



1 [Health Service System Plans and Contribution Rates - Calendar Year 2018]

2  
3 **Ordinance approving Health Service System plans and contribution rates for calendar**  
4 **year 2018.**

5 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.  
6 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
7 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
8 **Board amendment additions** are in double-underlined Arial font.  
9 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
10 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
11 subsections or parts of tables.

12 Be it ordained by the People of the City and County of San Francisco:

13 Section 1. Background and Findings.

14 (a) Under Charter Section A8.423, the Health Service Board ("HSB") is required to  
15 conduct a survey of the ten counties in the State of California, other than the City and County  
16 of San Francisco, having the largest populations to determine the "average contribution" made  
17 by each such county toward the providing of health care plans, exclusive of dental or optical  
18 care, for each employee of such county. Under Charter Section A8.428(b)(2), the HSB is then  
19 required to certify to the Board of Supervisors "the average contribution" as determined by the  
20 survey as a component of the employer contribution rate.

21 (b) At its meeting of March 9, 2017, based on the Health Service System's survey of  
22 the ten most populous counties in California other than San Francisco (Los Angeles, San  
23 Diego, Orange, Riverside, San Bernardino, Santa Clara, Alameda, Sacramento, Contra  
24 Costa, and Fresno), a copy of which is on file with the Clerk of the Board of Supervisors in File  
25 No. 170762, the HSB determined that "the average contribution" made by the counties  
surveyed for the 2018 calendar plan year is \$649.17.

1 (c) At its meetings of May 11 and June 8, 2017, the HSB adopted health insurance  
2 plans and contribution rates for Health Service System plans to become effective on January  
3 1, 2018, for the calendar plan year January 1, 2018 through December 31, 2018. Said plans  
4 and contribution rates are on file with Clerk of the Board of Supervisors in Board File No.  
5 170762, and are incorporated herein by reference. The Health Insurance Plans are expected  
6 to exceed 10 million dollars in expenditures. Accordingly, Charter Section 9.118(b) requires  
7 Board of Supervisors approval.

8 Section 2. The Board of Supervisors hereby approves the health insurance plans and  
9 contribution rates adopted by the HSB on May 11 and June 8, 2017, as referenced in  
10 subsection (c) of Section 1 of this ordinance.

11 Section 3. As referenced in subsection (b) of Section 1 of this ordinance, "the average  
12 contribution" under Charter Section A8.423, which shall constitute the monthly amount  
13 contributed by participating employers to the Health Service Trust Fund for the calendar plan  
14 year January 1, 2018 through December 31, 2018, under Charter Section A8.428(b)(2), is  
15 \$649.17.

16 Section 4. Effective Date. This ordinance shall become effective 30 days after  
17 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
18 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
19 of Supervisors overrides the Mayor's veto of the ordinance.

20  
21 APPROVED AS TO FORM:  
22 DENNIS J. HERRERA, City Attorney

23 By: Erik A. Rapoport  
24 ERIK A. RAPOPOT  
Deputy City Attorney

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**CITY AND COUNTY OF SAN FRANCISCO  
BOARD OF SUPERVISORS  
BUDGET AND LEGISLATIVE ANALYST**

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June 22, 2017

**TO:** Budget and Finance Sub-Committee  
**FROM:** Budget and Legislative Analyst   
**SUBJECT:** June 29, 2017 Budget and Finance Sub-Committee Meeting

**TABLE OF CONTENTS**

<b>Item</b>	<b>File</b>	<b>Page</b>
3	17-0762	Health Service System Plans and Contribution Rates – Calendar Year 2018 ..... 1

<p><b>Item 3</b> <b>File 17-0762</b></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 would approve the Health Service System’s health, vision, and dental plans and contribution rates for calendar year 2018.</li> </ul>	
<p style="text-align: center;"><b>Key Points</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 these counties. Based on this survey, the average 2018 contribution is \$649.17 per member per month, which is \$44.33 or 7.3 percent more than the 10-county average monthly contribution of \$604.84 in 2017.</li> <li>Effective January 1, 2015, collective bargaining agreements eliminated the 10-county average survey as the method for calculating monthly premiums for active employees. Instead, the City and most unions elected to use a percentage-based employee premium contribution models. The 10-county survey is still used to calculate retiree premiums.</li> <li>The total 2018 monthly health premiums for active employees-only coverage is proposed to be (a) \$884.46 for the City Plan, a 10.2 percent increase from 2017, (b) \$613.53 for Kaiser, a 5.3 percent increase from 2017, (c) \$790.06 for Access+ Blue Shield, a 5.0 percent increase from 2017, and (d) \$708.05 for Blue Shield Trio, a new plan.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>The total estimated City, employee, and retiree costs for health, vision, and dental plans, as well as long-term disability and life insurance plans, is \$729,338,459 in 2018, which is a \$23,173,308 or 3.3 percent increase from \$706,165,151 in 2017.</li> <li>Regarding just the City’s estimated costs, the total for the health, vision, and dental plans, and long-term disability and life insurance plans in 2018 is \$650,457,560, which is a \$22,295,130 or 3.6 percent increase from \$628,162,430 in 2017.</li> <li>The balance of \$78,880,900 (\$729,338,459 total 2018 costs less \$650,457,560 City 2018 costs) is paid by employees and retirees.</li> <li>Health premium contributions in 2018 are based on cost-sharing agreements that were negotiated between the City and various labor unions which became effective on January 1, 2015. Under these cost-sharing agreements, with the exception of Kaiser, the City pays more than under the 10-county survey average amount of \$649.17.</li> </ul>	
<p style="text-align: center;"><b>Recommendation</b></p>	
<ul style="list-style-type: none"> <li>Approve the proposed ordinance.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section A8.423 states that the Health Service Board is required to conduct a survey of the ten most populous California counties, excluding San Francisco, to determine the average contribution made by each county toward health plan premiums for employees, excluding dental or optical plan premiums. The Health Service Board is then required to certify to the Board of Supervisors the average contribution as determined by this survey. City Charter Section A8.428 also requires the City to contribute to the Health Service System Trust Fund to pay the costs of health plan premiums.

**BACKGROUND**

The Health Service Board oversees the Health Service System (HSS). The HSS administers non-pension benefits, including health, vision, dental and other benefits; such as life and long-term disability insurance. The Health Service Board adopts the annual health, vision, dental and other insurance plans, and the respective plan premiums and premium equivalents to be paid by HSS 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.

**City and Employee Contribution Models**

Effective January 1, 2015, in accordance with most Memorandum of Understanding (MOUs) between the City and respective labor unions, the 10-county survey average was eliminated as the method for calculating employer contributions to the monthly health plan premiums for active employees. Instead, the City and most labor unions elected to use one of the following three percentage-based employee premium contribution models.

- Under the '93/93/83 Contribution Model', the City contributes up to 93 percent of the monthly premium for employee-only and employee plus one dependent coverage, capped at 93 percent of the second-highest cost plan. The City also contributes up to 83

percent of the monthly premium for employees with two or more dependents, capped at 83 percent of the second-highest cost plan.

- Under the '100/96/83 Contribution Model', the City contributes 100 percent of monthly premiums for employee-only coverage. The City contributes up to 96 percent of the monthly premiums for employees with one dependent, capped at 96 percent of the second-highest cost plan. The City also contributes up to 83 percent of the monthly premium for employees with two or more dependents, capped at 83 percent of the second-highest cost plan.
- Under the '90/10 Contribution Model', the City contributes 90 percent of the monthly premium, capped at the second highest cost plan, provided that the City's premium contribution cannot fall below the lesser of the 10-county average survey. The calculation of the employee contribution for employee plus one or more dependents is determined by the specific MOUs.

#### **10-County Survey Average**

The 10-county survey average is still used as a basis for calculating the employer contribution to the monthly health plan premium for all retirees. Based on the survey, the 10-county average employer contribution for calendar year 2018 is \$649.17 per member per month. The \$649.17 per member per month is \$44.33 or 7.3 percent more than the 10-county average monthly contribution of \$604.84 in 2017.

#### **Health Service System Trust Fund**

Under Charter Section A8.428, employer and HSS member contributions to health plan premiums are deposited in the Health Service System Trust Fund. As of June 30, 2016, the Health Service System Trust Fund balance was \$68,603,198.

### **DETAILS OF PROPOSED LEGISLATION**

The proposed ordinance would approve the Health Service System's health, vision, and dental plans as well as life insurance and long-term disability insurance plans and contribution rates for calendar year 2018.

On June 8 2017, the Health Service Board approved the following health, vision, dental, life and long-term disability insurance plans and premiums for the period from January 1, 2018 through December 31, 2018.

**Health Plans**Kaiser Permanente HMO<sup>1</sup>

There is one benefit change for the Kaiser HMO plan in 2018. The Health Service Board approved an additional cycle of In vitro fertilization (IVF) / gamete intrafallopian transfer (GIFT) / zygote intrafallopian transfer (ZIFT) coverage. The benefit is limited to two treatment cycles from one of the procedures and includes cryopreservation and storage of embryos for up to 12 months.

Additionally, Kaiser Permanente presented the Health Service Board with a set of regional premiums for early retirees and Medicare retirees in Oregon, Washington, and Hawaii. These plans give retirees living in these states an additional option to the current UnitedHealthcare plan options.

Blue Shield California HMOs

In addition to the Access+ Blue Shield of California plan that was offered in 2017, HSS will also offer members the Blue Shield of California Trio plan in 2018. The Trio plan will include identical benefits to the Access+ plan, but with a smaller network (and thus lower premiums).

The Health Service Board also approved an additional cycle of in vitro fertilization (IVF) / gamete intrafallopian transfer (GIFT) / zygote intrafallopian transfer (ZIFT) coverage for both Blue Shield plans. The benefit is limited to two treatment cycles from one of the procedures and includes cryopreservation and storage of embryos for up to 12 months and other assisted reproductive technologies.

City Health Plan PPO<sup>2</sup>

The City Health Plan is a self-funded plan administered by UnitedHealthcare (UHC). The Health Service Board adopted one plan design change for the City Plan for active and early retirees in 2018: an additional cycle of in vitro fertilization (IVF) / gamete intrafallopian transfer (GIFT) / zygote intrafallopian transfer (ZIFT) coverage and other assisted reproductive technologies, limited to two treatment cycles from one of the procedures and includes cryopreservation and storage of embryos for up to 12 months and other assisted reproductive technologies..

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<sup>1</sup> A HMO (Health Maintenance Organization) offers care through a closed panel of providers, in which members select a primary care physician, who manages their care. The HMOs pay the medical groups on a per capita basis.

<sup>2</sup> Under a PPO (Preferred Provider Organization), physicians, hospitals, and other providers are in network and paid by the purchaser (through a third party administrator) on a fee for service basis based on negotiated contracts.

UnitedHealthcare Medicare Advantage PPO

The UHC Medicare Advantage PPO Plan, previously known as the "New City Plan", covers all Non-Kaiser Medicare eligible retirees. No plan design changes were adopted by the Health Service Board for 2018.

**Health Plan Premiums**Kaiser Permanente Premiums in 2018

The Kaiser Permanente premium rates will increase by 5.9 percent for active, early retiree and Medicare retirees in plan year 2018.

Blue Shield Premiums in 2018

The Blue Shield HMO plan is a flex-funded plan for active and non-Medicare retiree members.<sup>3</sup> Premium rates for Blue Shield of California will decrease 0.4 percent in 2018 due to claims experience and the addition of the Trio plan.

City Plan Premiums in 2018

The City Plan is a self-funded plan in which overall monthly premiums are set based upon projected claims experience. The City Plan monthly premiums will result in overall increases of 13.2 percent, which includes active employees, non-Medicare retirees and the New City Plan. The Health Services Board approved a one-time buy-down of \$4.53 million applied to active employees and non-Medicare retiree premiums to reduce their monthly rates and include administrative fee increase of 2.6 percent from 2017 to 2018. The New City Plan premium for a single Medicare retiree is 16.2 percent higher than the 2017 premium and 0.3 percent lower than the 2018 Kaiser Medicare rates.

Vision Plan

Members enrolled in one of the health plans receive vision benefits through Vision Service Plan (VSP), a third party insurer and a fully-funded plan. The cost of the vision plan is included in the cost of the medical plan for all monthly health plan premiums. VSP rates in 2018 are unchanged from the 2017 rates and are guaranteed through 2019. A new "buy-up" vision option will be offered in 2018 for active employees and retirees. This plan will be an additional choice and will

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<sup>3</sup> The Health Services Board adopted the flex-funded plan in 2012. The flex-funded plan differs from the fully-insured plan in that (1) under the fully insured plan, Blue Shield pays all covered claims, while (2) under the flex-funded plan HSS is responsible for paying both the per capita rate and the hospital claim costs. Blue Shield acts as a third party administrator negotiating capitation rates and hospital rates. If the claims experience exceeds 125% of premiums, Blue Shield pays the balance.

be provided such that active employees and early retirees pay the full cost difference between the current and new buy-up plan.

