The City Charter states, in Section A8.423, "the average contribution made with respect to each employee by said 10 counties toward the health care plans provided for their employees ... **shall be 'the average contribution'.**" According to Mr. Jon Givner, Deputy City Attorney, the Charter provides the amount that must be contributed to the Health Service System Trust Fund by the City, but that amount is not a ceiling and the City could agree to pay additional amounts to fund employee health care under an MOU with a union representing City employees.

#### HSS Subsidy Option

On June 14<sup>th</sup>, 2013, the Health Service Board approved another set of rates for any union that approves an MOU agreement with the City by July 31, 2013 for a different (flat premium) employee contribution amount for 2015. This flat premium would reflect a trust-funded subsidy for the employee-only employee contribution amount under the '90/10 Contribution Model'. The subsidy would smooth member transition to the 2015 contribution model. Unlike the '90/10 Contribution Model', which applies to employee-only members in Blue Shield and the City Plan only, the flat premium would apply to all members of all three plans, including Kaiser. Participation would be broader but the required contribution by individual members would be lower than under the '90/10 Contribution Model'. The San Francisco Department of Human Resources is currently involved in MOU negotiations to define the specific rates for this subsidy option.

#### City's Monthly Premium Costs

As previously noted, the 10-County average determined that the City contribution to the Health Service System Trust Fund in 2014 would be \$559.65 per month. However, Table 1 below shows a "blended" rate for each of the three health plans for 2014 which is a weighted calculation of the City's contribution payment for active employees based on the proportion of employees subject to the '90/10 Contribution Model' versus the proportion of employees subject to the original rate schedule.

**Table 1**  
**Total Monthly Employer Rate for Active Employees in 2014**

	2013	2014 Proposed	Increase	Percent Change
City Health Plan	\$1,258.97	\$1,046.99	(\$211.98)	(16.84%)
Kaiser	\$537.02	\$562.30	\$25.28	4.71%
Blue Shield	\$647.16	\$612.56	(\$34.60)	(5.35%)

### Proposed Health Plan Premiums

#### City Health Plan Premiums

The City Health Plan is self-funded. Amounts to cover premiums are deposited into the Health Service System Trust Fund and used to pay claims. Monthly premium amounts are based on claims experience for each type of plan member: active employees, retirees with Medicare, and retirees without Medicare.

The blended monthly employer rate, or amount that the City will pay, for single employees will decrease by 16.84 percent in 2014, as shown above in Table 1. This decrease is because of utilization savings in prior years, which appears as a rate reduction in 2014.

Under the City Health Plan, employee premiums will decrease in 2014 by approximately 2.7 percent overall, mainly because of prior-year utilization savings and the '90/10 Contribution Model'.

#### Kaiser Premiums

The Kaiser Plan blended monthly employer rate for single employees will increase in 2014 by 4.71 percent, as shown in Table 1 above. Under the Kaiser plan, employee premiums will increase in 2014 by approximately 5.2 percent overall. These premium increases reflect new federal healthcare reform as well as administrative cost increases at Kaiser.

#### Blue Shield Premiums

The Blue Shield Plan blended monthly employer rate for single employees will decrease by 5.35 percent in 2014, as shown in Table 1 above. This is because of the '90/10 Contribution Model' and slightly lower average utilization than expected. Under the Blue Shield plan, employee premiums will stay flat in 2014 except for retiree premiums, which will increase by approximately 6 percent because of federal healthcare reform and health cost increases.

### Proposed Dental Plans

The Health Service System offers three dental plans, including one PPO, Delta Dental PPO, and two HMOs: Delta Care USA and Pacific Union Dental. There are no plan changes in the dental plans.

The City does not contribute to the monthly dental premium for retired employees. The City contributes the full monthly premium for active employees for the two HMOs and also

contributes part of the monthly premium for active employees for Delta Dental PPO. As shown in Table 2 below, the City's contribution to premiums will increase up to 4.2% in 2014 for all dental plans except for Pacific Union Dental, whose premiums remain unchanged from 2013.

**Table 2**  
**Total Monthly Dental Premiums**

	2014	2013	Increase/ Decrease	Percent
<b>Delta Care USA HMO</b>				
Single Employee	\$26.95	\$26.00	\$0.95	3.7%
Employee + One Dependent	\$44.46	\$42.90	\$1.56	3.6%
Employee + Two or More Dependents	\$65.76	\$63.45	\$2.31	3.6%
<b>Pacific Union Dental HMO</b>				
Single Employee	\$27.80	\$27.80	\$0.00	0.0%
Employee + One Dependent	\$45.90	\$45.90	\$0.00	0.0%
Employee + Two or More Dependents	\$67.86	\$67.86	\$0.00	0.0%
<b>Delta Dental PPO</b>				
Single Employee (Total Premium)	\$65.95	\$63.47	\$2.48	3.9%
Less Employee Contribution	(\$5.00)	(\$5.00)	\$0.00	0.0%
City's Contribution	\$60.95	\$58.47	\$2.48	4.2%
Employee + One Dependent (Total Premium)	\$138.49	\$133.29	\$5.20	3.9%
Less Employee Contribution	(\$10.00)	(\$10.00)	\$0.00	0.0%
City's Contribution	\$128.49	\$123.29	\$5.20	4.2%
Employee + Two or More Dependents (Total Premium)	\$197.84	\$190.42	\$7.42	3.9%
Less Employee Contribution	(\$15.00)	(\$15.00)	\$0.00	0.0%
City's Contribution	\$182.84	\$175.42	\$7.42	4.2%

#### *Contingency and Stabilization Amounts*

The HSS sets aside a portion of the Trust Fund balance<sup>4</sup> to provide contingencies for the self-funded dental plan, Delta Dental PPO, and to stabilize employees' dental plan premium increases. The member contributions for Delta Dental PPO plan for retirees, Delta Care USA dental plans for employees and retirees, and Pacific Union Dental plans for employees and retirees remain unchanged from the prior plan year. Pursuant to the Health Service's Self-Funded Plans' Funding Policy, no claims stabilization amount has been applied this year.

#### **Life and Long Term Disability Insurance**

The Health Service System will continue its contract with Aetna Life Insurance Company in 2014. In January 2013, Aetna Life Insurance Company was selected through a Request for Proposal (RFP) process to provide life and long term disability insurance to City employees eligible for coverage through their MOUs between the City and the respective unions.

<sup>4</sup> The Employee Benefit Trust Fund is funded via payroll deductions and employer contributions. Those amounts are paid into the Trust Fund and premiums are paid by the Trust Fund. The fund balance is what remains after accruing all liabilities for unpaid premiums and incurred but not reported expenses of self-insurance programs. As of June 30, 2012, the fund balance in the Trust Fund was \$53.2M, which is projected to increase to \$69.5M by June 30, 2013.

### Impacts of Federal Legislation

As of January 1, 2014, a provision of the Federal Patient Protection and Affordable Care Act (PPACA) will take effect, introducing the Federal PPACA Legislative Fees. Implementation of another provision previously scheduled to take effect in 2014, the Federal PPACA Full Time Employee requirements, has been deferred by the federal government until 2015. Both of these provisions are briefly summarized below. Implementation of an additional provision, Federal PPACA Automatic Enrollment, has also been deferred because the Department of Labor stated that it will not issue final guidance on Automatic Enrollment until 2014. In addition to Federal PPACA requirements, the 2009 American Recovery and Reinvestment Act established a temporary Early Retiree Reinsurance Program (ERRP), also summarized below.

#### Federal PPACA Full Time Employee requirements

A current assessment by HSS indicates that no additional payments will be incurred under this federal legislation because both the City and the Superior Courts offer coverage to all full time employees. HSS is still working with the San Francisco Community College District (SFCCD) and the San Francisco Unified School District (SFUSD) and to assess their compliance with federal PPACA requirements. On July 2, 2013 this PPACA requirement was deferred until 2015.

#### Federal PPACA Legislative Fees

As a result of the federal PPACA, there are two direct fees and one tax that have been factored into the calculation of medical premium rates and premium equivalents for the 2014 plan year. The three fees are the Health Insurer Tax (HIT), Patient Centered Outcomes Research Institute (PCORI) fee, and the Transitional Reinsurance fee. Table 3 (below) summarizes the estimated cost of each of these legislative fees for 2014 for the City and County of San Francisco.<sup>5</sup>

**Table 3**  
**Federal PPACA Legislative Fees and Taxes (\$ Millions) in 2014**

	HIT	PCORI	Transitional Reinsurance	Total
City Plan (UHC)	\$0.00	\$0.01	\$0.13	<b>\$0.14</b>
Kaiser	\$2.15	\$0.09	\$2.10	<b>\$4.33</b>
Blue Shield	\$6.27	\$0.07	\$1.91	<b>\$8.26</b>
Delta	\$0.00	N/A	N/A	<b>\$0.00</b>
VSP	\$0.07	N/A	N/A	<b>\$0.07</b>
<b>Total</b>	<b>\$8.49</b>	<b>\$0.18</b>	<b>\$4.13</b>	<b>\$12.80</b>

<sup>5</sup> The HSS Trust Fund serves four employers: The City and County of San Francisco, the Superior Courts, San Francisco Community College District and the San Francisco Unified School District (CCSF, CRT, SFCCD, and SFUSD). The costs shown in Table 3 reflect only those PPACA charges incurred by CCSF.

### Early Retiree Reinsurance Program Reimbursements

The 2009 American Recovery and Reinvestment Act established the temporary Early Retiree Reinsurance Program (ERRP) as an incentive for employers to continue early retiree health insurance coverage. This program provided federal reimbursement to eligible sponsors of employment-based plans for a portion of the costs of providing health coverage to early retirees, during the period beginning on the date the program was established, and ending on December 31, 2013. The total ERRP amount received by HSS from the federal government with interest is \$3,812,749. A plan sponsor may use these ERRP reimbursements to reduce the sponsor's health benefit premiums or costs, to reduce costs for plan participants, or to reduce any combination of these costs.

However, ERRP regulations stipulate a Maintenance of Contribution (MOC), requiring that the City continue to provide at least the same level of contribution to support each plan if any of the reimbursement funds are used to offset City costs, rather than exclusively used to offset employee contributions.

On January 10, 2013, the Health Service Board approved spending the ERRP reimbursement funds exclusively to reduce participant premium contributions in order to decrease both participant and employer premiums through stabilizing membership and premium rates, which will allow HSS to bypass the MOC calculation requirements. The Health Service Board also approved apportioning the ERRP reimbursement funds based on the amount of premiums paid into each plan in proportion to each set of rates paid in 2013.

## **FISCAL ANALYSIS**

The City's cost for health and other plans is funded by charges to each City Department for the cost of employee benefits.

