

**FORM SFEC-126:**  
**NOTIFICATION OF CONTRACT APPROVAL**  
(S.F. Campaign and Governmental Conduct Code § 1.126)

**City Elective Officer Information** *(Please print clearly.)*

Name of City elective officer(s):

City elective office(s) held:

**Contractor Information** *(Please print clearly.)*

Name of contractor:

Blue Shield of California

*Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.*

(1) members of the contractor's board of directors:

- Paul Markovich
- Robert Lee, Chairman
- Doug Busch
- Gary Cohen
- Evelyn Dilsaver
- Helen DuPlessis, M.D., M.P.H.
- Hector Flores, M.D.
- Alan Fohrer
- Kristina M. Leslie
- Leon E. Panetta
- Mohammad H. Qayoumi, Ph.D.

(2) the contractor's chief executive officer, chief financial officer and chief operating officer;

Paul Markovick, President & CEO

Michael Murray, Senior Vice President and Chief Financial Officer

(3) any person who has an ownership of 20 percent or more in the contractor;

Blue Shield is a Not-for-Profit Mutual Benefit Corporation.

(4) any subcontractor listed in the bid or contract; and

Blue Shield currently contracts with the following vendors to provide cost-effective, quality healthcare services:

- **Accent Company, Omaha, NE (2003)** – Accent provides investigation and recovery functions related to workers' compensation and third-party liability.
- **ACS Commercial Solutions Inc., Sandy, UT (2011)** – ACS provides member enrollment data entry services.
- **Aegis USA, Inc., Los Angeles, CA (2007)** – Aegis assists with handling calls from Individual and Family Plan (IFP) members as well as eligibility and billing questions for members with portfolio plans.
- **Alere, Waltham, MA (2003)** – Alere currently administers Blue Shield's Predictive Triage Engine, disease management programs; a suite high-risk case management programs; chronic complex, prenatal, and musculoskeletal case management programs CareTips clinical care gap messaging for members and providers; and our NurseHelp 24/7 program.
- **American Specialty Health Plans, San Diego, CA (1994)** – American Specialty Health Plans provides access to their chiropractic, acupuncture, and podiatry networks.
- **Argus Health Systems, Kansas City, MO (1999)** – Argus Health Systems provides claims processing for pharmacy benefits. Blue Shield provides pharmacy benefit management, pharmacy network, formulary, prior authorization, and member services internally.
- **Healthways, Franklin, TN (2013)** - Healthways provides the online wellness platform and content for Wellvolution including the Wellbeing Tracker and Daily Challenge.
- **VAL Health, Paoli, PA (2014)** – VAL Health manages a financial incentive program designed using behavioral economics theory integrated with wellness programs
- **Curascript, Orlando, FL and CVS Caremark, Woonsocket, RI (since 2005)** – Curascript and CVS Caremark provides specialty pharmacy services.
- **Dental Benefit Providers, Columbia, MD (1988)** – Dental Benefit Providers serves as Blue Shield's dental plan administrator.
- **DST Output, El Dorado Hills, CA (2002)** – DST Output provides production services for ID cards and explanation of benefits documents.
- **Electronic Data Systems, Plano, TX (2001)** – Electronic Data Systems (EDS) provides information systems and reporting services.
- **HealthEquity, Draper, UT (2012)** – HealthEquity provides integrated HSA/HRA/FSA consumer directed healthcare services for our high deductible health plans (HDHP).
- **Healthwise, Boise, ID (2005)** – Healthwise, a nonprofit consumer health content provider, supplies a robust health and wellness knowledgebase product for use on our website, [www.blueshieldca.com](http://www.blueshieldca.com).
- **Hinduja Global Solutions Inc., Warrenville, IL. (2011)** – Hinduja provides claims edit resolution services.
- **LabCorp, Burlington, NC (1997)** – LabCorp provides access to a national network of clinical laboratories.

- **Language Line, Monterey, CA (2002)** – Language Line provides language services to assist non-English speaking members.
- **Magellan Health Services, Avon, CT (2012)** – Magellan Health Services serves as Blue Shield's Mental Health Service Administrator (MHSA), providing mental health/substance abuse network administration, claims, customer service, care management, and medical management. Additionally, they administer our LifeReferrals 24/7 program and a Behavioral Health Depression Management Program that integrates with our disease management program.
- **Medical Eye Services, Santa Ana, CA (1984)** – Medical Eye Services serves as Blue Shield's vision plan administrator.
- **National Imaging Associates, Columbia, MD (1999)** – National Imaging Associates provides prior authorization and medical management for outpatient radiology services, including CAT scans, MRIs/MRAs, nuclear cardiology, bone densitometry, and PET scanning.
- **PrimeMail, Eagan, MN (2008)** – PrimeMail provides mail service for pharmacy benefits. Blue Shield provides pharmacy benefit management, pharmacy network, formulary, prior authorization, and member services internally.
- **Quest Diagnostics, Madison, NJ (2008)** – Quest Diagnostics provides onsite and remote biometric screening services and immunization services.
- **SourceHOV, LLC, Dallas, TX. (2007)** – SourceHOV provides paper claims and correspondence mailroom, imaging and data entry services, including image viewing capabilities, claims edit resolution, correspondence activation, small group enrollment, claim credit backs, and pre-denial audits.
- **TeleTech Financial Services Management, LLC, Englewood, CO (2001)** – TeleTech assists with handling phone calls for IFP members, eligibility and billing questions for members with portfolio plans, and providers.
- **CareCore/MedSolutions, Inc., Planville CT (2011)** – CareCore/MedSolutions provides prior authorization for spine surgery and interventional pain procedures.

Please note that Blue Shield providers are neither agents nor employees of the plan but are independent contractors. Blue Shield cannot be held liable for the negligence, wrongful acts or omissions of any person receiving or providing services, including any physician, hospital or other provider.

(5) any political committee sponsored or controlled by the contractor.

EmPAC

Contractor address:  
50 Beale Street, San Francisco CA 94105

Date that contract was approved:  
**June 11, 2015 by the Health Service Board**

Amount of contract: (Estimated for CY 2016)  
\$336,750,951

Describe the nature of the contract that was approved:

Medical Coverage: Blue Shield Flex Funded HMO for Actives and Early Retirees, and MAPD/COB for Retirees.

Comments:

\*The amount of this contract is based on the most recent actuarial information and will change due to employee resignations, new hires, terminations and other attrition factors, as well as member selections at the time of qualifying events.

This contract was approved by (check applicable):

the City elective officer(s) identified on this form \_\_\_\_\_

a board on which the City elective officer(s) serves \_\_\_\_\_

Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

\_\_\_\_\_

Print Name of Board

**Filer Information** (Please print clearly.)

Name of filer:

Contact telephone number:

Address:

E-mail:

\_\_\_\_\_  
Signature of City Elective Officer (if submitted by City elective officer)

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

\_\_\_\_\_  
Date Signed