#### Dental Plans

The Health Service System offers three dental plans, including one PPO (Delta Dental PPO) and two HMOs (Delta Care USA and UnitedHealthcare Dental). The Delta Dental PPO plan for retirees will increase the annual plan maximum benefit from \$1,000 per member per year to \$1,250 per member per year. There are no plan changes in the other two dental plans. The City contributes part of the monthly premium for active employees. The City does not contribute to the monthly dental premium for retired employees.

- Premiums for the self-funded Delta Dental PPO plan for active employees will decrease by 2.3 percent in 2018. Premiums for Delta Dental PPO for retirees will increase by 7 percent.

#### Life and Long-Term Disability (LTD) Insurance

The Health Service System will continue its contract with Aetna Life Insurance Company to provide life and long-term disability insurance in 2018. Basic life insurance (employer paid) premiums remain unchanged and are guaranteed through December 31, 2019. Premiums for long-term disability plans will remain unchanged from the 2017 rates and are guaranteed through 2019.

#### Second Opinion Benefit

The medical second opinion benefit added in 2017 will continue in 2018 at a cost of \$1.40 per member per month. The benefit enables covered members and dependents to contact a second opinion vendor, Best Doctors, an organization that has nationally renowned experts with extensive and specific medical expertise. This second opinion benefit should ensure that diagnosis and treatment plans are appropriate, cost-effective and least invasive based on clinical evidence.

#### **Federal Affordable Care Act Requirements**

According to the City's actuarial consultant, Aon Hewitt's June 19, 2017 memorandum to the Board of Supervisors, the Affordable Care Act imposes one direct fee and one tax on health plans.

- The Patient Centered Outcomes Research Institute Fee (PCORI) is a per enrollee per year fee assessed to health plans to fund health care research. This fee is \$2.34 and is included in the projected 2018 premiums.

- The Transitional Reinsurance Fee (TRF) subsidizes reinsurance in the individual market, to lower the cost of health insurance for higher-risk individuals. This fee was eliminated in 2017, such that no costs are assumed for 2018.
- The Health Insurance Tax (HIT) is applied to all fully insured or flex-funded plans, including vision and dental plans offered by HSS. There was a one-year moratorium on this fee for plan year 2017. The fee is reinstated for 2018 and the cost is incorporated in the 2018 rates.

## FISCAL IMPACT

### Stabilization Reserve

HSS sets aside a portion of the Health Service System Trust Fund balance to stabilize the self-funded City Plan. The City Plan had a revenue surplus of \$700,000 in 2016 that was deposited into the Stabilization Reserve, for a \$4,530,000 balance.

For 2018, based on Aon Hewitt's recommendations, the Health Service Board, in accordance with the Health Service Board's Self-Fund Plans' Stabilization Policy, allocated one-third of the \$4,530,000 balance or \$1,510,000 to reduce active and early retiree City Plan member premiums. An additional one-time buy-down of \$3,020,000 was approved by the Health Service Board to further reduce City Plan active employees' premiums. These 2018 transfers will result in a full utilization of the remaining balance in the Stabilization Reserve.

### 2018 Total City Costs

As shown in Table 1 below, the total estimated City and member costs for health, vision, and dental plans, as well as long-term disability and life insurance, is \$729,338,459 in 2018, which is a \$23,173,308 or 3.28 percent increase from \$706,165,151 in 2017. The total estimated costs for the health, vision, and dental plans, as well as long-term disability and life insurance, for the City in 2018 is \$650,457,560 which is a \$22,295,130 or 3.55 percent increase from \$628,162,430 in 2017.





**Table 1: Total Plan Costs for the City, Employees and Retirees in 2018 Compared to 2017**

	2017	2018	Increase / (Decrease)	Percent
<b>City Costs Only</b>				
Kaiser HMO	\$271,056,971	\$287,121,182	\$16,064,211	5.93%
Blue Shield HMO	\$244,263,396	\$243,912,370	(\$351,026)	-0.14%
City Plan	\$60,128,051	\$67,517,914	\$7,389,864	12.29%
Subtotal Health and Vision Plan	\$575,448,418	\$598,551,466	\$23,103,048	4.01%
Dental	\$44,904,012	\$43,806,094	(\$1,097,918)	-2.45%
Long Term Disability and Life Insurance	\$7,810,000	\$8,100,000	\$290,000	3.71%
<b>Total City Costs</b>	<b>\$628,162,430</b>	<b>\$650,457,560</b>	<b>\$22,295,130</b>	<b>3.55%</b>
<b>Employee and Retiree Costs Only</b>				
Kaiser HMO	\$33,102,614	\$35,096,654	\$1,994,040	6.02%
Blue Shield HMO	\$30,426,448	\$29,613,639	(\$812,809)	-2.67%
City Plan	\$8,300,940	\$9,927,887	\$1,626,947	19.60%
Subtotal Health and Vision Plan	\$71,830,002	\$74,638,180	\$2,808,178	3.91%
Dental	\$3,672,720	\$3,672,720	\$0	0.00%
Long Term Disability and Life Insurance	\$2,500,000	\$570,000	(\$1,930,000)	-77.20%
<b>Total Employee and Retiree Costs</b>	<b>\$78,002,722</b>	<b>\$78,880,900</b>	<b>\$878,178</b>	<b>1.13%</b>
<b>Total Costs</b>				
Kaiser HMO	\$304,159,585	\$322,217,836	\$18,058,251	5.94%
Blue Shield HMO	\$274,689,844	\$273,526,008	(\$1,163,836)	-0.42%
City Plan	\$68,428,990	\$77,445,801	\$9,016,811	13.18%
Subtotal Health and Vision Plans	\$647,278,419	\$673,189,645	\$25,911,226	4.00%
Dental	\$48,576,732	\$47,478,814	(\$1,097,918)	-2.26%
Long Term Disability and Life Insurance	\$10,310,000	\$8,670,000	(\$1,640,000)	-15.91%
<b>Total Costs</b>	<b>\$706,165,151</b>	<b>\$729,338,459</b>	<b>\$23,173,308</b>	<b>3.28%</b>

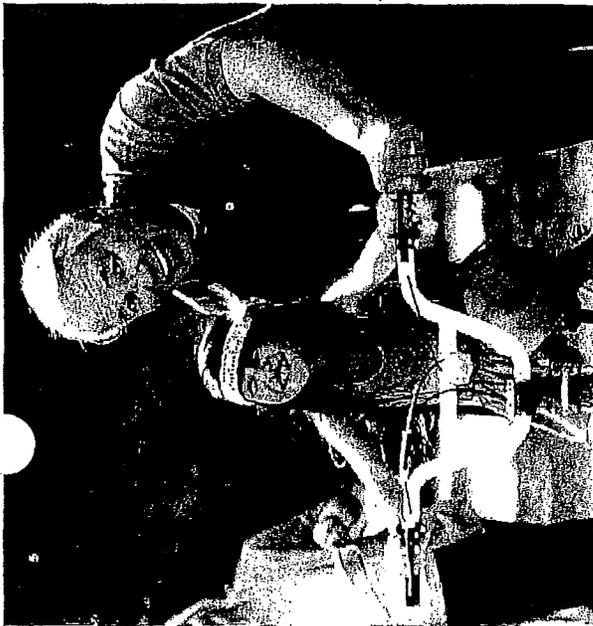
Source: Health Service System

The employer contribution amounts shown in Table 1 above are included in the FY 2017-18 and FY 2018-19 budgets currently pending before the Board of Supervisors.

The balance of \$78,880,900 (\$729,338,459 total 2018 costs less \$650,457,560 City 2018 costs) is paid by employees and retirees.

### RECOMMENDATION

Approve the proposed ordinance.



# 2017 10-COUNTY SURVEY

**SAN FRANCISCO**  
**HEALTH SERVICE SYSTEM**  
Affordable, Quality Benefits & Well-Being

# OVERVIEW

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## 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.

At the April 12, 2012 Health Service Board 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 major changes to the type of plan design data collected for the 2017 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.

## Results and Observations

The average monthly contribution of \$649.17 for plan year 2018 is 7.33% above \$604.84, the 10-County average for Plan year 2017. All counties had a change in contribution.

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

For the 2017 calendar year, the average employer premium contribution for Los Angeles County medical plans is \$655.10. Per the Calendar Year Change Rule, this \$655.10 is projected forward six months, using Los Angeles County's three year premium increase trend of 5.8%. This results in the average employer premium contribution calculated at \$673.99 for Los Angeles County. The March 2017 10-County Survey will be applied to Health Service System rate calculations for plan year 2018.

### **Methodology Assessment**

Historically, the 10-County methodology has been evaluated and prior year projections have been compared to actuals. For Calendar Year 2017, there are a few instances where there are significant differences between prior projections and actuals. This is driven by changes in premiums and employer contributions. The overall projected contributions are 4.4% less than actual contributions for 2017 (\$632.55 actual vs. \$604.84 estimated).

<b>Average of Employer Contributions</b>																
County	2007 2008	2008 2009	2009 2010	2010 2011	2011 2012	2012 Jul-Dec	2013	2014	2015	2016	2017 Calculated	2017 Actual	3 Yr Trend	Months of Trend	Trend Factor	2018 Calculated
1 Los Angeles	362.55	383.10	415.91	457.56	478.56	499.57	515.07	552.40	610.75	619.87	648.37	655.10	5.8%	6	1.03	673.99
2 San Diego	305.87	327.00	363.48	364.00	406.00	432.20	444.86	445.29	460.51	477.99	507.13	522.44	5.5%	6	1.03	536.54
3 Orange	387.92	338.64	372.44	383.75	434.41	485.10	506.94	544.46	567.79	525.51	517.98	525.87	-1.2%	6	0.99	522.83
4 Riverside	462.05	469.65	491.27	488.44	513.02	537.43	545.54	606.39	587.21	616.96	652.09	663.14	3.0%	6	1.02	673.10
5 San Bernardino*	313.73	368.67	377.35	397.51	399.70	398.98	398.98	413.51	420.92	421.18	417.04	431.56	1.4%	12	1.01	437.75
6 Santa Clara*	479.93	515.52	563.19	608.44	655.97	643.13	643.13	656.34	776.62	785.13	917.21	906.07	11.3%	12	1.11	1,008.88
7 Alameda	398.35	440.58	497.76	521.89	541.06	575.00	588.99	638.47	622.92	684.14	687.86	700.56	3.1%	6	1.02	711.48
8 Sacramento	480.54	480.76	516.78	561.35	637.98	667.02	696.00	714.53	535.31	549.40	574.78	622.48	-4.5%	6	0.98	608.34
9 Contra Costa	407.86	438.47	470.02	495.15	521.90	540.43	553.15	574.27	607.18	623.46	637.99	685.16	6.1%	6	1.03	705.62
10 Fresno	432.64	425.58	425.43	450.43	450.80	450.80	455.17	450.86	488.79	488.79	488.00	613.17	10.8%	6	1.00	613.17
<b>Average</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>559.65</b>	<b>567.80</b>	<b>579.24</b>	<b>604.84</b>	<b>632.55</b>	<b>4.2%</b>	<b>7.6</b>	<b>1.03</b>	<b>649.17</b>

<b>Increase Over Prior Year</b>													
County	2007 2008	2008 2009	2009 2010	2010 2011	2011 2012	2012 Jul-Dec	2013	2014	2015	2016	2017	2018	
1 Los Angeles	7.09%	5.67%	8.57%	10.01%	4.60%	4.39%	3.10%	7.25%	10.56%	1.49%	4.60%	3.95%	
2 San Diego	-15.85%	6.91%	11.16%	0.14%	11.50%	6.45%	2.93%	0.10%	3.42%	3.80%	6.10%	5.80%	
3 Orange	1.92%	-12.70%	9.98%	3.04%	13.20%	11.67%	4.50%	7.40%	4.28%	-7.45%	-1.43%	0.94%	
4 Riverside	18.01%	1.65%	4.60%	-0.57%	5.00%	4.76%	1.51%	11.15%	-3.16%	5.07%	5.69%	3.22%	
5 San Bernardino	4.67%	17.51%	2.35%	5.34%	0.60%	-0.18%	0.00%	3.64%	1.79%	0.06%	-0.98%	4.96%	
6 Santa Clara	9.45%	7.42%	9.25%	8.04%	7.80%	-1.96%	0.00%	2.05%	18.33%	1.10%	16.82%	10.00%	
7 Alameda	16.44%	10.60%	12.98%	4.85%	3.70%	6.27%	2.43%	8.40%	-2.44%	9.83%	0.54%	3.43%	
8 Sacramento	13.84%	0.05%	7.49%	8.62%	13.70%	4.55%	4.34%	2.66%	-25.08%	2.63%	4.62%	5.84%	
9 Contra Costa	11.20%	7.51%	7.20%	5.35%	5.40%	3.55%	2.35%	3.82%	5.73%	2.68%	2.33%	10.60%	
10 Fresno	10.92%	-1.63%	-0.03%	5.87%	0.10%	0.00%	0.97%	-0.95%	8.41%	0.00%	-0.16%	25.65%	
<b>Average</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>1.46%</b>	<b>2.02%</b>	<b>4.42%</b>	<b>7.33%</b>	

\*Plan years for these counties are not calendar year. Contributions shown for these counties are for the first 6 months of the calendar year and last 6 months of the previous year.