As shown in Table 4 below, the total City, employee, and retiree costs for the health, vision, and dental plans, and long-term disability and life insurance will increase to \$595,803,151 in 2014, which is a \$4,054,015, or 0.7 percent increase from \$591,749,136 in FY 2013.



**Table 4**  
**Total Health and Other Plan Costs for the City, Employees, and Retirees in 2014**  
**Compared to 2013**

	2013	2014	Increase/ (Decrease)	Percent
<b>City Costs Only</b>				
Kaiser HMO	\$213,512,253	\$227,362,649	\$13,850,396	6.5%
Blue Shield HMO	220,221,904	218,316,125	(1,905,779)	-0.9%
City Plan	48,002,758	40,740,923	(7,261,834)	-15.1%
Subtotal Health and Vision Plan	481,736,914	486,419,697	4,682,783	1.0%
Dental	31,123,486	31,959,386	835,900	2.7%
Long Term Disability and Life Insurance	4,784,845	4,784,845	0	0.0%
<b>Total City Costs</b>	<b>\$517,645,245</b>	<b>\$523,163,928</b>	<b>\$5,518,683</b>	<b>1.1%</b>
<b>Employee and Retiree Costs Only</b>				
Kaiser HMO	\$21,223,163	\$23,124,625	\$1,901,462	9.0%
Blue Shield HMO	37,951,651	36,603,898	(1,347,753)	-3.6%
City Plan	12,285,682	10,267,304	(2,018,378)	-16.4%
Subtotal Health and Vision Plan	71,460,496	69,995,828	(1,464,668)	-2.0%
Dental	2,582,155	2,582,155	0	0.0%
Long Term Disability and Life Insurance	61,240	61,240	0	0.0%
<b>Total Employee and Retiree Costs</b>	<b>\$74,103,891</b>	<b>\$72,639,223</b>	<b>(\$1,464,668)</b>	<b>-2.0%</b>
<b>Total Costs</b>				
Kaiser HMO	\$234,735,416	\$250,487,274	\$15,751,859	6.7%
Blue Shield HMO	258,173,555	254,920,023	(3,253,532)	-1.3%
City Plan	60,288,439	51,008,228	(9,280,212)	-15.4%
Subtotal Health and Vision Plan	553,197,410	556,415,525	3,218,115	0.6%
Dental	33,705,642	34,541,541	835,900	2.5%
Long Term Disability and Life Insurance	4,846,084	4,846,084	0	0.0%
<b>Total Costs</b>	<b>\$591,749,136</b>	<b>\$595,803,151</b>	<b>\$4,054,015</b>	<b>0.7%</b>

Of the total 2014 costs of \$595,803,151 shown in Table 4 above, the City's total costs (excluding employee or retiree contributions) is \$523,163,928, or approximately 87.8 percent of the total costs. Overall, the City's total cost of \$523,163,928 in 2014 for the health, vision, and dental plans, and long-term disability and life insurance, is \$5,518,683, or 1.1 percent more than the costs for these plans in 2013 of \$517,645,245.

## RECOMMENDATIONS

- Approve the proposed ordinance (File 13-0653) to amend Administrative Code Section 16.703, establishing the Health Service System's 2014 health, vision, and dental plans and premiums.
- Approve the proposed resolution (File 13-0654), setting the City's 2014 contribution to the Health Service System Trust Fund, under the Charter, of \$559.65 per member per month.



# Board of Supervisors

Approval of Health Service System  
Rates and Benefits for Plan Year 2014

July 10, 2013

**Health Service System**  
CITY & COUNTY OF SAN FRANCISCO

MYHSS.ORG

## Health Service System Trust

The Health Service System Trust provides health care benefits for four employers:

- San Francisco Unified School District
- San Francisco Community College District
- Superior Court of San Francisco
- City and County of San Francisco

This 2014 Rates and Benefits packet represents employee and retiree benefits for all four participating employers

- Aggregate and CCSF Premium Increases
- Affordable Care Act Fees and Taxes
- Medical Plans: Blue Shield, City Plan, Kaiser
- Kaiser Negotiation Process
- HSS Recommendations
- Implications of Non-Approval
- Suggested Action Plan

# 2.43% Aggregate Premium Increase

Aggregate data for all four employers (Millions)	Members Pay	Employers Pay	Total Cost	Year over Year % Increase
Kaiser HMO	\$27.2M	\$295.6M	\$322.8M	5.22%
Blue Shield HMO	\$42.0M	\$266.5M	\$308.5M	0.55%
City Plan PPO	\$11.8M	\$50.3M	\$62.1M	-2.66%
Dental Plans	\$3.2M	\$40.7M	\$43.9M	2.48%
Long Term Disability	\$0	\$5.7M	\$5.7M	0%
Life	\$0.1M	\$0.3M	\$0.4M	0%
<b>TOTAL</b>	<b>\$84.2M</b>	<b>\$659.1M</b>	<b>\$743.3M</b>	<b>2.43%</b>

In 2014, premium costs will increase by 17.6M (2.43%) to 743.3M. Employers pay 88.7% (\$659.1M) and members pay 11.3% (\$84.2M) of these premiums.

## Affordable Care Act (ACA)

### 2014 ACA FEES and TAXES (estimated by Aon Hewitt)

Patient-Centered Outcomes Research Institute	Direct Fee	\$ .24M
Transitional Re-insurance Program	Direct Fee	\$5.49M
Health Insurance Industry Tax	Excise Tax	\$10.91M
<b>TOTAL</b>		<b>\$16.65M</b>

### 2.29% of the 2.43% 2014 premium increase is attributable to ACA fees and taxes.

Additional ACA pharmaceutical and medical device excises taxes will be paid by plan vendors and passed on in future premium increases.

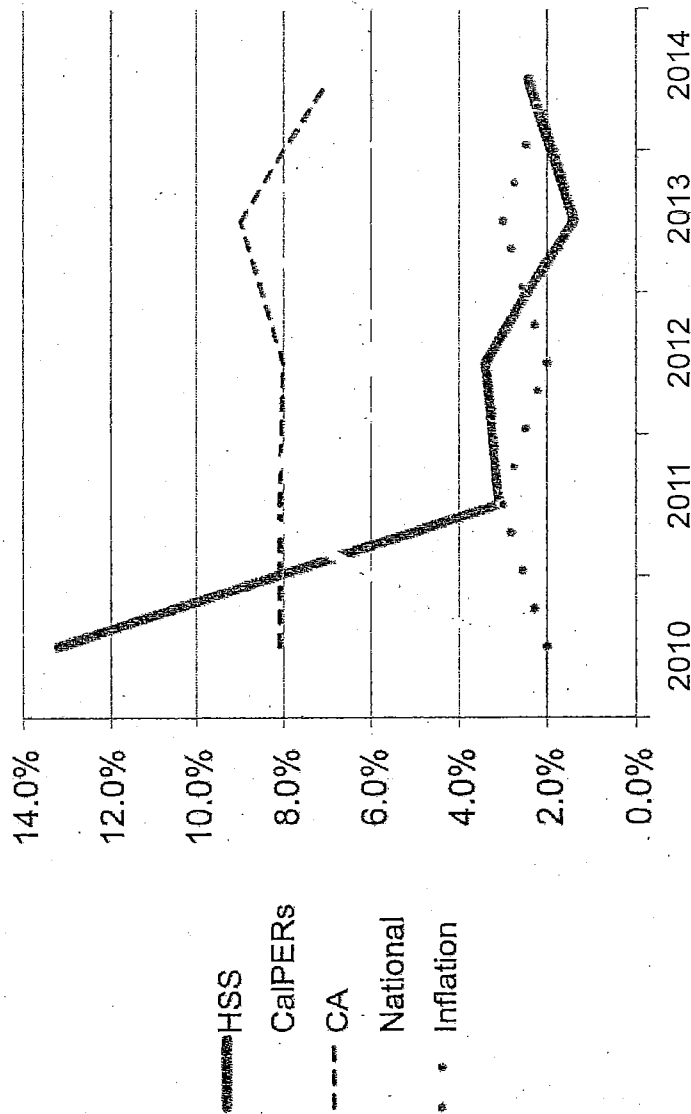
# Medical Plans: 2014 Increases

BLUE SHIELD	CITY PLAN	KAISER
.55% year-over-year premium increase	-2.66% year-over-year premium reduction	5.22% year-over-year premium increase
3.2% ACA taxes and fees	.24% ACA taxes and fees	1.77% ACA taxes and fees
-2.65% premium reduction	-2.9% premium reduction	3.45% premium increase
\$20M savings from flex-funding \$3-4M savings from lower utilization trends due to ACOs	\$16M savings from lower utilization trends, federal drug subsidies, and improved management	\$9.3M increase (not including ACA fees and taxes)

Aggregate premium data for all four employers



# HSS Is Beating Healthcare Cost Trends



Year-over-Year Aggregate Medical Cost Increases

- Reduced City's projected costs by \$52.6M for 2013-14 and 2014-15.
- Mitigates City's long-term commitments and GASB 45 projections.
- Negotiated 2014 aggregate 2.4% medical cost increase; 2.3% due to federal health care reform fees and taxes.
- Helps realize goal of sustainable, affordable healthcare now and into the future.

# Beating the Trends

Due to aggressive cost containment strategies, HSS has beat national, state and regional trends in health premium increases for the past three benefits periods:

- **3.1%** aggregate premium increase in FY 2011-12. Over 25M saved from RFP and benefit changes.
- **3.6%** annualized aggregate premium increase in calendar year 2012 (based on July-Dec short plan year). Over 18M saved from calendar year change and benefit changes
- **1.4%** aggregate premium increase in calendar year 2013. Over 40M saved from flex-funding, ACO efforts, etc.
- **2.4%** aggregate increase in 2014 of which 2.3% was due to Healthcare Reform fees and Taxes.

# 0.7% City & County Premium Increase

Data for just CCSF (Millions)	2013	2014	Increase	Year over Year
City Premiums	\$517.6M	\$523.1M	\$5.5	1.1%
Member Premiums	\$74.1M	\$72.6M	-\$1.5	-2.0%
<b>TOTAL</b>	<b>\$591.7M</b>	<b>\$595.8M</b>	<b>\$4.1</b>	<b>0.7%</b>

City & County of San Francisco members will pay 2% less in premiums in 2014 compared to 2013, due primarily to decreases in Blue Shield and City Plan premium rates.

Aon Hewitt data for CCSF; includes medical, dental, vision, LTD and life.

## Flat Premium Incentive

At the June meeting of the Health Service Board, the Board approved an additional rate card for the two self-insured plans, Blue Shield and City Plan.

This Card provides a subsidy from the HSS Trust Fund to bring the 2014 Employee Only Contribution to the same Employee Contribution as Kaiser.