# 1. LOS ANGELES COUNTY

Los Angeles County				Population: 10,170,000		
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
Kaiser Choices HMO - County Sponsored	661.86	674.22	1.9%	661.86	674.22	1.9%
CIGNA Choices HMO - County Sponsored	747.89	807.05	7.9%	747.89	807.05	7.9%
CIGNA Choices POS - County Sponsored	1,345.81	1,452.17	7.9%	860.72	912.37	6.0%
Blue Cross Prudent Buyer Basic- ALADS	968.94	1,020.59	5.3%	860.72	912.37	6.0%
Blue Cross CaliforniaCare Basic- ALADS	656.05	695.14	6.0%	656.05	695.14	6.0%
Blue Cross Prudent Buyer Premier- ALADS	1,092.90	1,144.55	4.7%	860.72	912.37	6.0%
Blue Cross CaliforniaCare Premier - ALADS	780.01	819.10	5.0%	780.01	819.10	5.0%
Blue Shield Classic CAPE	878.00	912.00	3.9%	860.72	912.00	6.0%
Blue Shield Lite CAPE	536.00	555.00	3.5%	536.00	555.00	3.5%
Local 1014 Plan - Fire Fighters	758.00	792.00	4.5%	758.00	792.00	4.5%
Kaiser Options - SEIU	623.40	634.33	1.8%	623.40	634.33	1.8%
Kaiser HMO - Unrepresented	272.00	272.00	0.0%	272.00	272.00	0.0%
Blue Cross CaliforniaCare HMO - Unrepresented	272.00	272.00	0.0%	272.00	272.00	0.0%
Blue Cross Plus POS - Unrepresented	411.00	411.00	0.0%	411.00	411.00	0.0%
Blue Cross Catastrophic - Unrepresented	93.00	93.00	0.0%	93.00	93.00	0.0%
Blue Cross Prudent Buyer PPO - Unrepresented	526.00	526.00	0.0%	526.00	526.00	0.0%
UnitedHealthcare Options HMO - SEIU	660.44	692.40	4.8%	660.44	692.40	4.8%
UnitedHealthcare Options PPO - SEIU	2,085.86	2,585.11	23.9%	852.60	899.49	5.5%
<b>AVERAGE</b>	<b>742.73</b>	<b>797.65</b>	<b>7.4%</b>	<b>627.40</b>	<b>655.10</b>	<b>4.4%</b>

1626

**Los Angeles County: Medical Plan Design Summary**

<b>Blue Shield Lite</b>	<b>HMO</b>	<b>In</b>	<b>Out</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>	<b>HMO</b>	<b>In</b>	<b>Out</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>	<b>HMO</b>		
Deductible	None		
Physicians Services	\$10 Copay		
Emergency Room	\$50 Copay		
Rx	\$5/\$20		
Hospital	No Charge		
<b>UnitedHealthcare</b>		<b>PPO - In</b>	<b>PPO - Out</b>
Deductible		\$300/\$1,500	\$1,500/\$3,000
Physicians Services		20% Copay	50% Copay After Ded
Emergency Room		20% Copay After Ded	50% Copay After Ded
Rx		\$5/\$20/\$35	Not Covered
Hospital		20% Copay After Ded	50% Copay After Ded
<b>Kaiser</b>	<b>Options HMO</b>	<b>Choices HMO</b>	<b>Unrep HMO</b>
Deductible	None	None	None
Physicians Services	\$10 Copay	\$10 Copay	\$15 Copay
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay
Rx	\$5/\$20	\$5/\$20	\$10/\$20
Hospital	No Charge	No Charge	No Charge

1627

**Los Angeles County: Medical Plan Design Summary**

<b>CIGNA</b>	<b>HMO</b>	<b>POS - In</b>	<b>POS - Out</b>
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	\$10 Copay	\$15 Copay	
Emergency Room	\$25 Copay	\$50 Copay	
Rx	\$5/\$15	\$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 After Ded
<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 After Ded		
Rx	\$200 Ded Then 75/25 After Ded		
Hospital	75/25 After Ded +\$500/Admit		

1628

<b>Los Angeles County: Medical Plan Design Summary</b>				
<b>Blue Cross Prudent Buyer PPO</b>	<b>ALADS - In</b>	<b>ALADS - Out</b>	<b>Unrep - In</b>	<b>Unrep - Out</b>
Deductible	\$300/\$900	\$300/\$900	\$150/\$400	\$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 After Ded	\$50 Copay Then 90/10 After Ded
Rx	\$5/\$15	\$5/\$15+50%	\$10/\$20	\$10/\$20
Hospital	90/10 After Ded	70/30 After Ded	90/10 After Ded	70/30 After Ded + \$500/Admit

1629

## 2. SAN DIEGO COUNTY

San Diego County				Population: 3,300,000		
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
Kaiser HMO	459.96	490.08	6.5%	459.96	490.08	6.5%
Kaiser High Deductible	359.06	382.58	6.6%	359.06	382.58	6.6%
Anthem - Blue Cross PPO	1,106.74	1,178.34	6.5%	541.83	565.50	4.4%
Anthem - Blue Cross Select HMO	571.52	626.98	9.7%	541.83	565.50	4.4%
Anthem - Blue Cross Full Access HMO	1,332.54	1,461.38	9.7%	541.83	565.50	4.4%
Anthem - Blue Cross High Deductible	864.94	921.16	6.5%	541.83	565.50	4.4%
<b>AVERAGE</b>	<b>782.46</b>	<b>843.42</b>	<b>7.8%</b>	<b>497.72</b>	<b>522.44</b>	<b>5.0%</b>

### San Diego County: Medical Plan Design Summary

<b>Kaiser HMO</b>	<b>HMO</b>	
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>	<b>Out</b>
Deductible	\$300/\$600	\$600/\$1,200
Physicians Services	\$20 Copay	40% After Ded
Emergency Room	\$75 Copay then 20%	\$75 Copay then 20%
Rx	\$10/\$20/\$35	\$10/\$20/\$35
Hospital	\$150 Copay then 20%	\$300 Copay then 40%

1630

<b>San Diego County: Medical Plan Design Summary</b>		
<b>Anthem - Blue Cross HMO</b>	<b>Select HMO</b>	<b>Full Access HMO</b>
Deductible	None	None
Physicians Services	\$25 Copay	\$30 Copay
Emergency Room	\$125 Copay	\$125 Copay
Rx	\$10/\$20/\$35	\$10/\$20/\$35
Hospital	\$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%, 100% Over The Max.
Hospital	10% After Ded	30% After Ded

1631

# 3. ORANGE COUNTY

<b>Orange County</b>						<b>Population: 3,170,000</b>
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
Choice Wellwise PPO*	741.47	726.64	-2.0%	668.01	654.28	-2.1%
Choice Sharewell PPO*	296.59	290.66	-2.0%	365.62	359.69	-1.6%
CIGNA HMO Choice*	638.52	683.22	7.0%	574.67	614.90	7.0%
Kaiser HMO Choice*	508.05	527.31	3.8%	457.25	474.59	3.8%
<b>AVERAGE</b>	<b>546.16</b>	<b>556.96</b>	<b>2.0%</b>	<b>516.39</b>	<b>525.87</b>	<b>1.8%</b>

\* Orange County modified plan designs and contributions in 2015 plan year to address increasing healthcare costs and facilitate wellness participation. Current county contributions assume wellness participation.

<b>Orange County: Medical Plan Design Summary</b>		
	In	Out
<b>Wellwise PPO</b>		
Deductible	\$500/\$1,000	\$750/\$1,500
Physicians Services	90/10	70/30
Emergency Room	90/10	90/10
Rx	20%/25%/30%	Not Covered
Hospital	90/10	70/30
<b>Sharewell PPO</b>	In	Out
Deductible	\$5,000 Per Family	\$5,000 Per Family
Physicians Services	90/10	70/30
Emergency Room	90/10	70/30
Rx	80/20	80/20
Hospital	90/10	70/30
<b>CIGNA</b>	HMO	
Deductible	None	
Physicians Services	\$20 Copay	
Emergency Room	\$50 Copay	
Rx	\$10/\$30/\$50	
Hospital	\$100 Per Admit	
<b>Kaiser</b>	HMO	
Deductible	None	
Physicians Services	\$20 Copay	
Emergency Room	\$50 Copay	
Rx	\$10/\$30	
Hospital	\$100 Per Admit	

1632

# 4. RIVERSIDE COUNTY

Riverside County				Population: 2,361,000		
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
UHC HMO	670.90	707.56	5.5%	670.90	707.56	5.5%
Kaiser HMO	603.52	652.10	8.0%	603.52	652.10	8.0%
Exclusive Care EPO	497.08	534.02	7.4%	497.08	534.02	7.4%
UHC PPO	1,057.00	1,194.78	13.0%	805.44	856.33	6.3%
Blue Shield HMO - PERS	654.88	778.46	18.9%	654.88	778.46	18.9%
Kaiser HMO - PERS	605.06	599.54	-0.9%	605.06	599.54	-0.9%
PERSCare	761.50	802.24	5.3%	761.50	802.24	5.3%
PERS Choice	683.72	714.43	4.5%	683.72	714.43	4.5%
PORAC - PERS	699.00	699.00	0.0%	699.00	699.00	0.0%
Blue Shield HPN *	666.36	-	-	666.36	-	-
PERS Select	625.20	633.46	1.3%	625.20	633.46	1.3%
Anthem Select HMO	634.76	659.04	3.8%	634.76	659.04	3.8%
Anthem Traditional HMO	710.78	799.16	12.4%	710.78	799.16	12.4%
Health Net Salud y Mas	535.98	473.46	-11.7%	535.98	473.46	-11.7%
Health Net SmartCare	596.98	537.20	-10.0%	596.98	537.20	-10.0%
Sharp	561.34	614.46	9.5%	561.34	614.46	9.5%
UnitedHealthcare	494.00	549.76	11.3%	494.00	549.76	11.3%
<b>AVERAGE</b>	<b>650.47</b>	<b>684.29</b>	<b>5.2%</b>	<b>635.68</b>	<b>663.14</b>	<b>4.3%</b>

\* Discontinued in 2017

1633

**Riverside County Medical Plan Design Summary**

<b>UHC</b>	<b>HMO</b>	<b>PPO - In</b>	<b>PPO - Out</b>
Deductible	None	\$500/\$1,000	\$500/\$1,000
Physicians Services	\$15 Copay	\$20 Copay	40% After Ded
Emergency Room	\$100 Copay	\$50 Copay	\$50 Copay
Rx	\$10/\$25/\$50	\$5/\$15/\$45	\$5/\$15/\$45
Hospital	\$100 Copay	80/20 After ded	60/40 After ded
<b>Kaiser</b>	<b>HMO</b>		
Deductible	None		
Physicians Services	\$15 Copay		
Emergency Room	\$50 Copay		
Rx	\$10/\$25		
Hospital	\$100 Copay		
<b>Exclusive Care</b>	<b>EPO</b>		
Deductible	None		
Physicians Services	\$15 Copay		
Emergency Room	\$100 Copay		
Rx	\$10/\$25/\$50		
Hospital	\$100 Copay		

1634

# 5. SAN BERNARDINO COUNTY

<b>San Bernardino County</b>						<b>Population: 2,128,000</b>
Medical Plans	2015-16 Premium	2016-17 Premium	% +/-	2015-16 County Contribution	2016-17 County Contribution	% +/-
Kaiser HMO	575.62	583.59	1.4%	420.95	439.04	4.3%
Blue Shield Signature HMO	488.06	493.03	1.0%	390.90	414.77	6.1%
Blue Shield Needles PPO	1,022.04	1,032.53	1.0%	418.98	436.21	4.1%
Blue Shield PPO	905.69	914.96	1.0%	418.98	436.21	4.1%
<b>AVERAGE</b>	<b>747.85</b>	<b>756.03</b>	<b>1.1%</b>	<b>412.45</b>	<b>431.56</b>	<b>4.6%</b>

<b>San Bernardino County: Medical Plan Design Summary</b>		
Kaiser	HMO	
Deductible	None	
Physicians Services	\$10 Copay	
Emergency Room	\$50 Copay	
Rx	\$10/\$15	
Hospital	No Charge	
<b>Blue Shield Signature HMO</b>	<b>Tier 1 - HMO</b>	<b>Tier 2 - PPO</b>
Deductible	None	None
Physicians Services	\$10 Copay	\$30 Copay
Emergency Room	\$50 Copay	\$50 Copay
Rx	\$5/\$10/\$25	Not covered
Hospital	No Charge	Not covered
<b>Blue Shield PPO</b>	<b>PPO - In</b>	<b>PPO - Out</b>
Deductible	\$250/\$500	\$250/\$500
Physicians Services	\$10 Copay	70/30 After ded
Emergency Room	\$50 Copay plus 20% After Ded	\$50 Copay plus 20% After Ded
Rx	\$15/\$30/\$30	\$15/\$30/\$30 + 25% of billed amount
Hospital	80/20 After ded	70/30 After ded
<b>Blue Shield Needles PPO</b>	<b>PPO - In</b>	<b>PPO - Out</b>
Deductible	None	\$250/\$750
Physicians Services	\$10 Copay	70/30 After Ded
Emergency Room	\$50 Copay	\$50 Copay
Rx	\$10/\$15/\$15	\$10/\$15/\$15+25% of billed amount
Hospital	No charge	70/30 After Ded

1635

# 6. SANTA CLARA COUNTY

<b>Santa Clara County</b>				<b>Population: 1,918,000</b>		
Medical Plans	2015-16 Premium	2016-17 Premium	% +/-	2015-16 County Contribution	2016-17 County Contribution	% +/-
Kaiser HMO	679.08	709.41	4.5%	665.49	705.54	6.0%
Valley Health HMO	852.39	887.34	4.1%	783.25	867.62	10.8%
Health Net POS	1,091.03	1,196.87	9.7%	1,069.21	1,145.06	7.1%
<b>AVERAGE</b>	<b>874.16</b>	<b>931.20</b>	<b>6.5%</b>	<b>839.32</b>	<b>906.07</b>	<b>8.0%</b>

<b>Santa Clara County: Medical Plan Design Summary</b>			
<b>Kaiser</b>	<b>HMO</b>		
Deductible	None		
Physicians Services	\$10 Copay		
Emergency Room	\$35 Copay		
Rx	\$5/\$10		
Hospital	\$100 per admit		
<b>Valley Health</b>	<b>HMO</b>		
Deductible	None		
Physicians Services	No Charge		
Emergency Room	No Charge		
Rx	No Charge		
Hospital	No Charge		
<b>HealthNet POS</b>	<b>HMO</b>	<b>PPO</b>	<b>OUT</b>
Deductible	None	None	\$200/PMPY
Physicians Services	\$15 Copay	\$20 Copay	70/30
Emergency Room	\$50 Copay	\$75 Copay	70/30
Rx	\$5/\$15/\$30	\$5/\$15/\$30	\$5/\$15/\$30
Hospital	No Charge	90/10	70/30

1636

# 7. ALAMEDA COUNTY

Alameda County				Population: 1,638,000		
Medical Plans	2016-17 Premium	2017-18 Premium	% +/-	2016-17 County Contribution	2017-18 County Contribution	% +/-
UnitedHealthcare Premium HMO	982.06	982.06	0.0%	883.86	883.86	0.0%
Kaiser Premium HMO	641.06	693.78	8.2%	576.96	624.40	8.2%
Kaiser Standard HMO	595.92	644.82	8.2%	536.32	580.34	8.2%
UnitedHealthcare PPO	2,570.50	2,822.42	9.8%	576.96	624.40	8.2%
UnitedHealthcare Standard HMO	877.56	877.56	0.0%	789.80	789.80	0.0%
<b>AVERAGE</b>	<b>1,133.42</b>	<b>1,204.13</b>	<b>6.2%</b>	<b>672.78</b>	<b>700.56</b>	<b>4.1%</b>

Alameda County- Medical Plan Design Summary			
	PPO	Premium HMO	Standard HMO
United Healthcare			
Deductible	\$2,000/\$4,000	None	None
Physicians Services	\$25 Copay	\$15 Copay	\$40 Copay
Emergency Room	\$250 Copay	\$50 Copay	\$100 Copay
Rx	\$10/\$30/\$50	\$10/\$25/\$35	\$25/\$35/\$50
Hospital	\$500 Ded	No Charge	\$500 Copay
Kaiser			
	Premium HMO	Standard HMO	
Deductible	None	None	
Physicians Services	\$40 Copay	\$15 Copay	
Emergency Room	\$100 Copay	\$50 Copay	
Rx	\$15/\$30	\$15/\$15	
Hospital	\$500 Copay	No Charge	

1637

# 8. SACRAMENTO COUNTY

Sacramento County				Population: 1,501,000		
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
Western Health Adv. HMO	680.44	709.60	4.3%	680.44	709.60	4.3%
Sutter Health Plus HMO	654.60	693.12	5.9%	654.60	693.12	5.9%
Kaiser HMO 15	659.34	720.70	9.3%	659.34	720.70	9.3%
Western Health Adv. HDHP	520.00	539.80	3.8%	520.00	539.80	3.8%
Sutter Health Plus HDHP	510.08	508.52	-0.3%	510.08	508.52	-0.3%
Kaiser HDHP HMO	519.80	563.16	8.3%	519.80	563.16	8.3%
<b>AVERAGE</b>	<b>590.71</b>	<b>622.48</b>	<b>5.4%</b>	<b>590.71</b>	<b>622.48</b>	<b>5.4%</b>

## Sacramento County: Medical Plan Design Summary

Sutter Health Plus	HMO	HDHP - HMO
Deductible	None	\$1,300/\$2,600
Physicians Services	\$15 Copay	No Charge After Ded
Emergency Room	\$35 Copay	No Charge After Ded
Rx	\$10/\$20/\$35	\$10/\$20/\$35 After Ded
Hospital	No Charge	No Charge After Ded
Western Health Advantage	HMO	HDHP - HMO
Deductible	None	\$1,300/\$2,600
Physicians Services	\$15 Copay	No Charge After Ded
Emergency Room	\$35 Copay	No Charge After Ded
Rx	\$10/\$20/\$35	\$10/\$20/\$35 After Ded
Hospital	No Charge	No Charge After Ded
Kaiser	HMO	HDHP - HMO
Deductible	None	\$1,300/\$2,600
Physicians Services	\$15 Copay	No Charge After Ded
Emergency Room	\$35 Copay	No Charge After Ded
Rx	\$10/\$20	\$10/\$20/\$35 After Ded
Hospital	No Charge	No Charge After Ded

1638

# 9. CONTRA COSTA COUNTY

<b>Contra Costa County</b>				<b>Population: 1,127,000</b>		
<b>Medical Plans</b>	<b>2016 Premium</b>	<b>2017 Premium</b>	<b>% +/-</b>	<b>2016 County Contribution</b>	<b>2017 County Contribution</b>	<b>% +/-</b>
CCHP Plan A	683.07	745.96	9.2%	583.97	646.38	10.7%
CCHP Plan B	757.20	826.91	9.2%	614.89	720.85	17.2%
Health Net HMO Plan A	1,251.53	1,338.64	7.0%	796.62	909.46	14.2%
Health Net HMO Plan B	870.29	930.86	7.0%	669.94	730.70	9.1%
Health Net PPO Plan A	1,671.46	1,742.17	4.2%	751.80	1,045.55	39.1%
Health Net PPO Plan B	1,504.73	1,568.38	4.2%	660.12	1,011.35	53.2%
Kaiser HMO Plan A	784.62	751.39	-4.2%	546.15	519.74	-4.8%
Kaiser HMO Plan B	621.16	605.28	-2.6%	483.08	487.54	0.9%
Blue Shield HMO - PERS	1,016.18	1,024.85	0.9%	633.14	627.38	-0.9%
CCHP Plan A Alternate - PERS	837.46	914.51	9.2%	602.38	628.28	4.3%
Kaiser HMO - PERS	746.47	733.39	-1.8%	588.59	584.67	-0.7%
PERS Care	889.27	932.39	4.8%	614.67	622.11	1.2%
PERS Choice	798.36	830.30	4.0%	610.07	621.84	1.9%
PORAC - PERS	699.00	699.00	0.0%	593.33	589.23	-0.7%
PERS Select	730.07	736.27	0.8%	590.47	590.06	-0.1%
Blue Shield HMO NetValue - PERS	1,033.86	1,024.85	-0.9%	662.59	627.38	-5.3%
<b>AVERAGE</b>	<b>930.92</b>	<b>962.82</b>	<b>3.4%</b>	<b>625.11</b>	<b>685.16</b>	<b>9.6%</b>

1639

<b>Contra Costa County: Medical Plan Design Summary</b>					
<b>CCHP</b>	<b>PLAN A</b>	<b>PLAN B</b>			
Deductible	None	None			
Physicians Services	No Charge	\$5 Copay			
Emergency Room	No Charge	No Charge			
Rx	No Charge	\$3 Per Rx			
Hospital	No Charge	No Charge			
<b>HealthNet HMO</b>	<b>HMO</b>	<b>PLAN A - In</b>	<b>PLAN A - Out</b>	<b>PLAN B - In</b>	<b>PLAN B - OUT</b>
Deductible	None	\$250/\$750	\$250/\$750	\$500/\$1,500	\$500/\$1,500
Physicians Services	\$10/\$20 Copay	\$10 Copay	70/30	\$20 Copay	60/40
Emergency Room	\$25	\$50 + 10% co-ins	\$50 + 10% co-ins	80/20	60/40
Rx	\$10/\$20/\$35	\$5	\$5	\$10/\$20/\$35	\$10/\$20/\$35
Hospital	No Charge	90/10	70/30	80/20	60/40
<b>Kaiser</b>	<b>PLAN A</b>	<b>PLAN B</b>			
Deductible	None	\$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			

1640

# 10. FRESNO COUNTY

Fresno County				Population: 975,000		
Medical Plans	2016 Premium	2017 Premium	% +/-	2016 County Contribution	2017 County Contribution	% +/-
Kaiser \$15 HMO	703.51	814.27	15.7%	483.17	613.17	26.9%
Blue Cross HMO	736.72	847.48	15.0%	483.17	613.17	26.9%
Blue Cross PPO	948.14	1,057.50	11.5%	483.17	613.17	26.9%
Blue Cross PPO \$1000 *	-	799.51	-	-	613.17	-
Blue Cross HDPPO \$1500 *	-	729.98	-	-	613.17	-
Blue Cross HDPPO \$3000	544.93	616.24	13.1%	483.17	613.17	26.9%
<b>AVERAGE</b>	<b>733.32</b>	<b>810.83</b>	<b>10.6%</b>	<b>483.17</b>	<b>613.17</b>	<b>26.9%</b>

\* New plans in 2017

## 10. Fresno County: Medical Plan Design Summary

<b>Kaiser</b>	<b>HMO</b>	
Deductible	None	
Physicians Services	\$15 per visit	
Emergency Room	\$100 per visit	
Rx	\$10/\$20	
Hospital	No Charge	
<b>BLUE CROSS</b>	<b>HMO</b>	<b>PPO</b>
Deductible	None	\$250/\$500
Physicians Services	\$15 per visit	\$20 per visit
Emergency Room	\$100 per visit	\$100 deductible
Rx	\$10/\$20/\$35	\$10/\$20/\$35
Hospital	No Charge	No Charge
<b>BLUE CROSS</b>	<b>HDPPO - IN</b>	
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	

1641

# CALPERS

## 2017 CalPERS

	Kaiser	Blue Shield	Blue Shield	PERS Select		PERS Choice		PERS Care		Anthem	Health Net
	HMO	Access+	Net-Value	In	Out	In	Out	In	Out	Blue Cross EPO and HMO	EPO and HMO
Annual Deductible	N/A	N/A	N/A	\$500/\$1,000		\$500/\$1,000		\$500/\$1,000		N/A	N/A
Hospital (Inpatient)	No Charge	No Charge	No Charge	80%/20%	60%/40%	80%/20%	60%/40%	90%/10%	60%/40%	No Charge	No Charge
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		\$50 Copay Waived if Admitted	\$50 Copay Waived if Admitted
Office Visits	\$15 Copay	\$15 Copay	\$15 Copay	\$20 Copay	60%/40%	\$20 Copay	60%/40%	\$20 Copay	60%/40%	\$15 Copay	\$15 Copay
Urgent Care	\$15 Copay	\$15 Copay	\$15 Copay	\$20 Copay	60%/40%	\$20 Copay	60%/40%	\$20 Copay	60%/40%	\$15 Copay	\$15 Copay
Rx Retail	\$5/\$20	\$5/\$20/\$50	\$5/\$20/\$50	\$5/\$20/\$50		\$5/\$20/\$50		\$5/\$20/\$50		\$5/\$20/\$50	\$5/\$20/\$50
Rx Mail Order	\$10/\$40	\$10/\$40/\$100	\$10/\$40/\$100	\$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		50%/50%	50%/50%
Acupuncture	\$15 Copay Limit 20 Visits/Yr	\$15 Copay Limit 20 Visits/Yr	\$15 Copay Limit 20 Visits/Yr	\$15 Copay	60%/40%	\$15 Copay	60%/40%	\$15 Copay	60%/40%	\$15 Copay Limit 20 visits per year	\$15 Copay Limit 20 visits per year
Chiropractic	\$15 Copay Limit 20 Visits/Yr	\$15 Copay Limit 20 Visits/Yr	\$15 Copay Limit 20 Visits/Yr	\$15 Copay	60%/40%	\$15 Copay	60%/40%	\$15 Copay	60%/40%	\$15 Copay Limit 20 visits per year	\$15 Copay Limit 20 visits per year

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

1642

# SFHSS ACTIVE EMPLOYEE PLANS

2017 SFHSS Active Employee Plans			
	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% - In and Out
Ambulance Services	No Charge	\$50 Copay	85%/15% - In and Out
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	\$15 Copay up to a combined total of 30 chiropractic and acupuncture visits/Yr	\$15 Copay Limit 30 Visits/Yr	50%/50% Limit \$1,000 Max/Yr
Chiropractic	\$15 Copay up to a combined total of 30 chiropractic and acupuncture visits/Yr	\$15 Copay Limit 30 Visits/Yr	50%/50% Limit \$1,000 Max/Yr

1643

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



June 19, 2017

Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, California 94102

**RE: January 1, 2018 to December 31, 2018 Plan Benefits, Rates and Contribution**

Honorable Members of the Board of Supervisors:

This letter serves to document our position as the consultant and actuary to the San Francisco Health Service System (HSS) with regard to the completed rates and contribution setting process for the plan year from January 1, 2018 to December 31, 2018. This process was concluded on June 8, 2017 under the direction of the Rates and Benefits Committee (the Committee) of the Health Service Board (the HSB). This report will reference attached exhibits, as well as tables embedded in this letter.