This rate card will apply to any member whose union agrees to a Flat Premium contribution strategy by 7/31/13.

4522

Plan	Employee Only 90/10 Rate	Employee Only HSS Subsidized Rate
Blue Shield	\$60.17	\$3.96
City Plan	\$320.97	\$3.96

Maximum HSS 2014 subsidy if all unions agree to Flat Premium = \$3.4M.

## Kaiser Negotiation Process

Substantial efforts were made to date to engage Kaiser in negotiations, but there was no movement on proposed 2014 rates.

- Six meetings between Health Service System executives, Aon Hewitt consultants and Kaiser representatives since January 2013.
- Numerous telephone conferences.
- Two Health Service Board meetings between January to June 2013.
- Public comments by representatives from the Mayor's office and labor leaders.
- Discussions with other large employers that contract with Kaiser.

## HSS Recommendations

The Health Service Board, the Health Service System and the Board of Supervisors Legislative Analyst recommend approval of 2014 rates and benefits.

- Realize the 2.43% aggregate and .7% City rate increases for 2014
- Preserve continuity of care and avoid disruption of medical services for over 40,000 Kaiser enrollees
- Meet federal deadlines for communicating plan and rate information during Open Enrollment
- Immediately engage in Kaiser action plan for 2015
- Pursue cost-competitive alternatives to Kaiser for 2015

# Implications of Not Approving Rates

## PROCEDURAL

- To exclude Kaiser, new actuarial analysis is mandated; will take until August to complete
- Health Service Trust takes on more risk (all plans self-insured)
- Update assessment of impact on City budget and GASB
- Board of Supervisors August meeting to review alternative proposals and approve plans and rates
- Delay in approval beyond August will push back Open Enrollment

## MEMBER DISRUPTION

- 40,000+ Kaiser members would need to move to either Blue Shield or City Plan and find new physicians
- ACA is expected to also cause large influx of patients in 2014
- State law does offer continuity of care protection in certain cases
- Utilization typically increases in first year of disruption as it can take several months to transfer medical records
- Typically takes six months of communications to prepare for large disruption

# Proposed Draft Action Plan

## HEALTH SERVICE SYSTEM

## BOARD OF SUPERVISORS

## UNIONS

- Immediately commence 2015 Kaiser negotiations
- Evaluate Kaiser self-insurance and shared risk options
- Consider risk adjusted premiums to equalize risk rating among plans
- Prepare contingency options for cost-competitive alternatives and/or moving away from Kaiser in 2015
- Transparency legislation for all medical plans that contract with the City
- Require regular updates on ongoing 2015 Kaiser negotiations
- Support transparency legislation on state and county levels
- Call for profit pledge commitment from all health plans contracted with the City
- Support Transparency legislation efforts
- Voluntary Kaiser boycott during October Open Enrollment
- Pursue premium contribution models that do not favor Kaiser
- Keep members informed about ongoing 2015 Kaiser negotiations
- Legislative lobbying





<b>Items 6 and 7</b> <b>Files 13-0653 and 13-0654</b>	<b>Department</b> Health Service System (HSS)
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p>	
<ul style="list-style-type: none"> <li>• The proposed ordinance (File 13-0653) would amend Administrative Code Section 16.703, establishing the Health Service System's 2014 health, vision, and dental plans and premiums.</li> <li>• The proposed resolution (File 13-0654) would approve the 2014 employers' contribution of \$559.65 per member per month to the Health Service System Trust Fund.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impacts</b></p>	
<ul style="list-style-type: none"> <li>• In accordance with the City's Charter, the Health Service Board is required to conduct a survey of the ten most populous California counties each year to determine the average of the health premium contributions made by the ten counties. Based on this survey, the average 2014 contribution is \$559.65 per member per month, which is \$24.87 or 4.65 percent more than the ten-county average contribution of \$534.78 in 2013.</li> <li>• However, the City's monthly health premium contributions for employees is proposed to be (a) \$1,046.99 for the City's Health Plan, a 16.84% reduction, (b) \$562.30 for Kaiser, a 4.71% increase, and (c) \$612.56 for Blue Shield, a 5.3% reduction.</li> <li>• The total costs for the City, employees, retirees, and their dependents of \$595,803,151 in 2014 for health, vision, dental, long-term disability and life insurance, is \$4,054,015, or 0.7 percent more than the \$591,749,136 costs for these plans in 2013.</li> <li>• Of the total 2014 costs of \$595,803,151, the City's costs (excluding employee or retiree contributions) are \$523,163,928, or approximately 87.8 percent of the total costs.</li> <li>• Health premiums in 2014 will be increased by federal fees and taxes from legislation including the Patient Protection and Affordable Care Act.</li> <li>• Health premium contributions in 2014 will be affected by cost-sharing agreements that were negotiated between the City and various City unions in 2012.</li> </ul>	
<p style="text-align: center;"><b>Recommendations</b></p>	
<ul style="list-style-type: none"> <li>• Approve the proposed ordinance (File 13-0653) to amend Administrative Code Section 16.703, establishing the Health Service System's 2014 health, vision, and dental plans and premium contribution rates.</li> <li>• Approve the proposed resolution (File 13-0654), setting the City's 2014 average contribution to the Health Service System Trust Fund under Charter Section A8.428 in the amount of \$559.65 per member per month.</li> </ul>	

## MANDATE STATEMENT/BACKGROUND

The Health Service Board oversees the Health Service System (HSS). The HSS administers non-pension benefits, including health, dental, vision, and other benefits that may be available to City employees, such as life and long term disability insurance.

The Health Service Board adopts the annual health, vision, and dental plans, and the respective plan premiums and premium equivalents paid by employers and members.

- HSS employers include the City and County of San Francisco (City), the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the San Francisco Superior Court (Superior Court).
- HSS members are active and retired employees of the above noted employers, their dependents, and members of eligible boards and commissions. Dependents include children, spouses, domestic partners, surviving spouses of deceased members, and other legal dependents.

Under City Charter Section A8.423, the Health Service Board is required to (a) conduct a survey of the ten most populous California counties each year, excluding San Francisco, and (b) determine and set the health plan premiums paid by the City, employees, and retirees. In accordance with Section A8.423 of the City's Charter, the City's contribution to the Health Service System Trust Fund is based on the average of the contributions made by each of the ten counties.

The 10-County "average contribution" in 2014 is \$559.65, which is \$24.87 or 4.65 percent more than the 10-County "average contribution" of \$534.78 in 2013.

## DETAILS OF PROPOSED LEGISLATION

File 13-0653: The proposed ordinance would amend Administrative Code Section 16.703 to approve the Health Service Systems' 2014 health, vision, and dental plans and premiums, and life insurance and long term disability insurance.

File 13-0654: The proposed resolution would approve the City's 2014 contribution to the Health Service System Trust Fund, under Charter Section A8.4289, at \$559.65 per member per month.

### Proposed Health Plans

On June 13, 2013, the Health Service Board approved the subject health, vision, and dental plans and monthly premiums for 2014 as follows:

City Plan Preferred Provider Organization (PPO)<sup>1</sup>

The City Plan is a self-funded plan administered by United HealthCare (UHC). The Health Service Board adopted no plan design changes to the City Plan in 2014.

Kaiser and Blue Shield Health Maintenance Organizations (HMO)<sup>2</sup>

Consistent with the 2013 plan year, two HMOs will be offered to HSS members for the 2014 plan year; Kaiser and Blue Shield of California. The Blue Shield HMO plan is a flex-funded product for active and early retiree members. The Health Service Board adopted no plan design changes to the Kaiser HMO or the Blue Shield HMO.

Vision Plans

Members enrolled in one of the three health plans receive vision benefits through Vision Service Plan (VSP), a third party insurer. The VSP plan is a fully-insured plan. The 2014 rates will increase 5.5% which includes 2% due to federal healthcare reform taxes. The cost of the vision plan is added to the cost of the medical plan for all monthly health plan premiums.

**Sources of Health Plan Premium Increases**

The following two major changes will affect health plan premiums and the payment of these premiums in 2014.

(1) The premiums covered by the employer for each health plan will vary according to union membership of the covered employee as per negotiated Memorandum of Understanding (MOU) agreements (please see section entitled, 'Changes in Contribution Strategy', below).

(2) Federal healthcare reform will add fees and taxes to the premium calculation (please see section entitled, 'Impacts of Federal Legislation', below).

According to Mr. Gregg Sass, Interim CFO at HSS, all other changes in premiums are a result of health plan premium increases and/or savings from under-utilization.

**Changes in Contribution Strategy**Changes in City and County (CCSF) Contribution Strategy

Historically, active CCSF employees have paid nothing for employee-only health and dental insurance coverage. Starting January 1, 2014, in accordance with some union MOU agreements<sup>3</sup>,

<sup>1</sup> Under a PPO, physicians, hospitals, and other providers contract with a third-party administrator or insurer to provide health care at reduced rates to members.

<sup>2</sup> An HMO offers care through a closed panel of providers, in which members select a primary care physician, who coordinates care to direct access to medical services.

<sup>3</sup> According to Mr. Sass, this negotiated change would impact approximately 7,800 employee-only members, which is approximately 70% of active employee-only members, by July 1, 2014. The Health Service Board approved two sets of rates to reflect this change in 2014. One set of rates is for members under this new '90/10 Contribution Model', and the other set of rates is for members under the existing contribution model.

the employee contribution amount will increase to a maximum of 10 percent of the premium. This contribution calculation is called the '90/10 Contribution Model'.

Under the '90/10 Contribution Model', the City will contribute the greater of the 10-County average amount (\$559.65) or 90 percent of the employee-only premium for active employees in the Kaiser and Blue Shield populations. For active employee-only members in the City Plan, the City will contribute 90 percent of the Blue Shield employee-only premium plus one-half of the difference between 90 percent of the Blue Shield employee-only premium and 100 percent of the City Plan employee-only premium. This change applies only to those employees that do not have dependent coverage.

The City Charter states, in Section A8.423, "the average contribution made with respect to each employee by said 10 counties toward the health care plans provided for their employees ... **shall be 'the average contribution'.**" According to Mr. Jon Givner, Deputy City Attorney, the Charter provides the amount that must be contributed to the Health Service System Trust Fund by the City, but that amount is not a ceiling and the City could agree to pay additional amounts to fund employee health care under an MOU with a union representing City employees.

#### HSS Subsidy Option

On June 14<sup>th</sup>, 2013, the Health Service Board approved another set of rates for any union that approves an MOU agreement with the City by July 31, 2013 for a different (flat premium) employee contribution amount for 2015. This flat premium would reflect a trust-funded subsidy for the employee-only employee contribution amount under the '90/10 Contribution Model'. The subsidy would smooth member transition to the 2015 contribution model. Unlike the '90/10 Contribution Model', which applies to employee-only members in Blue Shield and the City Plan only, the flat premium would apply to all members of all three plans, including Kaiser. Participation would be broader but the required contribution by individual members would be lower than under the '90/10 Contribution Model'. The San Francisco Department of Human Resources is currently involved in MOU negotiations to define the specific rates for this subsidy option.