In our opinion, the rates and contribution process was completed in a comprehensive manner. Specifically it is our professional opinion that:

- The fully funded premiums and administrative fees agree with HSS' vendors' final rates and represent a fair price given the services provided, and;
- The premium equivalents set for the HSS self-funded and flex-funded programs: City Plan (UnitedHealthcare or UHC), Delta Dental plan for active employees (Delta) and the Blue Shield of California flex-funded plan represent our best estimate of future expenditures based on the information available at the time these were developed. Existing Trust Fund assets are expected to be sufficient to protect the HSS Trust Fund against adverse claims experience.

#### Legislative Update

##### **The Patient Protection and Affordable Care Act (PPACA)**

In 2016 and 2017, additional provisions of Patient Protection and Affordable Care Act (PPACA) took effect. The Health Service System worked with all four employers served by the Trust: the City and County of San Francisco, the Superior Courts, San Francisco Community College District, and the San Francisco Unified School District (CCSF, CRT, CCD, and USD) to make sure all new requirements were implemented. Below you will find a brief explanation of the provisions that will have the greatest effect.

##### **PPACA Reporting Requirements**

Under PPACA, employers are required to provide reporting to both employees as well as the Internal Revenue Service (IRS). The purpose of the reporting is as follows:



- Establish that the plan sponsor complied with PPACA's employer mandate by making an offer of affordable, minimum value health care coverage to its full-time employees (PPACA defines a full-time employee as an employee who is employed, on average, at least 30 hours of service per week, or 130 hours of service in a calendar month.)
- Provide individuals with information on their employer-provided health care coverage so they can establish compliance with the individual mandate to purchase health care coverage
- Help the IRS determine whether individuals who have purchased coverage from a public exchange are entitled to a subsidy and
- Help the IRS determine applicable penalties for failure to comply with the individual mandate

Reporting is filed beginning with 2015 calendar year information on Forms 1094 and 1095. Reporting is due to the employee by January 31 following the close of the calendar year, e.g., 2016 information was due to employees by January 31, 2017. Since HSS represents more than 250 employees, electronic reporting is due to the IRS by March 31 following the close of the calendar year, e.g., 2016 information was due to the IRS by March 31, 2017. HSS successfully met this requirement for 2015 and 2016 by sending 51,000 IRS forms to employees and electronically reporting to the IRS.

#### PPACA Automatic Enrollment Requirement (deferred indefinitely)

PPACA requires that employers automatically enroll new full-time employees in one of the employer's health benefits plans (subject to any waiting period authorized by law). Further it is required that employees be given adequate notice and the opportunity to opt out of any coverage in which they were automatically enrolled. The Department of Labor stated that it has indefinitely postponed final guidance on automatic enrollment. While employers do not need to comply with this requirement until these final regulations are in effect

#### PPACA Legislative Fees

In the PPACA legislation one direct fee and one Health Insurance Tax were created that would apply to HSS in 2018 (the Transitional Reinsurance Fee ended after the 2016 plan year). This section of the law brings increased scrutiny and accompanying fines by three different federal agencies: Department of Labor (DOL), Health and Human Services (HHS), and Internal Revenue Service (IRS). Below, and continued onto the next page, please find a brief explanation of these fees:

- Health Insurance Tax (HIT): This tax impacts all fully funded or flex-funded plans including vision and dental plans that HSS offers. There was a one-year moratorium on this fee for plan year 2017. The fee is reinstated for 2018 and health insurance issuers are required to pay these fees for 2018. (See Table 1 a. and Table 1b.)
- Patient Centered Outcomes Research Institute (PCORI) Fee: Beginning in 2013, a \$2.00 charge per enrollee per year was assessed to all participants (actives, retirees without Medicare, and retirees with Medicare) in medical-only health plans. The fee was \$2.17 per enrollee per year in 2015, and \$2.26 per enrollee per year in 2016. The fee is projected at \$2.34 per enrollee in 2017



and \$2.44 per enrollee in 2018. (See Table 1 a. and Table 1 b.) This fee is expected to increase with inflation until 2019 when the fee will stop being assessed. The fee is collected by the Internal Revenue Service.

As was noted at the March 9, 2017 Health Service Board meeting, Blue Shield of California requested a review by the California Department of Managed Health Care (DMHC) as to the insured status of the flex-funded plan. The California DMHC determined that the Blue Shield of California flex-funded plan is not considered "insured" and thus the Health Insurance Tax would not apply to this plan. Because this tax was included in the 2017 premium equivalents, a one-time refund has been provided to the San Francisco Health Service System. Further, the Health Insurance Tax will not be collected on the flex-funded plan going forward and thus will not be included in future premium equivalent calculations.

Total expenditures for HSS (all four employers) on medical premiums/premium equivalents including dental are \$872.1. Of this total, the legislative fees and taxes are \$11.29 million or 1.29% of total expenditure. The following tables summarize the estimated aggregate cost of each of these legislative fees for 2017 for all four employers served by the Trust (Table 1 a) and CCSF only (Table 1b).

Table 1a						
2018 Legislative Fees (\$ millions) All Four Employers						
Fee	City Health Plan (UHC)	Kaiser	Blue Shield	Dental	VSP	Total
HIT	\$6.85	\$4.13	\$0.00	\$0.00	\$0.00	\$10.98
PCORI	\$0.05	\$0.18	\$0.08	N/A	N/A	\$0.31
<b>Total</b>	<b>\$6.90</b>	<b>\$4.31</b>	<b>\$0.08</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$11.29</b>

Table 1b						
2018 Legislative Fees (\$ millions) CCSF Only						
Fee	City Health Plan (UHC)	Kaiser	Blue Shield	Dental	VSP	Total
HIT	\$5.17	\$2.26	\$0.00	\$0.00	\$0.00	\$7.43
PCORI	\$0.03	\$0.09	\$0.05	N/A	N/A	\$0.17
<b>Total</b>	<b>\$5.20</b>	<b>\$2.35</b>	<b>\$0.05</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7.60</b>



**Contributions under the 10-County Survey**

According to the City Charter Section A8.428, the employer contribution towards medical benefits is determined by the results of a survey of the premium contributions (in terms of dollar amount) provided by the ten most populous counties in California, excluding San Francisco. In the June 2014 CCSF collective bargaining process, the 10-County Survey (Survey) was eliminated for the majority of the CCSF unions in the calculation of premium contributions for active employees in exchange for a percentage-based employee premium contribution. The Survey is still used as a basis for calculating all retiree premium contributions. For the 2018 plan year, the Survey, based on 2017 rates, determined that the average monthly contribution increased 7.33% from \$604.84 to \$649.17. Exhibit 1 presents the individual county responses from the Survey.

**Year-Over-Year Health Plan Cost Comparison for All Four Employers**

Annual aggregated costs for the three medical plans offered by HSS (City Plan (UHC), Kaiser Permanente, and Blue Shield of California) are shown in Table 2.

Table 2			
January 1, 2018 to December 31, 2018 Aggregate Medical Cost (\$ millions)			
	Aggregate Member Contributions (a)	Aggregate Employer Contributions (b)	Aggregate Plan Cost (a + b)
Current Rates	\$85.6	\$705.4	\$791.0
Final Renewal Rates	\$89.1	\$735.4	\$824.5
\$ Difference	\$3.5	\$30.0	\$33.5
% Difference	4.09%	4.25%	4.24%

The previous table illustrates an increase in aggregate plan costs totaling \$33.5 million, or 4.24%, for the three medical plans (including vision cost, Best Doctor's and HSS Healthcare Sustainability Fund expense) for the 2018 plan year. This increase in costs will be split 10.5%/89.5% between the members and employers with member contributions increasing \$3.5 million and employer contributions increasing \$30.0 million. These changes are based on current June 2017 enrollment.

**Current City and County (CCSF) Contribution Strategy**

Most negotiated contribution algorithms for CCSF covered employees fall into two models. The models reflect CCSF's percentage of the contribution; they are 1) 93/93/83 contribution model, and 2) 100/96/83 contribution model.

**1) 93/93/83 Contribution Model:**

- a) Employee Only: For single-covered employees (Employee Only) who enroll in any health plan offered through the Health Service System (HSS), CCSF shall contribute ninety-three percent



(93%) of the total health insurance premium/premium equivalent provided. However, CCSF's contribution shall be capped at ninety-three percent (93%) of the Employee Only premium/premium equivalent of the second-highest-cost plan.

- b) Employee Plus One: For employees with one dependent who elect to enroll in any health plan offered through HSS, CCSF shall contribute ninety-three percent (93%) of the total health insurance premium/premium equivalent provided. However, that CCSF's contribution shall be capped at ninety-three percent (93%) of the Employee Plus One premium/premium equivalent of the second-highest-cost plan.
- c) Employee Plus Two or More: For employees with two or more dependents who elect to enroll in any health plan offered through HSS, CCSF shall contribute eighty-three (83%) of the total health insurance premium/premium equivalent provided. However, that CCSF's contribution shall be capped at eighty-three percent (83%) of the Employee Plus Two or More premium/premium equivalent of the second-highest-cost plan.

2) 100/96/83 Contribution Model:

- a) Employee Only: For single-covered employees (Employee Only) who enroll in any health plan offered through HSS, CCSF shall contribute one hundred percent (100%) of the total health insurance premium/premium equivalent.
- b) Employee Plus One: For employees with one dependent who elect to enroll in any health plan offered through HSS, CCSF shall contribute ninety-six percent (96%) of the total health insurance premium/premium equivalent provided. However, that CCSF's contribution shall be capped at ninety-six percent (96%) of the Employee Plus One premium/premium equivalent of the second-highest-cost plan.
- c) Employee Plus Two or More: For employees with two or more dependents who elect to enroll in any health plan offered through HSS, CCSF shall contribute eighty-three (83%) of the total health insurance premium/premium equivalent provided. However, that CCSF's contribution shall be capped at eighty-three percent (83%) of the Employee Plus Two or More premium/premium equivalent of the second-highest-cost plan.

Since the majority of CCSF employees fall into the two contribution models, Aon produced two sets of rate cards, both approved by the HSB for plan year 2018. One rate card specified member contributions under the 93/93/83 model and the other rate card under the 100/96/83 model.

#### Rates, Contributions, and Benefits for HMOs for All Four Employers

In addition to the two HMO plans that were offered in 2017, HSS will offer a third HMO option to members for plan year 2018 for a total of three HMO options. Kaiser Permanente will continue to offer the same HMO option as 2017 while Blue Shield of California will offer the same HMO option as 2017 plus a new HMO option utilizing the Trio network. More information on the Trio plan will be provided below.



## Plan Design Changes for HMOs

Plan design changes were adopted by the Rates and Benefits Committee and the HSB as follows:

### Kaiser Permanente (Fully Funded) for All Four Employers

The final negotiated rate change for Kaiser Permanente active, early retiree, Medicare retirees is an overall increase of 5.98% for plan year 2018. This results in an overall estimated increase of \$23.3 million annually for all four employers based on June 2017 membership of which \$13.6 million is attributed to CCSF and \$9.7 million is attributed to the other employer groups (e.g., CRT, USD, and CCD).

The aggregate cost for Kaiser Permanente for the 2018 plan year is projected at \$412.5 million, with \$43.6 million in member contributions and \$368.9 million in employer contributions. Table 3 (page 12) provides an overview of annualized costs.

There is one benefit change for the California HMO plan. Beginning in 2018, for active employees and early retirees, the Health Service Board approved the addition of In vitro fertilization (IVF) / gamete intrafallopian transfer (GIFT) / zygote intrafallopian transfer (ZIFT) coverage. The benefit is limited to 2 treatment cycles from one of the procedures and includes cryopreservation and storage of embryos for up to 12 months.

The contribution models for the HMO active and retired members are summarized in exhibits 2a-2b.

Additionally, at the June 8, 2017 meeting Kaiser Permanente presented the Health Service Board with a set of multi-state regional premiums for early retirees and Medicare retirees for the Northwest (Oregon), Washington and Hawaii. These plans give retirees living within the Kaiser Permanente service area within these states an additional option to the current UnitedHealthcare plan options. The premiums were approved by the Health Service Board. The contribution models for the HMO retired members are summarized in exhibits 10a-10c.

### Blue Shield of California (Flex-funded) for All Four Employers

On January 1, 2013, the funding arrangement for actives and retirees without Medicare switched from fully funded to flex-funded. Claims experience for the current Access+ Blue Shield of California plan and the addition of the Trio plan (more information follows) led to a decrease of 0.41% for the premium equivalents for actives and early retirees for plan year 2018. The HSB adopted no plan design changes for the active and early retiree Access+ Blue Shield of California plan.

At the May 11, 2017 HSB meeting, the HSB adopted the proposal to implement the Blue Shield of California Trio plan for actives and early retirees for plan year 2018. This plan will be offered in addition to the current Blue Shield of California Access+ plan. Actives and early retirees will have a



choice to remain in his or her current Access+ plan or move to the new Trio plan. This plan will include identical benefits (e.g., copays, out-of-pocket maximum, etc.) to the Blue Shield of California Access+ plan. The network for Trio will be more limited than the Access+ plan. Significant exclusions from the Trio network are Sutter Health facilities and Sutter Health providers who are not in Brown & Toland. Because of this narrower network, the premiums, and thus employee contributions, are lower than the Access+ plan. The Trio network reflects an approximate 5.9% decrease when comparing 2018 Trio to 2017 Access+.

The aggregate cost for all four employers in the Blue Shield of California Access+ and Trio plans (assuming 50% elect the Trio plan) for the 2018 plan year is projected at \$314.5 million, with \$33.5 million in member contributions and \$281.0 million in employer contributions based on June 2017 membership. This results in an overall estimated decrease of \$1.3 million annually for all four employers based on June 2017 membership of which \$0.9 million of the decrease is attributed to CCSF and the remaining \$0.4 million is attributed to the other employer groups (e.g., CRT, USD, and CCD). Table 3 (page 12) provides an overview of annualized costs. The contribution models for the HMO active and early retiree members are summarized in exhibits 3a-3b for HMO Access+ and 3c-3d for Trio.

#### Rates, Contributions, and Benefits for the Self-Funded City Plan (UHC) and the Medicare Advantage PPO (UHC) for All Four Employers

The City Health Plan is a self-funded plan administered by UnitedHealthcare (UHC). The medical and pharmacy monthly premium equivalent costs were developed separately for actives and retirees without Medicare based on group-specific experience. Additionally, Aon provided a retrospective analysis of historical rates and experience to examine the actual cost trends evident in the City Plan's recent claims data. This analysis was considered in conjunction with overall industry and normative data to determine the premium equivalent levels for the 2018 plan year.

A major factor in the active and early retiree premium equivalent increase, for the 2018 calendar year is, the application of funds available in the claims stabilization fund. The following is a chronological outline of the final amounts of stabilization funds applied to the 2018 premium equivalents for actives and early retirees.

At the end of 2016, over \$0.7 million of underwriting gains were placed into the City Plan PPO Rate Stabilization Reserve per the Self-Funded Plans' Stabilization Policy. This gain increased the overall amount in the reserve to \$4.53 million as presented at the February 9, 2017 Health Service Board meeting. Per the Health Service Board's Self-Funded Plans' Stabilization Policy, one-third of the amount in the stabilization reserve (or \$1.51 million) would be spread across all membership categories (actives and early retirees) to lower the City Plan premium equivalents. At the June 8, 2017 Health Service Board meeting, the HSB voted to use the remaining reserve of \$3.02 million to lower the City Plan premium equivalents. This brings the total one-time buy-down to \$4.53 million.



The UHC administration fee increased 2.6% from 2017 to 2018.

No plan design changes were adopted by the Rates and Benefits Committee and the Health Service Board.

As of January 1, 2017 all Non-Kaiser Medicare eligible retirees were covered under the UnitedHealthcare fully funded Medicare Advantage PPO Plan. (This plan was previously branded as the "New City Plan". The UHC Medicare Advantage PPO is a fully insured program. In 2018, the premiums will increase 16.2%.

The aggregate cost for the City Health Plan's actives, early retirees and post-65 Medicare eligible retirees (Medicare Advantage PPO) 2018 plan year is projected at \$97.6 million, with \$12.0 million in member contributions and \$85.6 million in employer contributions. This results in an overall estimated increase of \$11.6 million annually for all four employers based on June 2017 enrollment; of which \$8.7 million is attributed to CCSF and \$2.9 million is attributed to the other employer groups (e.g., CRT, USD, and CCD). Table 3 (page 12) provides an overview of annualized costs.

Changes in employee and retiree contributions for City Plan (UHC) are summarized in Exhibits 4a and 4b.

#### Rates and Benefits for the Vision Plan for All Four Employers

Members enrolled in any medical plan offered by HSS also receive vision benefits through Vision Service Plan (VSP). The cost of the vision benefit is a component of the cost of the medical plan and has been included in the rate exhibits referenced above.

The vision plan is a fully funded plan. As of January 1, 2017, VSP vision plan premiums will decrease 2% from 2016 levels and are guaranteed through December 31, 2019. This will remain true for the current VSP vision plan. At the May 11, 2017 HSB meeting, the HSB approved the addition of a new "buy-up" vision option for actives and retirees. This plan will be an additional choice and will be provided such that actives and early retirees pay the full cost difference between the current and new buy-up plan.



Following is a summary of the key plan provision differences between the current or "Core" plan and the new "Buy-up" plan option:

Actives / Retirees		Current / Core Plan	Buy-Up
Copays		\$10 Exam / \$25 Materials	\$10 Exam / \$0 Materials
Exam Frequency		Every Calendar Year	Every Calendar Year
Lenses Frequency		Every Other Calendar Year	Every Calendar Year
Frames Frequency		Every Other Calendar Year	Every Calendar Year
Frame Allowance	(Non-Costco)	\$150	\$300
	(Costco)	\$80	\$165
Elective Contact Lens Allowance		\$130	\$250

Due to the additional administrative complexities of offering a vision choice, VSP will provide enrollment administration services to those employees and retirees wishing to elect the new Buy-up plan option. The cost of this service has been included in the premiums for the Buy-up plan and will not impact the premiums for those on the current or "Core" plan.

The aggregate cost for the VSP vision plan for the 2018 plan year is projected at \$5.0 million. This results in no change in overall cost for all four employers based on June 2017 enrollment. For the purposes of this report, no migration has been projected to the Buy-up plan as all additional costs from the Buy-up plan will be paid by employees/retirees. VSP vision plan costs for all four employers are summarized in Exhibit 5.

#### Rates, Contributions, and Benefits for Dental Plans for CCSF and All Retirees

Three dental plans are offered to active HSS members: Delta Dental PPO, Delta Care USA, and UnitedHealthcare Dental. The Delta Dental PPO plan is a dental PPO with a network of preferred providers while the other two plans are dental HMOs with a closed panel of providers. The City pays part of the cost of dental benefits for active CCSF employees while retirees pay the full cost of their dental benefits.

The Delta Dental PPO plan for active employees is self-funded and administered by Delta Dental of California. Future plan costs are projected based on the City employees' claim experience. Delta Dental's current fee for claim administration was guaranteed through December 31, 2018.



The aggregate premium equivalent for the self-funded Delta Dental PPO plan for active employees shows a 2.26% decrease for plan year 2018.

The Delta Dental PPO plan for retirees, Delta Care USA dental plans for active employees and retirees, and UnitedHealthcare dental plans for active employees and retirees are all fully funded. The fully funded premiums for the Delta Dental PPO plan for retirees received a seven percent (7%) premium increase from 2017 for the plan year 2018. This includes a plan change which increases the annual plan maximum benefit from \$1,000 per member per year to \$1,250 per member per year.

The fully funded premiums for the Delta Care USA dental plans for active employees and retirees are unchanged from the 2017 plan year premiums and a rate pass was extended through December 31, 2018. The fully funded premiums for the Pacific Union plans were given a rate pass through December 31, 2018.

For the 2018 plan year, the City will contribute the total premium towards each of the dental HMO plans for CCSF employees. For the self-funded Dental PPO plan, the City will contribute the monthly premium equivalent minus employee contributions of \$5.00, \$10.00, and \$15.00 for Employee Only, Employee plus One, and Employee plus Two or more respectively. The member contributions for Delta Dental PPO plan for retirees and Delta Care USA dental plans for actives and retirees, and UnitedHealthcare Dental plans for actives and retirees remain unchanged from the 2017 plan year. Pursuant to the Health Service Board's Self-Funded Plans' Stabilization Policy, a claims stabilization amount \$3.2 million has been applied for 2018.

Changes in dental cost for the Delta Dental PPO plan, Delta Care USA plan, and UnitedHealthcare Dental plans are summarized in Exhibit 6, 7, and 8 respectively.

The aggregate dental plan cost for actives for the 2018 plan year is projected at \$47.5 million with \$3.7 million in member contributions and \$43.8 million in employer contributions. This results in an overall estimated decrease of \$1.1 million annually for all four employers based on June 2017 enrollment. There is a slight decrease in cost to the City for dental care. Table 3 provides an overview of annualized costs.

#### Life and Long Term Disability (LTD) Insurance for CCSF Actives Only

Basic life insurance (employer paid) premiums remain unchanged and are guaranteed through December 31, 2019.

Long-term disability (employer and employee paid) premiums remain unchanged and are guaranteed through December 31, 2019.



The aggregate life and LTD plan cost for the 2018 plan year is projected at \$8.7 million, with \$0.6 million in member contributions and \$8.2 million in employer contributions. Annualized cost comparisons are summarized in Exhibit 9.

#### Medical Second Opinion Benefit for All Four Employers and All Retirees

The HSB on April 14, 2016 approved an additional benefit for medical second opinions at a rate of \$1.40 per member per month. For many complex and/or rare health diagnoses it is beneficial to obtain a second opinion from a nationally known expert with extensive experience and subspecialty expertise for the particular area. The review is to ensure that the diagnosis and treatment plan is appropriate and medical care is delivered in the most cost-effective and least invasive way based on clinical evidence. Members may call the second opinion vendor or they may be identified through claims analysis by the second opinion vendor.

At the May 11, 2017 HSB meeting, the HSB approved continuing the Best Doctor's service at the current fee of \$1.40 per member per month.

#### Summary of Projected 2017 Plan Year Costs

Table 3 is a summary of how projected 2018 aggregate HSS plan costs are distributed across the different plans that are available to active employees and retirees as compared to 2017. Costs are shown only for those plans where the employers subsidize the total premium/premium equivalent cost. The premium costs associated with the VSP vision care plan are included in the medical plans' costs.



<b>TABLE 3</b>					
<b>Distribution of Aggregate Plan Costs (\$Millions)</b>					
	<b>Aggregate Member Contributions (a)</b>	<b>Aggregate Employer Contributions (b)</b>	<b>Aggregate Plan Cost (a + b)</b>	<b>Member Contributions as a % of Aggregate Costs</b>	<b>Employer Contributions as a % of Aggregate Costs</b>
<b>Kaiser HMO **</b>	<b>\$43.6</b>	<b>\$368.9</b>	<b>\$412.5</b>	<b>10.57%</b>	<b>89.43%</b>
\$ Increase	\$2.5	\$20.8	\$23.3		
% Increase	6.05%	5.97%	5.98%		
<b>Blue Shield HMO **</b>	<b>\$33.5</b>	<b>\$281.0</b>	<b>\$314.5</b>	<b>10.66%</b>	<b>89.34%</b>
\$ Increase	-\$0.9	-\$0.4	-\$1.3		
% Increase	-2.67%	-0.15%	-0.42%		
<b>City Plan **</b>	<b>\$12.0</b>	<b>\$85.6</b>	<b>\$97.6</b>	<b>12.27%</b>	<b>87.73%</b>
\$ Increase	\$1.9	\$9.6	\$11.6		
% Increase	19.42%	12.71%	13.49%		
<b>Dental ***</b>	<b>\$3.7</b>	<b>\$43.8</b>	<b>\$47.5</b>	<b>7.74%</b>	<b>92.26%</b>
\$ Increase	\$0.0	-\$1.1	-\$1.1		
% Increase	0.00%	-2.45%	-2.26%		
<b>LTD</b>	<b>\$0.0</b>	<b>\$7.1</b>	<b>\$7.1</b>	<b>0.00%</b>	<b>100.00%</b>
\$ Increase	\$0.0	\$0.2	\$0.2		
% Increase	0.00%	2.62%	2.62%		
<b>Life</b>	<b>\$0.6</b>	<b>\$1.1</b>	<b>\$1.6</b>	<b>35.19%</b>	<b>64.81%</b>
\$ Increase	-\$1.9	\$0.1	-\$1.8		
% Increase	-77.20%	11.70%	-52.91%		
<b>Total</b>	<b>\$93.3</b>	<b>\$787.3</b>	<b>\$880.7</b>	<b>10.60%</b>	<b>89.40%</b>
\$ Increase	\$1.6	\$29.2	\$30.8		
% Increase	1.73%	3.85%	3.62%		

\* Figures vary due to rounding

\*\* Includes \$1.40 PEPM for Best Doctors a second opinion vendor that uses claims data to identify members for outreach

\*\*\* Dental costs are for active employees only, retirees and surviving spouses have not been included

This year's projected aggregate cost increase of 3.62% compares favorably with available benchmark information. The "2017 Health Care Trend Survey" published by Aon indicates medical and pharmacy cost increases in the range of 5% to 7%.