#### City's Monthly Premium Costs

As previously noted, the 10-County average determined that the City contribution to the Health Service System Trust Fund in 2014 would be \$559.65 per month. However, Table 1 below shows a "blended" rate for each of the three health plans for 2014 which is a weighted calculation of the City's contribution payment for active employees based on the proportion of employees subject to the '90/10 Contribution Model' versus the proportion of employees subject to the original rate schedule.

**Table 1  
Total Monthly Employer Rate for Active Employees in 2014**

	<b>2013</b>	<b>2014 Proposed</b>	<b>Increase</b>	<b>Percent Change</b>
City Health Plan	\$1,258.97	\$1,046.99	(\$211.98)	(16.84%)
Kaiser	\$537.02	\$562.30	\$25.28	4.71%
Blue Shield	\$647.16	\$612.56	(\$34.60)	(5.35%)

### Proposed Health Plan Premiums

#### City Health Plan Premiums

The City Health Plan is self-funded. Amounts to cover premiums are deposited into the Health Service System Trust Fund and used to pay claims. Monthly premium amounts are based on claims experience for each type of plan member: active employees, retirees with Medicare, and retirees without Medicare.

The blended monthly employer rate, or amount that the City will pay, for single employees will decrease by 16.84 percent in 2014, as shown above in Table 1. This decrease is because of utilization savings in prior years, which appears as a rate reduction in 2014.

Under the City Health Plan, employee premiums will decrease in 2014 by approximately 2.7 percent overall, mainly because of prior-year utilization savings and the '90/10 Contribution Model'.

#### Kaiser Premiums

The Kaiser Plan blended monthly employer rate for single employees will increase in 2014 by 4.71 percent, as shown in Table 1 above. Under the Kaiser plan, employee premiums will increase in 2014 by approximately 5.2 percent overall. These premium increases reflect new federal healthcare reform as well as administrative cost increases at Kaiser.

#### Blue Shield Premiums

The Blue Shield Plan blended monthly employer rate for single employees will decrease by 5.35 percent in 2014, as shown in Table 1 above. This is because of the '90/10 Contribution Model' and slightly lower average utilization than expected. Under the Blue Shield plan, employee premiums will stay flat in 2014 except for retiree premiums, which will increase by approximately 6 percent because of federal healthcare reform and health cost increases.

### Proposed Dental Plans

The Health Service System offers three dental plans, including one PPO, Delta Dental PPO, and two HMOs: Delta Care USA and Pacific Union Dental. There are no plan changes in the dental plans.

The City does not contribute to the monthly dental premium for retired employees. The City contributes the full monthly premium for active employees for the two HMOs and also

contributes part of the monthly premium for active employees for Delta Dental PPO. As shown in Table 2 below, the City's contribution to premiums will increase up to 4.2% in 2014 for all dental plans except for Pacific Union Dental, whose premiums remain unchanged from 2013.

**Table 2**  
**Total Monthly Dental Premiums**

	2014	2013	Increase/ Decrease	Percent
<b>Delta Care USA HMO</b>				
Single Employee	\$26.95	\$26.00	\$0.95	3.7%
Employee + One Dependent	\$44.46	\$42.90	\$1.56	3.6%
Employee + Two or More Dependents	\$65.76	\$63.45	\$2.31	3.6%
<b>Pacific Union Dental HMO</b>				
Single Employee	\$27.80	\$27.80	\$0.00	0.0%
Employee + One Dependent	\$45.90	\$45.90	\$0.00	0.0%
Employee + Two or More Dependents	\$67.86	\$67.86	\$0.00	0.0%
<b>Delta Dental PPO</b>				
Single Employee (Total Premium)	\$65.95	\$63.47	\$2.48	3.9%
Less Employee Contribution	(\$5.00)	(\$5.00)	\$0.00	0.0%
City's Contribution	\$60.95	\$58.47	\$2.48	4.2%
Employee + One Dependent (Total Premium)	\$138.49	\$133.29	\$5.20	3.9%
Less Employee Contribution	(\$10.00)	(\$10.00)	\$0.00	0.0%
City's Contribution	\$128.49	\$123.29	\$5.20	4.2%
Employee + Two or More Dependents (Total Premium)	\$197.84	\$190.42	\$7.42	3.9%
Less Employee Contribution	(\$15.00)	(\$15.00)	\$0.00	0.0%
City's Contribution	\$182.84	\$175.42	\$7.42	4.2%

#### *Contingency and Stabilization Amounts*

The HSS sets aside a portion of the Trust Fund balance<sup>4</sup> to provide contingencies for the self-funded dental plan, Delta Dental PPO, and to stabilize employees' dental plan premium increases. The member contributions for Delta Dental PPO plan for retirees, Delta Care USA dental plans for employees and retirees, and Pacific Union Dental plans for employees and retirees remain unchanged from the prior plan year. Pursuant to the Health Service's Self-Funded Plans' Funding Policy, no claims stabilization amount has been applied this year.

#### **Life and Long Term Disability Insurance**

The Health Service System will continue its contract with Aetna Life Insurance Company in 2014. In January 2013, Aetna Life Insurance Company was selected through a Request for Proposal (RFP) process to provide life and long term disability insurance to City employees eligible for coverage through their MOUs between the City and the respective unions.

<sup>4</sup> The Employee Benefit Trust Fund is funded via payroll deductions and employer contributions. Those amounts are paid into the Trust Fund and premiums are paid by the Trust Fund. The fund balance is what remains after accruing all liabilities for unpaid premiums and incurred but not reported expenses of self-insurance programs. As of June 30, 2012, the fund balance in the Trust Fund was \$53.2M, which is projected to increase to \$69.5M by June 30, 2013.

## Impacts of Federal Legislation

As of January 1, 2014, a provision of the Federal Patient Protection and Affordable Care Act (PPACA) will take effect, introducing the Federal PPACA Legislative Fees. Implementation of another provision previously scheduled to take effect in 2014, the Federal PPACA Full Time Employee requirements, has been deferred by the federal government until 2015. Both of these provisions are briefly summarized below. Implementation of an additional provision, Federal PPACA Automatic Enrollment, has also been deferred because the Department of Labor stated that it will not issue final guidance on Automatic Enrollment until 2014. In addition to Federal PPACA requirements, the 2009 American Recovery and Reinvestment Act established a temporary Early Retiree Reinsurance Program (ERRP), also summarized below.

### Federal PPACA Full Time Employee requirements

A current assessment by HSS indicates that no additional payments will be incurred under this federal legislation because both the City and the Superior Courts offer coverage to all full time employees. HSS is still working with the San Francisco Community College District (SFCCD) and the San Francisco Unified School District (SFUSD) and to assess their compliance with federal PPACA requirements. On July 2, 2013 this PPACA requirement was deferred until 2015.

### Federal PPACA Legislative Fees

As a result of the federal PPACA, there are two direct fees and one tax that have been factored into the calculation of medical premium rates and premium equivalents for the 2014 plan year. The three fees are the Health Insurer Tax (HIT), Patient Centered Outcomes Research Institute (PCORI) fee, and the Transitional Reinsurance fee. Table 3 (below) summarizes the estimated cost of each of these legislative fees for 2014 for the City and County of San Francisco.<sup>5</sup>

**Table 3**  
**Federal PPACA Legislative Fees and Taxes (\$ Millions) in 2014**

	HIT	PCORI	Transitional Reinsurance	Total
City Plan (UHC)	\$0.00	\$0.01	\$0.13	<b>\$0.14</b>
Kaiser	\$2.15	\$0.09	\$2.10	<b>\$4.33</b>
Blue Shield	\$6.27	\$0.07	\$1.91	<b>\$8.26</b>
Delta	\$0.00	N/A	N/A	<b>\$0.00</b>
VSP	\$0.07	N/A	N/A	<b>\$0.07</b>
<b>Total</b>	<b>\$8.49</b>	<b>\$0.18</b>	<b>\$4.13</b>	<b>\$12.80</b>

<sup>5</sup> The HSS Trust Fund serves four employers: The City and County of San Francisco, the Superior Courts, San Francisco Community College District and the San Francisco Unified School District (CCSF, CRT, SFCCD, and SFUSD). The costs shown in Table 3 reflect only those PPACA charges incurred by CCSF.



Early Retiree Reinsurance Program Reimbursements

The 2009 American Recovery and Reinvestment Act established the temporary Early Retiree Reinsurance Program (ERRP) as an incentive for employers to continue early retiree health insurance coverage. This program provided federal reimbursement to eligible sponsors of employment-based plans for a portion of the costs of providing health coverage to early retirees, during the period beginning on the date the program was established, and ending on December 31, 2013. The total ERRP amount received by HSS from the federal government with interest is \$3,812,749. A plan sponsor may use these ERRP reimbursements to reduce the sponsor's health benefit premiums or costs, to reduce costs for plan participants, or to reduce any combination of these costs.

However, ERRP regulations stipulate a Maintenance of Contribution (MOC), requiring that the City continue to provide at least the same level of contribution to support each plan if any of the reimbursement funds are used to offset City costs, rather than exclusively used to offset employee contributions.

On January 10, 2013, the Health Service Board approved spending the ERRP reimbursement funds exclusively to reduce participant premium contributions in order to decrease both participant and employer premiums through stabilizing membership and premium rates, which will allow HSS to bypass the MOC calculation requirements. The Health Service Board also approved apportioning the ERRP reimbursement funds based on the amount of premiums paid into each plan in proportion to each set of rates paid in 2013.

**FISCAL ANALYSIS**

The City's cost for health and other plans is funded by charges to each City Department for the cost of employee benefits.

As shown in Table 4 below, the total City, employee, and retiree costs for the health, vision, and dental plans, and long-term disability and life insurance will increase to \$595,803,151 in 2014, which is a \$4,054,015, or 0.7 percent increase from \$591,749,136 in FY 2013.

**Table 4**  
**Total Health and Other Plan Costs for the City, Employees, and Retirees in 2014**  
**Compared to 2013**

	2013	2014	Increase/ (Decrease)	Percent
<b>City Costs Only</b>				
Kaiser HMO	\$213,512,253	\$227,362,649	\$13,850,396	6.5%
Blue Shield HMO	220,221,904	218,316,125	(1,905,779)	-0.9%
City Plan	48,002,758	40,740,923	(7,261,834)	-15.1%
Subtotal Health and Vision Plan	481,736,914	486,419,697	4,682,783	1.0%
Dental	31,123,486	31,959,386	835,900	2.7%
Long Term Disability and Life Insurance	4,784,845	4,784,845	0	0.0%
<b>Total City Costs</b>	<b>\$517,645,245</b>	<b>\$523,163,928</b>	<b>\$5,518,683</b>	<b>1.1%</b>
<b>Employee and Retiree Costs Only</b>				
Kaiser HMO	\$21,223,163	\$23,124,625	\$1,901,462	9.0%
Blue Shield HMO	37,951,651	36,603,898	(1,347,753)	-3.6%
City Plan	12,285,682	10,267,304	(2,018,378)	-16.4%
Subtotal Health and Vision Plan	71,460,496	69,995,828	(1,464,668)	-2.0%
Dental	2,582,155	2,582,155	0	0.0%
Long Term Disability and Life Insurance	61,240	61,240	0	0.0%
<b>Total Employee and Retiree Costs</b>	<b>\$74,103,891</b>	<b>\$72,639,223</b>	<b>(\$1,464,668)</b>	<b>-2.0%</b>
<b>Total Costs</b>				
Kaiser HMO	\$234,735,416	\$250,487,274	\$15,751,859	6.7%
Blue Shield HMO	258,173,555	254,920,023	(3,253,532)	-1.3%
City Plan	60,288,439	51,008,228	(9,280,212)	-15.4%
Subtotal Health and Vision Plan	553,197,410	556,415,525	3,218,115	0.6%
Dental	33,705,642	34,541,541	835,900	2.5%
Long Term Disability and Life Insurance	4,846,084	4,846,084	0	0.0%
<b>Total Costs</b>	<b>\$591,749,136</b>	<b>\$595,803,151</b>	<b>\$4,054,015</b>	<b>0.7%</b>

Of the total 2014 costs of \$595,803,151 shown in Table 4 above, the City's total costs (excluding employee or retiree contributions) is \$523,163,928, or approximately 87.8 percent of the total costs. Overall, the City's total cost of \$523,163,928 in 2014 for the health, vision, and dental plans, and long-term disability and life insurance, is \$5,518,683, or 1.1 percent more than the costs for these plans in 2013 of \$517,645,245.

## RECOMMENDATIONS

- Approve the proposed ordinance (File 13-0653) to amend Administrative Code Section 16.703, establishing the Health Service System's 2014 health, vision, and dental plans and premiums.
- Approve the proposed resolution (File 13-0654), setting the City's 2014 contribution to the Health Service System Trust Fund, under the Charter, of \$559.65 per member per month.




# Health Service System

CITY & COUNTY OF SAN FRANCISCO

MYHSS.ORG

## Memorandum

DATE: June 18, 2013  
TO: Supervisor Mark Farrell  
Board of Supervisors  
FROM: Lisa Ghotbi   
Acting Director, Health Service System  
RE: Annual Certification of 10-County Amount Pursuant to Section A8.423 of Appendix A to the City Charter - Plan Year 2014

Attached are the following documents relating to the above matter:

1. Certification to the Board of Supervisors, pursuant to Section A8.423 of Appendix A to the City Charter, of "the Average Contribution" as Determined by the Ten-County Survey Required under Such Charter Section, as adopted by the Health Service Board on June 13, 2013; and
2. Proposed Resolution Establishing Monthly Contribution Amount to Health Service Trust Fund.

We are happy to provide you with any additional reports or materials you may need in connection with the enclosed ordinance.

### Attachs.

cc: Members, Health Service Board (w/electronic attach.) (via email)  
Erik Rapoport (w/electronic attach.) (via email)  
Ben Rosenfield (w/electronic attach.) (via email)  
Anil Kochhar (w/electronic attach.) (via email)  
Gregg Sass (w/electronic attach.) (via email)

[2014 Certification of "the Average Contribution" Under Ten-County Survey]

CERTIFICATION TO THE BOARD OF SUPERVISORS, PURSUANT TO SECTION A8.423 OF APPENDIX A TO THE CITY CHARTER, OF "THE AVERAGE CONTRIBUTION" AS DETERMINED BY THE TEN-COUNTY SURVEY REQUIRED UNDER SUCH CHARTER SECTION.

WHEREAS, Pursuant to Section A8.423 of Appendix A to the City Charter, the Health Service Board (the "Board") is required to conduct a survey of the ten counties in the State of California, other than the City and County of San Francisco, having the largest populations to determine the average contribution made by each such county toward the providing of health care plans, exclusive of dental or optical care, for each employee of such county; and

WHEREAS, Pursuant to such Charter Section, the Board is required to certify to the Board of Supervisors "the average contribution" (as such term is defined in such Charter Section) as determined by such survey; and

WHEREAS, According to the State of California Department of Finance, the ten most populous counties in the State of California other than San Francisco (in descending order of population) are: Los Angeles, San Diego, Orange, Riverside, San Bernardino, Santa Clara, Alameda, Sacramento, Contra Costa and Fresno (collectively, the "Survey Counties"); and

WHEREAS, Under the survey of each of the Survey Counties which was completed on April 11, 2013 (a copy of which is attached as Exhibit A hereto and made a part hereof), the Board has determined that "the average contribution" is the sum of **five hundred fifty-nine dollars and sixty-five cents (\$559.65)**; and

WHEREAS, The Board desires to certify "the average contribution" to the Board of Supervisors as required under Section A8.423 of Appendix A to the City Charter; now, therefore, be it

RESOLVED, That, the Board hereby certifies to the Board of Supervisors that (a) the Board has conducted and completed as of April 11, 2013, a survey of the Survey Counties as required under Section A8.423 of Appendix A to the City Charter; and (b) "the average contribution" (as such term is defined in such Charter Section) determined under such survey is the sum of **five hundred fifty-nine dollars and sixty-five cents (\$559.65)**; and, be it

FURTHER RESOLVED, That the Board hereby authorizes the Director of the Health Service System, to provide to or to execute and deliver to the Board of Supervisors, on behalf of the Board, such further information, certificates, assurances or other documents as the Board of Supervisors may require in connection with the current survey and certification required under Section A8.423 of Appendix A to the City Charter.

**EXHIBIT A**

Copy of Survey

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

2013 10-COUNTY SURVEY

## Process

The City Charter specifies that the City & County of San Francisco survey the ten most populous counties in California and collect, for each county, the amount contributed by the employer for employee-only coverage under each of the county's medical plans. The City is obligated by Charter to contribute the 10-County Survey amount toward the cost of employees' medical benefits.

The information gathered from the 10-County Survey is used to compute an average increase in employer contributions for each county. HSS then averages these averages to arrive at the 10-County Survey amount. To put the county contribution amounts into context, HSS also collects information on premium increases and plan design data such as employee co-pays and contributions toward physician office visits, emergency room care, hospital stays, prescriptions and deductibles.

With the passage of 2011 Proposition C, the Health Service Board approved a change to a calendar-based plan year, effective January 2013. At the April 12, 2012 meeting the Board approved the 10-County Survey Calendar Year Change Rule. This rule adjusts for gaps in 10-County data, by projecting a six-month overlap when data is not available from a surveyed county. Using this rule, a county's employer contribution for employee-only coverage is projected. The county's 10-County result for the previous year is, in most cases, trended forward six months, based on the county's average annual increase for the preceding three years.

There were no changes to the type of plan design data collected for the 2014 plan year. Additionally, plan design data for CalPERS and HSS is included for informational purposes only. CalPERS and HSS data is not included in the 10-County Survey.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### Results and Observations

The average monthly contribution of \$559.65 for plan year 2014 is 4.65% above \$534.78, the 10-County average for plan year 2013. This is in line with historic 10-County Survey trends. All counties had a change in contribution except for Fresno County.

### 10-County Survey Calendar Year Change Rule: Example Calculation Based on Los Angeles County

For the 2012 calendar year, the average employer premium contribution for Los Angeles County medical plans was \$499.57. Per the Calendar Year Change Rule, this \$499.57 actual average was projected forward six months, using Los Angeles County's three year premium increase trend of 6.3%. This resulted in the average employer premium contribution calculated at \$515.07 for Los Angeles County, as reported in the 10-County Survey issued in June 2012. The June 2012 10-County Survey was applied to Health Service System rate calculations for plan year 2013.

For the 2013 calendar year, the average employer premium contribution for Los Angeles County medical plans is \$537.73. (This equates to an actual average employer premium contribution of \$518.65 as of June 2013, very close to the \$515.07 average calculated in June 2012.) Per the Calendar Year Change Rule, this \$537.73 actual average is projected forward six months, using Los Angeles County's three year premium increase trend of 5.5%. This results in the average employer premium contribution calculated at \$552.40 for Los Angeles County, as reported in this 10-County Survey, as reported in the 10-County Survey issued in June 2012. The April 2012 10-County will be applied to Health Service System rate calculations for plan year 2014.

### Methodology Assessment

For the 2013 10-County calculated values, the Health Service Board methodology was accurate within 3 percentage points for all of the 8 calculated counties. In aggregate, the methodology resulted in a difference of less than 1/2%.



# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### Average of Employer Contributions

County	2004		2005		2006		2007		2008		2009		2010		2011		2012		2013		Trend Factor	Months of Trend	3 Yr Trend	2014 Calculated					
	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	Actual									
1 Los Angeles	276.16	316.07	338.55	362.55	383.10	415.91	457.56	478.56	499.57	515.07	537.73	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40	552.40		
2 San Diego	262.38	267.86	363.48	305.87	327.00	363.48	364.00	406.00	432.20	444.86	432.65	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	445.29	
3 Orange	395.83	374.13	380.63	387.92	338.64	372.44	383.75	434.41	485.10	506.94	517.93	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	544.46	
4 Riverside	317.55	364.69	391.53	462.05	469.65	491.27	488.44	513.02	537.43	545.54	587.94	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	606.39	
5 San Bernardino	298.45	333.57	299.72	313.73	368.67	377.35	397.51	399.70	398.98	398.98	409.45	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	413.51	
6 Santa Clara <sup>1</sup>	342.10	382.32	438.49	479.93	515.52	563.19	608.44	655.97	643.13	643.13	644.02	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34	656.34
7 Alameda	276.28	316.40	342.11	398.35	440.58	497.76	521.89	541.06	575.00	588.99	620.34	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47	638.47
8 Sacramento	315.25	363.89	422.13	480.54	480.76	516.78	561.35	637.98	667.02	696.00	690.32	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53	714.53
9 Contra Costa	299.35	336.62	366.77	407.86	438.47	470.02	495.15	521.90	540.43	553.15	562.24	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27	574.27
10 Fresno	345.67	399.71	390.06	432.64	425.58	425.43	450.43	450.80	450.80	455.17	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80	450.80
<b>Average</b>	<b>312.90</b>	<b>345.53</b>	<b>373.45</b>	<b>403.14</b>	<b>418.80</b>	<b>449.37</b>	<b>472.85</b>	<b>503.94</b>	<b>522.97</b>	<b>534.78</b>	<b>545.34</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	<b>559.65</b>	