June 19, 2017  
Board of Supervisors  
City and County of San Francisco  
Page 13

Conclusion

Based on extensive evaluation and collaboration with HSS, Aon validates all of the findings presented within this report. Aon would be pleased to answer any questions or provide clarification about the information included in this letter to any interested parties.

Sincerely,

A handwritten signature in black ink, reading "Anil P Kochhar". The signature is written in a cursive, slightly slanted style.

Anil Kochhar, ASA, MAAA  
Vice President, Aon

cc: President and Members of the Health Service Board  
Mitchell Griggs, San Francisco Health Service System

# San Francisco Health Service System Board of Supervisors

10-County Survey Results  
Rates and Benefits Decisions  
Calendar Year 2018

June 19, 2017

Prepared by:  
Aon | Health & Benefits Consulting



# 10-County Survey Results

## Exhibit 1

Rank	County	CY 2017	CY 2018	% Change
1	Los Angeles	\$648.37	\$673.99	3.95%
2	San Diego	\$507.13	\$536.54	5.80%
3	Orange	\$517.98	\$522.83	0.94%
4	Riverside	\$652.09	\$673.10	3.22%
5	San Bernardino	\$417.04	\$437.75	4.97%
6	Santa Clara	\$917.21	\$1,008.88	9.99%
7	Alameda	\$687.86	\$711.48	3.43%
8	Sacramento	\$574.78	\$608.34	5.84%
9	Contra Costa	\$637.99	\$705.62	10.60%
10	Fresno	\$488.00	\$613.17	25.65%
<b>10-County Average</b>		<b>\$604.84</b>	<b>\$649.17</b>	<b>7.33%</b>

1658

# Kaiser Permanente HMO: Final Active / Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 2a — 93/93/83 Contribution Method \*

		Active			Early Retiree			MAPD			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$40.78	\$81.25	\$278.90	\$0.00	\$289.08	\$768.95	\$0.00	\$172.36	\$516.18	\$652.23
	Plan Year 2018	\$42.95	\$85.59	\$293.81	\$0.00	\$304.57	\$810.17	\$0.00	\$189.68	\$567.97	\$695.28
	\$ Increase	+\$2.17	+\$4.34	+\$14.91	+\$0.00	+\$15.49	+\$41.22	+\$0.00	+\$17.32	+\$51.79	+\$43.05
	% Increase	+5.32%	+5.34%	+5.35%	-	+5.36%	+5.36%	-	+10.05%	+10.03%	+6.60%
Employer Contributions	Plan Year 2017	\$541.76	\$1,079.45	\$1,361.67	\$1,167.51	\$1,456.59	\$1,456.59	\$349.11	\$521.48	\$521.48	\$521.48
	Plan Year 2018	\$570.58	\$1,137.09	\$1,434.46	\$1,229.20	\$1,533.78	\$1,533.78	\$383.74	\$573.42	\$573.42	\$573.42
	\$ Increase	+\$28.82	+\$57.64	+\$72.79	+\$61.69	+\$77.19	+\$77.19	+\$34.63	+\$51.94	+\$51.94	+\$51.94
	% Increase	+5.32%	+5.34%	+5.35%	+5.28%	+5.30%	+5.30%	+9.92%	+9.96%	+9.96%	+9.96%
Total Rate	Plan Year 2017	\$582.54	\$1,160.70	\$1,640.57	\$1,167.51	\$1,745.67	\$2,225.54	\$349.11	\$693.84	\$1,037.66	\$1,173.71
	Plan Year 2018	\$613.53	\$1,222.68	\$1,728.27	\$1,229.20	\$1,838.35	\$2,343.95	\$383.74	\$763.10	\$1,141.39	\$1,268.70
	\$ Increase	+\$30.99	+\$61.98	+\$87.70	+\$61.69	+\$92.68	+\$118.41	+\$34.63	+\$69.26	+\$103.73	+\$94.99
	% Increase	+5.32%	+5.34%	+5.35%	+5.28%	+5.31%	+5.32%	+9.92%	+9.98%	+10.00%	+8.09%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 19.

# Kaiser Permanente HMO: Final Active / Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 2b — 100/96/83 Contribution Method \*

1660

		Active			Early Retiree			MAPD			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$0.00	\$46.43	\$278.90	\$0.00	\$289.08	\$768.95	\$0.00	\$162.40	\$486.51	\$783.07
	Plan Year 2018	\$0.00	\$48.91	\$293.81	\$0.00	\$304.57	\$810.17	\$0.00	\$189.06	\$566.50	\$841.15
	\$ Increase	+\$0.00	+\$2.48	+\$14.91	+\$0.00	+\$15.49	+\$41.22	+\$0.00	+\$26.66	+\$79.99	+\$58.08
	% Increase	-	+5.34%	+5.35%	-	+5.36%	+5.36%	-	+16.42%	+16.44%	+7.42%
Employer Contributions	Plan Year 2017	\$582.54	\$1,114.27	\$1,361.67	\$1,167.51	\$1,456.59	\$1,456.59	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$613.53	\$1,173.77	\$1,434.46	\$1,229.20	\$1,533.78	\$1,533.78	\$382.51	\$571.58	\$571.58	\$571.58
	\$ Increase	+\$30.99	+\$59.50	+\$72.79	+\$61.69	+\$77.19	+\$77.19	+\$53.33	+\$80.00	+\$80.00	+\$80.00
	% Increase	+5.32%	+5.34%	+5.35%	+5.28%	+5.30%	+5.30%	+16.20%	+16.27%	+16.27%	+16.27%
Total Rate	Plan Year 2017	\$582.54	\$1,160.70	\$1,640.57	\$1,167.51	\$1,745.67	\$2,225.54	\$329.18	\$653.98	\$978.09	\$1,274.65
	Plan Year 2018	\$613.53	\$1,222.68	\$1,728.27	\$1,229.20	\$1,838.35	\$2,343.95	\$382.51	\$760.64	\$1,138.08	\$1,412.73
	\$ Increase	+\$30.99	+\$61.98	+\$87.70	+\$61.69	+\$92.68	+\$118.41	+\$53.33	+\$106.66	+\$159.99	+\$138.08
	% Increase	+5.32%	+5.34%	+5.35%	+5.28%	+5.31%	+5.32%	+16.20%	+16.31%	+16.36%	+10.83%

- \* **NOTE:**
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - **Additional footnotes are defined on page 20.**

# Blue Shield of California HMO: Final Active / Early Retiree/ Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 3a — 93/93/83 Contribution Method –HMO Access Plus\*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$52.66	\$105.01	\$360.53	\$73.70	\$462.50	\$1,083.17	\$0.00	\$162.40	\$486.51	\$783.07
	Plan Year 2018	\$55.30	\$110.30	\$378.73	\$70.44	\$478.92	\$1,131.01	\$0.00	\$189.06	\$566.50	\$841.15
	\$ Increase	+\$2.64	+\$5.29	+\$18.20	-\$3.26	+\$16.42	+\$47.84	+\$0.00	+\$26.66	+\$79.99	+\$58.08
	% Increase	+5.01%	+5.04%	+5.05%	-4.42%	+3.55%	+4.42%	-	+16.42%	+16.44%	+7.42%
Employer Contributions	Plan Year 2017	\$699.59	\$1,395.08	\$1,760.23	\$1,659.72	\$2,048.51	\$2,048.51	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$734.76	\$1,465.45	\$1,849.09	\$1,750.74	\$2,159.21	\$2,159.21	\$382.51	\$571.58	\$571.58	\$571.58
	\$ Increase	+\$35.17	+\$70.37	+\$88.86	+\$91.02	+\$110.70	+\$110.70	+\$53.33	+\$80.00	+\$80.00	+\$80.00
	% Increase	+5.03%	+5.04%	+5.05%	+5.48%	+5.40%	+5.40%	+16.20%	+16.27%	+16.27%	+16.27%
Total Rate	Plan Year 2017	\$752.25	\$1,500.09	\$2,120.76	\$1,733.42	\$2,511.01	\$3,131.68	\$329.18	\$653.98	\$978.09	\$1,274.65
	Plan Year 2018	\$790.06	\$1,575.75	\$2,227.82	\$1,821.18	\$2,638.13	\$3,290.22	\$382.51	\$760.64	\$1,138.08	\$1,412.73
	\$ Increase	+\$37.81	+\$75.66	+\$107.06	+\$87.76	+\$127.12	+\$158.54	+\$53.33	+\$106.66	+\$159.99	+\$138.08
	% Increase	+5.03%	+5.04%	+5.05%	+5.06%	+5.06%	+5.06%	+16.20%	+16.31%	+16.36%	+10.83%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 19.

# Blue Shield of California HMO: Final Active / Early Retiree/ Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 3b — 100/96//83 Contribution Method –HMO Access Plus\*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$0.00	\$60.00	\$360.53	\$73.70	\$462.50	\$1,083.17	\$0.00	\$162.40	\$486.51	\$783.07
	Plan Year 2018	\$0.00	\$63.03	\$378.73	\$70.44	\$478.92	\$1,131.01	\$0.00	\$189.06	\$566.50	\$841.15
	\$ Increase	+\$0.00	+\$3.03	+\$18.20	-\$3.26	+\$16.42	+\$47.84	+\$0.00	+\$26.66	+\$79.99	+\$58.08
	% Increase	-	+5.05%	+5.05%	-4.42%	+3.55%	+4.42%	-	+16.42%	+16.44%	+7.42%
Employer Contributions	Plan Year 2017	\$752.25	\$1,440.09	\$1,760.23	\$1,659.72	\$2,048.51	\$2,048.51	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$790.06	\$1,512.72	\$1,849.09	\$1,750.74	\$2,159.21	\$2,159.21	\$382.51	\$571.58	\$571.58	\$571.58
	\$ Increase	+\$37.81	+\$72.63	+\$88.86	+\$91.02	+\$110.70	+\$110.70	+\$53.33	+\$80.00	+\$80.00	+\$80.00
	% Increase	+5.03%	+5.04%	+5.05%	+5.48%	+5.40%	+5.40%	+16.20%	+16.27%	+16.27%	+16.27%
Total Rate	Plan Year 2017	\$752.25	\$1,500.09	\$2,120.76	\$1,733.42	\$2,511.01	\$3,131.68	\$329.18	\$653.98	\$978.09	\$1,274.65
	Plan Year 2018	\$790.06	\$1,575.75	\$2,227.82	\$1,821.18	\$2,638.13	\$3,290.22	\$382.51	\$760.64	\$1,138.08	\$1,412.73
	\$ Increase	+\$37.81	+\$75.66	+\$107.06	+\$87.76	+\$127.12	+\$158.54	+\$53.33	+\$106.66	+\$159.99	+\$138.08
	% Increase	+5.03%	+5.04%	+5.05%	+5.06%	+5.06%	+5.06%	+16.20%	+16.31%	+16.36%	+10.83%

- \* **NOTE:**
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 20.

# Blue Shield of California HMO: Final Active / Early Retiree/ Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 3c — 93/93/83 Contribution Method –Trio\*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$52.66	\$105.01	\$360.53	\$73.70	\$462.50	\$1,083.17	\$0.00	\$162.40	\$486.51	\$783.07
	Plan Year 2018	\$49.56	\$98.82	\$339.27	\$29.44	\$395.26	\$979.28	\$0.00	\$189.06	\$566.50	\$773.08
	\$ Increase	-\$3.10	-\$6.19	-\$21.26	-\$44.26	-\$67.24	-\$103.89	+\$0.00	+\$26.66	+\$79.99	-\$9.99
	% Increase	-5.89%	-5.89%	-5.90%	-60.05%	-14.54%	-9.59%	-	+16.42%	+16.44%	-1.28%
Employer Contributions	Plan Year 2017	\$699.59	\$1,395.08	\$1,760.23	\$1,659.72	\$2,048.51	\$2,048.51	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$658.49	\$1,312.90	\$1,656.45	\$1,601.54	\$1,967.37	\$1,967.37	\$382.51	\$571.58	\$571.58	\$571.58
	\$ Increase	-\$41.10	-\$82.18	-\$103.78	-\$58.18	-\$81.14	-\$81.14	+\$53.33	+\$80.00	+\$80.00	+\$80.00
	% Increase	-5.87%	-5.89%	-5.90%	-3.51%	-3.96%	-3.96%	+16.20%	+16.27%	+16.27%	+16.27%
Total Rate	Plan Year 2017	\$752.25	\$1,500.09	\$2,120.76	\$1,733.42	\$2,511.01	\$3,131.68	\$329.18	\$653.98	\$978.09	\$1,274.65
	Plan Year 2018	\$708.05	\$1,411.72	\$1,995.72	\$1,630.98	\$2,362.63	\$2,946.65	\$382.51	\$760.64	\$1,138.08	\$1,344.66
	\$ Increase	-\$44.20	-\$88.37	-\$125.04	-\$102.44	-\$148.38	-\$185.03	+\$53.33	+\$106.66	+\$159.99	+\$70.01
	% Increase	-5.88%	-5.89%	-5.90%	-5.91%	-5.91%	-5.91%	+16.20%	+16.31%	+16.36%	+5.49%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 19.