### Increase Over Prior Year

County	2004		2005		2006		2007		2008		2009		2010		2011		2012		2013		2014									
	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014									
1 Los Angeles	1.43%	14.45%	7.11%	7.09%	5.67%	7.09%	15.85%	6.91%	11.16%	8.57%	10.01%	4.60%	4.39%	3.10%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
2 San Diego	26.17%	2.09%	35.70%	-15.85%	6.91%	11.16%	8.57%	10.01%	4.60%	4.39%	3.10%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
3 Orange	3.22%	-5.48%	1.74%	1.92%	-12.70%	9.98%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	3.04%	
4 Riverside	15.22%	14.84%	7.36%	18.01%	1.65%	4.60%	-0.57%	5.34%	8.04%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	
5 San Bernardino	23.06%	11.77%	-10.15%	4.67%	17.51%	2.35%	5.34%	8.04%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	
6 Santa Clara	18.71%	11.76%	14.69%	9.45%	7.42%	9.25%	8.04%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	
7 Alameda	4.11%	14.52%	8.13%	16.44%	10.60%	12.98%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	4.85%	
8 Sacramento	2.03%	15.43%	16.00%	13.84%	0.05%	7.49%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%
9 Contra Costa	11.89%	12.45%	8.96%	11.20%	7.51%	7.20%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	5.35%	
10 Fresno	15.16%	15.63%	-2.41%	10.92%	-1.63%	-0.03%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	
<b>Average</b>	<b>11.27%</b>	<b>10.43%</b>	<b>8.05%</b>	<b>7.98%</b>	<b>3.88%</b>	<b>7.30%</b>	<b>5.23%</b>	<b>6.57%</b>	<b>3.78%</b>	<b>2.26%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	<b>4.65%</b>	

<sup>1</sup>Plan years for these counties are fiscal year, compared to other counties, which are calendar year. This affects the number of months of trend applied.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 1. Los Angeles County

Medical Plans	2012 Premium	2013 Premium	% +/-	2012 County Contribution	2013 County Contribution	% +/-	Population: 9,862,049
Kaiser Choices HMO - County Sponsored	552.53	593.87	7.5%	552.53	593.87	7.5%	
CIGNA Choices HMO - County Sponsored	520.65	583.13	12.0%	520.65	583.13	12.0%	
CIGNA Choices POS - County Sponsored	934.94	1,047.13	12.0%	659.13	706.59	7.2%	
Blue Cross Prudent Buyer Basic- ALADS	743.92	800.64	7.6%	659.13	706.59	7.2%	
Blue Cross CaliforniaCare Basic- ALADS	502.21	543.13	8.1%	502.21	543.13	8.1%	
Blue Cross Prudent Buyer Premier- ALADS	843.48	908.78	7.7%	659.13	706.59	7.2%	
Blue Cross CaliforniaCare Premier - ALADS	601.77	651.27	8.2%	601.77	651.27	8.2%	
Blue Shield Classic CAPE	721.00	738.00	2.4%	659.13	706.59	7.2%	
Blue Shield Lite CAPE	443.00	454.00	2.5%	443.00	454.00	2.5%	
Local 1014 Plan - Fire Fighters	613.00	643.00	4.9%	613.00	643.00	4.9%	
Kaiser Options - SEIU	527.91	562.92	6.6%	527.91	562.92	6.6%	
Kaiser HMO - Unrepresented	231.00	254.00	10.0%	231.00	254.00	10.0%	
Blue Cross CaliforniaCare HMO - Unrepresented	231.00	294.00	10.0%	231.00	254.00	10.0%	
Blue Cross Plus POS - Unrepresented	349.00	384.00	10.0%	349.00	384.00	10.0%	
Blue Cross Catastrophic - Unrepresented	179.00	197.00	10.1%	179.00	197.00	10.1%	
Blue Cross Prudent Buyer PPO - Unrepresented	446.00	491.00	10.1%	446.00	491.00	10.1%	
PacificCare Options HMO - SEIU	499.61	534.90	7.1%	499.61	534.90	7.1%	
UnitedHealthcare Options PPO - SEIU	1,085.87	1,302.06	19.9%	659.13	706.59	7.2%	
<b>AVERAGE</b>	<b>556.99</b>	<b>607.94</b>	<b>9.1%</b>	<b>499.57</b>	<b>537.73</b>	<b>7.6%</b>	

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 1. Los Angeles County: Medical Plan Design Summary

	HMO	In	Out
<b>Blue Shield Lite</b>			
Deductible	None	\$400/\$800	\$400/\$800
Physicians Services	\$10 Copay	\$25 Copay	70/30 After Ded
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay
Rx	\$5/\$15/\$30	\$5/\$15/\$30	Not Covered
Hospital	No Charge	80/20 After Ded	70/30 After Ded
<b>Blue Shield Classic</b>			
Deductible	None	\$300/\$600	\$300/\$600
Physicians Services	\$10 Copay	\$20 Copay	70/30 After Ded
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay
Rx	\$5/\$15/\$30	\$5/\$15/\$30	Not Covered
Hospital	No Charge	90/10 After Ded	70/30 After Ded
<b>Pacificare (UnitedHealthcare Options)</b>			
Deductible	None		
Physicians Services	\$10 Copay		
Emergency Room	\$50 Copay		
Rx	\$5/\$20		
Hospital	No Charge		
<b>UnitedHealthcare</b>			
Deductible		PPO - In	PPO - Out
Physicians Services		\$300/\$1,500	\$1,500/\$3,000
Emergency Room		20% Copay	50% Copay After Ded.
Rx		20% Copay After Ded	50% Copay After Ded
Hospital		\$5/\$20/\$35	Not Covered
		20% Copay After Ded	50% Copay After Ded
<b>Kaiser</b>			
Deductible	Options HMO	Choices HMO	Unrep HMO
Physicians Services	None	None	None
Emergency Room	\$10 Copay	\$10 Copay	\$15 Copay
Rx	\$50 Copay	\$50 Copay	\$50 Copay
Hospital	\$5/\$20	5	\$10/\$20
	No Charge	No Charge	No Charge

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 1. Los Angeles County: Medical Plan Design Summary

CIGNA	HMO	POS - In	POS - Out
Deductible	None	None	\$500/\$1,000
Physicians Services	\$10 Copay	\$10 Copay	60/40 After Ded
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay
Rx	\$5/\$20	\$5/\$20	60/40 After Ded
Hospital	No Charge	\$50 Copay/Day	60/40 After Ded + \$1,000/Admit
<b>Blue Cross California Care HMO</b>	<b>ALADS</b>	<b>Unrep</b>	
Deductible	None	None	
Physicians Services	\$5 Copay	\$15 Copay	
Emergency Room	\$25 Copay	\$50 Copay	
Rx	\$5/\$10	\$10/\$20	
Hospital	No Charge	No Charge	
<b>Blue Cross Plus POS</b>	<b>HMO</b>	<b>In</b>	<b>Out</b>
Deductible	None	None	\$400/\$800
Physicians Services	\$15 Copay	\$25 Copay	70/30 After Ded
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay
Rx	\$10/\$20	\$10/\$20	\$10/\$20
Hospital	No Charge	80/20	70/30 + \$500/Admit
<b>Local 1014 Plan</b>	<b>HMO</b>		
Deductible	\$200/\$600		
Physicians Services	90/10 After Ded		
Emergency Room	\$50 Copay		
Rx	\$10/\$20/\$30+		
Hospital	90/10 After Ded		
<b>Blue Cross</b>	<b>Catastrophic</b>		
Deductible	\$2,000/\$4,000		
Physicians Services	75/25 After Ded		
Emergency Room	\$100 Copay then 75/25		
Rx	\$200 Ded Then 75/25		
Hospital	75/25 After Ded +\$500/Admit		

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### I. Los Angeles County: Medical Plan Design Summary

#### Blue Cross Prudent Buyer PPO

	ALADS - In	ALADS - Out	Unrep - In	Unrep - Out
Deductible	\$300/\$600	\$300/\$600	\$150/\$450	\$400/\$800
Physician Services	90/10 After Ded	70/30 After Ded	\$15 Copay	70/30 After Ded
Emergency Room	90/10 After Ded	90/10 After Ded	\$50 Copay Then 90/10	\$50 Copay Then 90/10
Rx	\$5/\$15	\$5/\$15+	\$10/\$20	\$10/\$20
Hospital	90/10 After Ded	70/30 After Ded	90/10	70/30 + \$500/Admit



# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

2. San Diego County		2012 Premium		2013 Premium		% +/-		2012 County Contribution		2013 County Contribution		Population: 3,143,429	
Medical Plans	2012 Premium	2013 Premium	% +/-	2012 County Contribution	2013 County Contribution	% +/-	2012 County Contribution	2013 County Contribution	% +/-				
Kaiser HMO	418.04	429.52	2.7%	418.04	429.52	2.7%	429.52	429.52	2.7%				
Kaiser High Deductible <sup>1</sup>	-	335.28	-	-	335.28	-	335.28	335.28	-				
Anthem - Blue Cross PPO	620.64	694.24	11.9%	436.92	457.78	4.8%	436.92	457.78	4.8%				
Anthem - Blue Cross Select HMO	498.12	542.86	9.0%	436.92	457.78	4.8%	436.92	457.78	4.8%				
Anthem - Blue Cross Full Access HMO	705.06	1,071.14	51.9%	436.92	457.78	4.8%	436.92	457.78	4.8%				
Anthem - Blue Cross High Deductible <sup>1</sup>	-	529.72	-	-	457.78	-	457.78	457.78	-				
<b>AVERAGE</b>	<b>560.47</b>	<b>600.46</b>	<b>7.1%</b>	<b>432.20</b>	<b>432.20</b>	<b>0.1%</b>	<b>432.20</b>	<b>432.20</b>	<b>0.1%</b>				

## 2. San Diego County: Medical Plan Design Summary

Kaiser	HMO
Deductible	None
Physicians Services	\$25 Copay
Emergency Room	\$125 Copay
Rx	\$10/\$20/\$30
Hospital	\$100 Copay Per Admit
<b>Kaiser High Deductible</b>	<b>HD w/HSA</b>
Deductible	\$1,500/\$3,000
Physicians Services	10% After Ded
Emergency Room	10% After Ded
Rx	\$10/\$20/\$30
Hospital	10% After Ded
<b>Anthem - Blue Cross PPO</b>	<b>PPO - In</b>
Deductible	\$300/\$600
Physicians Services	\$20 Copay
Emergency Room	\$75 Copay then 20%
Rx	\$10/\$20/\$35
Hospital	\$150 Copay then 20%
	<b>Out</b>
	\$600/\$1,200
	40% After Ded
	\$75 Copay then 20%
	\$10/\$20/\$35
	\$300 Copay then 40%

<sup>1</sup>New plan in 2013

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 2. San Diego County: Medical Plan Design Summary

	Anthem - Blue Cross HMO	Select HMO	Full Access HMO
Deductible	None	None	None
Physicians Services	\$25 Copay	\$25 Copay	\$30 Copay
Emergency Room	\$125 Copay	\$125 Copay	\$125 Copay
Rx	\$10/\$20/\$35	\$10/\$20/\$35	\$10/\$20/\$35
Hospital	\$200 Copay Per Admit	\$200 Copay Per Admit	\$200 Copay Per Admit
<b>Anthem - Blue Cross High Deductible</b>	<b>PPO - In</b>	<b>Out</b>	
Deductible	\$1,500/\$3,000	\$3,000/\$6,000	
Physicians Services	10% After Ded	30% After Ded	
Emergency Room	10% After Ded	10% After Ded	
Rx	\$10/\$30/\$50/30% After Ded	30% After Ded	
Hospital	10% After Ded	30% After Ded	

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

3. Orange County		2012 Premium		2013 Premium		% +/-		2012 County Contribution		2013 County Contribution		Population: 3,010,759	
Medical Plans												% +/-	
Premiere Wellwise PPO	730.43	756.65	3.6%	697.05	724.80	4.0%							
Premiere Sharewell PPO	292.18	303.87	4.0%	361.21	372.90	3.2%							
CIGNA HMO	507.46	557.35	9.8%	482.09	529.49	9.8%							
Kaiser HMO	421.08	469.90	11.6%	400.03	444.51	11.1%							
<b>AVERAGE</b>	<b>487.79</b>	<b>521.94</b>	<b>7.0%</b>	<b>485.10</b>	<b>517.93</b>	<b>6.8%</b>							

### 3. Orange County: Medical Plan Design Summary

Wellwise PPO	In	Out
Deductible	\$300/\$600	\$500/\$1,000
Physicians Services	90/10	70/30
Emergency Room	90/10	70/30
Rx	20%/25%/30%	Not Covered
Hospital	90/10	70/30
Sharewell PPO	In	Out
Deductible	\$5,000 Per Family	\$5,000 Per Family
Physicians Services	90/10	80/20
Emergency Room	90/10	80/20
Rx	\$0	0.2
Hospital	90/10	80/20
CIGNA	HMO	
Deductible	None	
Physicians Services	\$15 Copay	
Emergency Room	\$50 Copay	
Rx	\$10/\$20/\$40	
Hospital	\$100 Per Admit	
Kaiser	HMO	
Deductible	None	
Physicians Services	\$15 Copay	
Emergency Room	\$50 Copay	
Rx	\$10/\$20	
Hospital	\$100 Per Admit	



# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 4. Riverside County

Medical Plans	2012 Premium	2013 Premium	% +/-	2012 County Contribution	2013 County Contribution	Population: 2,100,516 % +/-
Health Net EPO	539.86	587.78	8.9%	539.86	587.78	8.9%
Kaiser HMO	524.50	558.00	6.4%	524.50	558.00	6.4%
Exclusive Care EPO	389.18	414.62	6.5%	389.18	414.62	6.5%
Health Net PPO	774.08	917.62	18.5%	697.09	763.31	9.5%
Blue Shield HMO - PERS	583.60	643.94	10.3%	583.60	643.94	10.3%
Kaiser HMO - PERS	512.76	558.96	9.0%	512.76	558.96	9.0%
PERSCare	943.26	992.62	5.2%	633.95	751.89	18.6%
PERS Choice	526.20	611.30	16.2%	526.20	611.30	16.2%
PORAC - PERS	556.00	581.00	4.5%	556.00	581.00	4.5%
Blue Shield HPN	501.94	550.04	9.6%	501.94	550.04	9.6%
PERS Select	446.68	446.50	0.0%	446.68	446.50	0.0%
<b>AVERAGE</b>	<b>572.55</b>	<b>623.85</b>	<b>9.0%</b>	<b>537.43</b>	<b>587.94</b>	<b>9.4%</b>

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 4. Riverside County: Medical Plan Design Summary

	HMO	PPO - In	PPO - Out
<b>HealthNet</b>			
Deductible	None	\$500/\$1,000	\$500/\$1,000
Physicians Services	\$15/\$30 Copay		
Emergency Room	\$100 Copay	\$20 Copay	40% After Ded
Rx	\$10/\$25/\$50	20% After Ded	20% After Ded
Hospital	\$100 Copay	\$5/\$15/\$45	\$5/\$15/\$45
<b>Kaiser</b>			
Deductible	HMO	80/20 After ded	60/40 After ded
Physicians Services	None		
Emergency Room	\$15 Copay		
Rx	\$50 Copay		
Hospital	\$10/\$25		
<b>Exclusive Care</b>			
Deductible	EPO		
Physicians Services	None		
Emergency Room	\$5 Copay		
Rx	\$100/\$250 Copay		
Hospital	\$5/\$15/\$35		
	No Charge		

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

5. San Bernardino County		2011-12 Premium		2012-13 Premium		% +/-		2011-12 County Contribution		2012-13 County Contribution		Population: 2,015,355	
Medical Plans													% +/-
Kaiser HMO		520.20	550.18	5.8%	410.62	420.79	2.5%						
Blue Shield Signature HMO		441.35	439.55	-0.4%	375.70	375.43	-0.1%						
Blue Shield Needles PPO		N/A	1,097.18	N/A	N/A	420.79	N/A						
Blue Shield PPO		892.32	972.23	9.0%	410.62	420.79	2.5%						
<b>AVERAGE</b>		<b>617.96</b>	<b>764.78</b>	<b>23.8%</b>	<b>398.98</b>	<b>409.45</b>	<b>2.6%</b>						

## 5. San Bernardino County: Medical Plan Design Summary

Kaiser	HMO	Tier 1 - HMO		Tier 2 - HMO		PPO - IN		PPO - Out	
Deductible	None			None		\$250/\$500		\$250/\$500	
Physicians Services	\$10 Copay			\$30 Copay		\$10 Copay		70/30	
Emergency Room	\$50 Copay			\$50 Copay		\$50 Deductible + 20% After Ded		\$50 Deductible + 20% After Ded	
Rx	\$10/\$15			\$5/\$10/\$25		\$15/\$30/\$30		\$15/\$30/\$30	
Hospital	No Charge			No Charge		80/20 After ded		70/30 After ded	

Due to timing of the survey the benchmark for this county lags one year. The 2012-2013 plan year for San Bernardino is used to benchmark this plan for the 2014 10-County average.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 6. Santa Clara County

Medical Plans	2011-12 Premium	2012-13 Premium	% +/-	2011-12 County Contribution	2012-13 County Contribution	% +/-	Population: 1,764,499
Kaiser HMO	588.58	630.63	7.1%	588.58	608.93	3.5%	
Kaiser HMO Exec Mgmt	568.36	N/A	N/A	568.36	N/A	N/A	
Valley Health HMO	559.28	587.23	5.0%	559.28	587.23	5.0%	
Health Net POS	856.31	884.59	3.3%	856.31	735.91	-14.1%	
<b>AVERAGE</b>	<b>643.13</b>	<b>700.82</b>	<b>9.0%</b>	<b>643.13</b>	<b>644.02</b>	<b>0.1%</b>	

### 6. Santa Clara County: Medical Plan Design Summary

	Kaiser	HMO		PPO - In	PPO - Out
Deductible	None	None		None	\$200/PMPLY
Physicians Services	\$10 Copay	\$10 Copay		\$20 Copay	70/30
Emergency Room	\$35 Copay	\$35 Copay		\$75 Copay	70/30
Rx	\$5/\$10	\$5/\$10		\$5/\$15/\$30	\$5/\$15/\$30
Hospital	\$100 per admit	\$100 per admit		90/10	70/30
<b>Valley Health</b>	<b>HMO</b>	<b>HMO</b>			
Deductible	None	None			
Physicians Services	No Charge	No Charge			
Emergency Room	No Charge	No Charge			
Rx	No Charge	No Charge			
Hospital	No Charge	No Charge			
<b>Health Net POS</b>	<b>HMO</b>	<b>HMO</b>			
Deductible	None	None			
Physicians Services	\$15 Copay	\$15 Copay			
Emergency Room	\$50 Copay	\$50 Copay			
Rx	\$5/\$15/\$30	\$5/\$15/\$30			
Hospital	No Charge	No Charge			

Effective July 2012 the Kaiser HMO Executive Management plan was eliminated

Due to timing of the survey the benchmark for this county lags one year. The 2012-2013 plan year for Santa Clara is used to benchmark this plan for the 2014 10-County average.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 7. Alameda County

Medical Plans	2012-13 Premium	2013-14 Premium	% +/-	2012-13 County Contribution	2013-14 County Contribution	% +/-
UnitedHealthcare HMO	827.84	914.78	10.5%	563.52	823.30	46.1%
Kaiser HMO	563.52	603.90	7.2%	563.52	543.52	-3.5%
UnitedHealthcare PPO	1,994.48	2,185.96	9.6%	563.52	543.52	-3.5%
UnitedHealthcare HMO	827.84	914.78	10.5%	745.06	603.90	-18.9%
Kaiser HMO	563.52	603.90	7.2%	507.18	603.90	19.1%
UnitedHealthcare PPO	1,994.48	2,185.96	9.6%	507.18	603.90	19.1%
<b>AVERAGE</b>	<b>1,128.61</b>	<b>1,234.88</b>	<b>9.4%</b>	<b>575.00</b>	<b>620.34</b>	<b>7.9%</b>

Population: 1,532,137

### 7. Alameda County: Medical Plan Design Summary

United Healthcare	PPO	HMO - \$15
Deductible	\$2,000/\$4,000	None
Physicians Services	\$25 Copay	\$15 Copay
Emergency Room	\$250 Copay	\$50 Copay
Rx	\$10/\$30/\$50	\$10/\$25/\$35
Hospital	\$100 Copay	No Charge
<b>Kaiser</b>	<b>HMO</b>	
Deductible	None	
Physicians Services	\$15 Copay	
Emergency Room	\$50 Copay	
Rx	\$15/\$15	
Hospital	No Charge	



# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

8. Sacramento County		Population: 1,435,153				
Medical Plans	2012 Premium	2013 Premium	% +/-	2012 County Contribution	2013 County Contribution	% +/-
Blue Shield HMO 15	853.26	919.16	7.7%	826.90	826.90	0.0%
Health Net HMO 15	725.96	787.24	8.4%	725.96	787.24	8.4%
Kaiser HMO 15	596.34	596.34	0.0%	596.34	596.34	0.0%
Blue Shield HDHP PPO	715.82	771.06	7.7%	715.82	771.06	7.7%
Kaiser HDHP HMO	470.06	470.06	0.0%	470.06	470.06	0.0%
<b>AVERAGE</b>	<b>672.29</b>	<b>708.77</b>	<b>5.4%</b>	<b>667.02</b>	<b>690.32</b>	<b>3.5%</b>

## 8. Sacramento County: Medical Plan Design Summary

Blue Shield	HMO	HDHP - PPO - In	HDHP - PPO - Out
Deductible	None	\$1,500/\$3,000	\$1,500/\$3,000
Physicians Services	\$15 Copay	80/20	60/40
Emergency Room	\$50 Copay	80/20	80/20
Rx	\$10/\$20/\$35	\$10/\$25/\$40	\$10/\$25/\$40 + 25%
Hospital	No Charge	80/20	60/40
Health Net	HMO	HDHP - HMO	
Deductible	None	\$1,500/\$3,000	
Physicians Services	\$15 Copay	No Charge After Ded	
Emergency Room	\$35 Copay	No Charge After Ded	
Rx	\$10/\$20/\$35	No Charge After Ded	
Hospital	No Charge	No Charge After Ded	
Kaiser	HMO	HDHP - HMO	
Deductible	None	\$1,500/\$3,000	
Physicians Services	\$15 Copay	No Charge After Ded	
Emergency Room	\$35 Copay	No Charge After Ded	
Rx	\$10/\$20	No Charge After Ded	
Hospital	No Charge	No Charge After Ded	

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 9. Contra Costa County

Medical Plans	2012 Premium	2013 Premium	% +/-	2012 County Contribution	2013 County Contribution	Population: 1,061,132	% +/-
CCHP Plan A	586.13	603.71	3.0%	542.17	550.78	550.78	1.6%
CCHP Plan B	649.74	669.23	3.0%	556.64	565.41	565.41	1.6%
Health Net HMO Plan A	894.87	953.04	6.5%	671.85	695.11	695.11	3.5%
Health Net HMO Plan B	812.00	803.88	-1.0%	627.79	627.79	627.79	0.0%
Health Net PPO Plan A	1,109.51	1,219.35	9.9%	615.23	642.69	642.69	4.5%
Health Net PPO Plan B	1,007.65	1,107.41	9.9%	604.60	604.60	604.60	0.0%
Kaiser HMO Plan A	673.87	739.33	9.7%	509.01	535.19	535.19	5.1%
Kaiser HMO Plan B	608.09	650.39	7.0%	478.91	478.91	478.91	0.0%
Blue Shield HMO - PERS	674.01	784.63	16.4%	524.06	551.37	551.37	5.2%
CCHP Plan A Alternate - PERS	692.27	713.04	3.0%	496.10	537.39	537.39	8.3%
Kaiser HMO - PERS	586.57	668.63	14.0%	501.83	540.25	540.25	7.7%
PERS Care	993.34	1,083.11	9.0%	531.65	555.16	555.16	4.4%
PERS Choice	554.13	667.03	20.4%	506.88	542.78	542.78	7.1%
PORAC - PERS	556.00	581.00	4.5%	497.40	537.86	537.86	8.1%
PERS Select	470.39	487.20	3.6%	474.69	487.19	487.19	2.6%
Blue Shield HMO NetValue - PERS	582.34	670.21	15.1%	508.09	543.38	543.38	6.9%
<b>AVERAGE</b>	<b>715.68</b>	<b>775.07</b>	<b>8.3%</b>	<b>540.43</b>	<b>562.24</b>	<b>562.24</b>	<b>4.0%</b>

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 9. Contra Costa County: Medical Plan Design Summary

	Plan A		Plan B	
	Plan A	Plan B	Plan A	Plan B
<b>CCHP</b>				
Deductible	None	None		
Physicians Services	No Charge	\$5 Copay		
Emergency Room	No Charge	\$20 Copay		
Rx	No Charge	\$3 Per Rx		
Hospital	No Charge	No Charge		
<b>HealthNet HMO</b>				
Deductible	HMO None	Plan A - In \$250/\$750	PLAN A - Out \$250/\$750	PLAN B - In \$500/\$1,000
Physicians Services	\$10/\$20 Copay	\$10 Copay	70/30	\$20 Copay
Emergency Room	\$25/\$100 Copay	90/10	70/30	80/20
Rx	\$10/\$20/\$35	5	5	\$10/\$20/\$35
Hospital	No Charge/\$1,000	90/10	70/30	80/20
<b>Kaiser</b>				
Deductible	Plan A None	Plan B \$500/\$1,000		
Physicians Services	\$10 Copay	\$20 Copay		
Emergency Room	\$10 Copay	90/10 After Ded		
Rx	\$10/\$20	\$10/\$30		
Hospital	No Charge	90/10 After Ded		



# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

10. Fresno County		2012 Premium		2013 Premium		% +/-		2012 County Contribution		2013 County Contribution		Population: 945,711	
Medical Plans													% +/-
Kaiser \$15 HMO		865.15	915.97	5.9%	450.80	450.80	0.0%						
Blue Cross HMO		591.72	622.95	5.3%	450.80	450.80	0.0%						
Blue Cross PPO		823.62	856.80	4.0%	450.80	450.80	0.0%						
Blue Cross HDPPPO		471.23	495.98	5.3%	450.80	450.80	0.0%						
<b>AVERAGE</b>		<b>687.93</b>	<b>722.92</b>	<b>5.1%</b>	<b>450.80</b>	<b>450.80</b>	<b>0.0%</b>						

## 10. Fresno County: Medical Plan Design Summary

Kaiser	HMO
Deductible	None
Physicians Services	\$15 per visit
Emergency Room	\$100 per visit
Rx	\$10/\$20
Hospital	No Charge
Blue Cross	HMO
Deductible	None
Physicians Services	\$15 per visit
Emergency Room	\$100 per visit
Rx	\$10/\$20/\$35
Hospital	No Charge
Blue Cross	HDPPPO - In
Deductible	\$3,000/\$6,000
Physicians Services	\$0 Copay After Ded
Emergency Room	\$0 Copay After Ded
Rx	\$0 Copay After Ded
Hospital	\$0 Copay After Ded
Blue Cross	PPO
Deductible	\$250/\$500
Physicians Services	\$20 per visit
Emergency Room	\$100 deductible
Rx	\$10/\$20/\$35
Hospital	No Charge

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 2013 CalPERS

	Kaiser HMO	Blue Shield Access+HMO	Blue Shield NetValue HMO	PERS Select PPO	PERS Choice PPO	PERS Care PPO
Annual Deductible	N/A	N/A	N/A	\$500/\$1,000	\$500/\$1,000	\$500/\$1,000
Hospital (Inpatient)	No Charge	No Charge	No Charge	80%/20% - In 60%/40% - Out	80%/20% - In 60%/40% - Out	90%/10%; \$250 Ded - In 60%/40%; \$250 Ded - Out
Emergency Room	\$50 Copay Waived if Admitted	\$50 Copay Waived if Admitted	\$50 Copay Waived if Admitted	80%/20% \$50 Deductible	80%/20% \$50 Deductible	90%/10% \$50 Deductible
Ambulance Services	No Charge	No Charge	No Charge	80%/20%	80%/20%	80%/20%
Office Visits	\$15 Copay	\$15 Copay	\$15 Copay	\$20 Copay - In 60%/40% - Out	\$20 Copay - In 60%/40% - Out	\$20 Copay - In 60%/40% - Out
Urgent Care	\$15 Copay	\$15 Copay	\$15 Copay	\$20 Copay - In 60%/40% - Out	\$20 Copay - In 60%/40% - Out	\$20 Copay - In 60%/40% - Out
Rx - Retail	\$5/\$20	\$5/\$20/\$50	\$5/\$20/\$50	\$5/\$20/\$50	\$5/\$20/\$50	\$5/\$20/\$50
Rx - Mail Order	\$5/\$20	\$10/\$40/\$100	\$10/\$40/\$100	\$10/\$40/\$100	\$10/\$40/\$100	\$10/\$40/\$100
Infertility Treatment	50%/50%	50%/50%	50%/50%	Not Covered	Not Covered	Not Covered
Acupuncture	\$15 Copay	Not Covered	Not Covered	80%/20% - In 60%/40% - Out Limit 15 Visits/Yr	80%/20% - In 60%/40% - Out Limit 15 Visits/Yr	90%/10% - In 60%/40% - Out Limit 20 Visits/Yr
Chiropractic	Not Covered	Not Covered	Not Covered	80%/20% - In 60%/40% - Out Limit 15 Visits/Yr	80%/20% - In 60%/40% - Out Limit 15 Visits/Yr	90%/10% - In 60%/40% - Out Limit 20 Visits/Yr

For informational purposes only. CalPERS data is not included in the 10-County Survey.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## 2013 10-COUNTY SURVEY

### 2013 HSS

	Kaiser HMO	Blue Shield HMO	City Health Plan PPO
Annual Deductible	N/A	N/A	\$250/\$500/\$750
Hospital (Inpatient)	\$100 Copay	\$200 Copay	85%/15% - In 50%/50% - Out
Emergency Room	\$100 Copay Waived if Admitted	\$100 Copay Waived if Admitted	85%/15%
Ambulance Services	No Charge	No Charge	85%/15%
Office Visits	\$20 Copay	\$25 Copay	85%/15% - In 50%/50% - Out
Urgent Care	\$20 Copay	\$25 Copay	85%/15% - In 50%/50% - Out
Rx - Retail 30-day supply	\$5/\$15	\$10/\$25/\$50	\$5/\$20/\$45 - In 50% after \$5/\$20/\$45 - Out
Rx - Mail Order 90-day supply	\$10/\$30	\$20/\$50/\$100	\$10/\$40/\$90 - In Not covered - Out
Infertility Treatment	50%/50%	50%/50%	50%/50%
Acupuncture	Not Covered	\$15 Copay Limit 30 Visits/Yr	50%/50% Limit \$500 Max/Yr
Chiropractic	\$20 Copay Limit 20 Visits/Yr	\$15 Copay Limit 30 Visits/Yr	50%/50% Limit \$500 Max/Yr

For informational purposes only. HSS data is not included in the 10-County Survey. City Health Plan is administered by UnitedHealthcare.

## CERTIFICATION

I hereby certify that I perform the functions of the Secretary of the Health Service Board, and that the above Resolution was duly adopted and approved by the Health Service Board at a properly noticed meeting on June 13, 2013.

*Laini K. Scott*

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**Laini K. Scott**