1663

# Blue Shield of California HMO: Final Active / Early Retiree/ Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 3d — 100/96/83 Contribution Method –Trio\*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2017	\$0.00	\$60.00	\$360.53	\$73.70	\$462.50	\$768.95	\$0.00	\$162.40	\$486.51	\$783.07
	Plan Year 2018	\$0.00	\$56.47	\$339.27	\$29.44	\$395.26	\$810.17	\$0.00	\$189.06	\$566.50	\$773.08
	\$ Increase	+\$0.00	-\$3.53	-\$21.26	-\$44.26	-\$67.24	+\$41.22	+\$0.00	+\$26.66	+\$79.99	-\$9.99
	% Increase	-	-5.88%	-5.90%	-60.05%	-14.54%	+5.36%	-	+16.42%	+16.44%	-1.28%
Employer Contributions	Plan Year 2017	\$752.25	\$1,440.09	\$1,760.23	\$1,659.72	\$2,048.51	\$1,456.59	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$708.05	\$1,355.25	\$1,656.45	\$1,601.54	\$1,967.37	\$1,533.78	\$382.51	\$571.58	\$571.58	\$571.58
	\$ Increase	-\$44.20	-\$84.84	-\$103.78	-\$58.18	-\$81.14	+\$77.19	+\$53.33	+\$80.00	+\$80.00	+\$80.00
	% Increase	-5.88%	-5.89%	-5.90%	-3.51%	-3.96%	+5.30%	+16.20%	+16.27%	+16.27%	+16.27%
Total Rate	Plan Year 2017	\$752.25	\$1,500.09	\$2,120.76	\$1,733.42	\$2,511.01	\$2,225.54	\$329.18	\$653.98	\$978.09	\$1,274.65
	Plan Year 2018	\$708.05	\$1,411.72	\$1,995.72	\$1,630.98	\$2,362.63	\$2,343.95	\$382.51	\$760.64	\$1,138.08	\$1,344.66
	\$ Increase	-\$44.20	-\$88.37	-\$125.04	-\$102.44	-\$148.38	+\$118.41	+\$53.33	+\$106.66	+\$159.99	+\$70.01
	% Increase	-5.88%	-5.89%	-5.90%	-5.91%	-5.91%	+5.32%	+16.20%	+16.31%	+16.36%	+5.49%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 20.

1664

# City Plan (UHC): Final Active / Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 4a — 93/93/83 Contribution Method \*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee / Retiree Contributions	Plan Year 2017	\$102.81	\$166.01	\$430.34	\$98.78	\$648.15	\$1,426.75	\$0.00	\$162.40	\$486.51	\$941.00
	Plan Year 2018	\$149.70	\$261.34	\$585.84	\$117.64	\$687.58	\$1,535.76	\$0.00	\$189.15	\$566.73	\$1,037.47
	\$ Increase	+\$46.89	+\$95.33	+\$155.50	+\$18.86	+\$39.43	+\$109.01	+\$0.00	+\$26.75	+\$80.22	+\$96.47
	% Increase	+45.61%	+57.43%	+36.14%	+19.09%	+6.08%	+7.64%	-	+16.47%	+16.49%	+10.25%
Employer Contributions	Plan Year 2017	\$699.59	\$1,395.08	\$1,760.23	\$1,043.70	\$1,593.07	\$1,593.08	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$734.76	\$1,465.45	\$1,849.09	\$1,072.43	\$1,642.37	\$1,642.37	\$382.51	\$571.49	\$571.35	\$571.35
	\$ Increase	+\$35.17	+\$70.37	+\$88.86	+\$28.73	+\$49.30	+\$49.29	+\$53.33	+\$79.91	+\$79.77	+\$79.77
	% Increase	+5.03%	+5.04%	+5.05%	+2.75%	+3.09%	+3.09%	+16.20%	+16.26%	+16.23%	+16.23%
Total Rate	Plan Year 2017	\$802.40	\$1,561.09	\$2,190.57	\$1,142.48	\$2,241.22	\$3,019.83	\$329.18	\$653.98	\$978.09	\$1,432.58
	Plan Year 2018	\$884.46	\$1,726.79	\$2,434.93	\$1,190.07	\$2,329.95	\$3,178.13	\$382.51	\$760.64	\$1,138.08	\$1,608.82
	\$ Increase	+\$82.06	+\$165.70	+\$244.36	+\$47.59	+\$88.73	+\$158.30	+\$53.33	+\$106.66	+\$159.99	+\$176.24
	% Increase	+10.23%	+10.61%	+11.16%	+4.17%	+3.96%	+5.24%	+16.20%	+16.31%	+16.36%	+12.30%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 19.

1665

# City Plan (UHC): Final Active / Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 4b — 100/96/83 Contribution Method \*

		Active			Early Retiree			UHC Medicare Advantage PPO			
		EE	EE + 1	EE + 2	RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee / Retiree Contributions	Plan Year 2017	\$0.00	\$121.00	\$430.34	\$98.78	\$648.15	\$1,426.75	\$0.00	\$162.40	\$486.51	\$941.00
	Plan Year 2018	\$0.00	\$214.07	\$585.84	\$117.64	\$687.58	\$1,535.76	\$0.00	\$189.15	\$566.73	\$1,037.47
	\$ Increase	+\$0.00	+\$93.07	+\$155.50	+\$18.86	+\$39.43	+\$109.01	+\$0.00	+\$26.75	+\$80.22	+\$96.47
	% Increase	-	+76.92%	+36.14%	+19.09%	+6.08%	+7.64%	-	+16.47%	+16.49%	+10.25%
Employer Contributions	Plan Year 2017	\$802.40	\$1,440.09	\$1,760.23	\$1,043.70	\$1,593.07	\$1,593.08	\$329.18	\$491.58	\$491.58	\$491.58
	Plan Year 2018	\$884.46	\$1,512.72	\$1,849.09	\$1,072.43	\$1,642.37	\$1,642.37	\$382.51	\$571.49	\$571.35	\$571.35
	\$ Increase	+\$82.06	+\$72.63	+\$88.86	+\$28.73	+\$49.30	+\$49.29	+\$53.33	+\$79.91	+\$79.77	+\$79.77
	% Increase	+10.23%	+5.04%	+5.05%	+2.75%	+3.09%	+3.09%	+16.20%	+16.26%	+16.23%	+16.23%
Total Rate	Plan Year 2017	\$802.40	\$1,561.09	\$2,190.57	\$1,142.48	\$2,241.22	\$3,019.83	\$329.18	\$653.98	\$978.09	\$1,432.58
	Plan Year 2018	\$884.46	\$1,726.79	\$2,434.93	\$1,190.07	\$2,329.95	\$3,178.13	\$382.51	\$760.64	\$1,138.08	\$1,608.82
	\$ Increase	+\$82.06	+\$165.70	+\$244.36	+\$47.59	+\$88.73	+\$158.30	+\$53.33	+\$106.66	+\$159.99	+\$176.24
	% Increase	+10.23%	+10.61%	+11.16%	+4.17%	+3.96%	+5.24%	+16.20%	+16.31%	+16.36%	+12.30%

- \* NOTE:
- Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.
  - Additional footnotes are defined on page 20.

# VSP Vision: Final Active / Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 5a — Vision Plan Rates

		Active (Bargained)			Retiree		
		EE	EE+1	EE+2	RET	RET+1	RET+2
<b>Rates</b>	Plan Year 2017	\$3.95	\$7.92	\$11.20	\$3.95	\$7.92	\$11.20
	Plan Year 2018	\$3.95	\$7.92	\$11.20	\$3.95	\$7.92	\$11.20
	% Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	\$ Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

## Exhibit 5b — Vision Buy Up Rates

		Active (Bargained)			Retiree		
		EE	EE+1	EE+2	RET	RET+1	RET+2
<b>Rates</b>	Plan Year 2018	\$10.86	\$15.54	\$30.82	\$10.86	\$15.54	\$30.82

1667

# Delta Dental PPO: Final Active / Retiree Monthly Contributions for Calendar Year 2018

## Exhibit 6 — Dental PPO Plan Rates

	Active (Bargained)			Retiree			
	EE	EE+1	EE+2	RET	RET+1	RET+2	
<b>Rates</b>	Plan Year 2017	\$64.51	\$135.48	\$193.54	\$42.94	\$85.42	\$127.49
	Plan Year 2018	\$63.04	\$132.38	\$189.11	\$45.77	\$91.04	\$135.88
	% Increase	-2.28%	-2.29%	-2.29%	6.59%	6.58%	6.58%
	\$ Increase	(\$1.47)	(\$3.10)	(\$4.43)	\$2.83	\$5.62	\$8.39

1668

# Delta Care USA: Final Active / Retiree Monthly Contributions for Calendar Year 2018

## Exhibit 7 — Delta HMO Plan Rates

	Active (Bargained)			Retiree		
	EE	EE+1	EE+2	RET	RET+1	RET+2
<b>Rates</b>						
Plan Year 2017	\$26.95	\$44.46	\$65.76	\$32.85	\$54.21	\$80.19
Plan Year 2018	\$26.95	\$44.46	\$65.76	\$32.85	\$54.21	\$80.19
% Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

1669

# UHC Dental: Final Active / Retiree Monthly Contributions for Calendar Year 2018

## Exhibit 8 — Dental HMO Plan Rates

	Active (Bargained)			Retiree			
	EE	EE+1	EE+2	RET	RET+1	RET+2	
Rates	Plan Year 2017	\$27.80	\$45.90	\$67.86	\$16.47	\$27.20	\$40.22
	Plan Year 2018	\$27.80	\$45.90	\$67.86	\$16.47	\$27.20	\$40.22
	% Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	\$ Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

1670

# Life and Long Term Disability (LTD) Plan Year 2018 Aggregate Costs

## Exhibit 9 — Life and LTD Plan Rates

Plan Type	Plan Year 2017	Plan Year 2018	% Increase	\$ Increase
Basic Life	\$940,000	\$7,050,000	2.6%	\$180,000
Supplemental Life / Dependent Life	\$2,500,000	\$1,050,000	11.7%	\$110,000
Long Term Disability	\$6,870,000	\$570,000	-77.2%	(\$1,930,000)
<b>Total Annual Estimated Cost</b>	<b>\$10,310,000</b>	<b>\$8,670,000</b>	<b>-15.9%</b>	<b>(\$1,640,000)</b>

- \* NOTE:   ▪ Beginning in January of 2017, the supplemental life plans will be offered to groups beyond the Municipal Executives Association which will drive up enrollment.

1671

# Kaiser Permanente Multi State HMO: Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 10a — Washington Contribution Method \*

		Early Retiree			MAPD			
		RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2018	\$0.00	\$614.09	\$1,633.47	\$0.00	\$196.57	\$589.02	\$1,215.95
Employer Contributions	Plan Year 2018	\$1,232.56	\$1,846.65	\$1,846.65	\$397.52	\$594.09	\$594.09	\$594.09
Total Rate	Plan Year 2018	\$1,232.56	\$2,460.74	\$3,480.12	\$397.52	\$790.66	\$1,183.11	\$1,810.04

\* NOTE: ■ Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.

1672

# Kaiser Permanente Multi State HMO: Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 10b — Northwest Contribution Method \*

		Early Retiree			MAPD			
		RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2018	\$0.00	\$689.81	\$1,834.89	\$0.00	\$193.41	\$579.55	\$1,455.42
Employer Contributions	Plan Year 2018	\$1,384.01	\$2,073.83	\$2,073.83	\$391.21	\$584.63	\$584.63	\$584.63
<b>Total Rate</b>	<b>Plan Year 2018</b>	<b>\$1,384.01</b>	<b>\$2,763.64</b>	<b>\$3,908.72</b>	<b>\$391.21</b>	<b>\$778.04</b>	<b>\$1,164.18</b>	<b>\$2,040.05</b>

\* **NOTE:** ■ Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.

1673

# Kaiser Permanente Multi State HMO: Early Retiree / Medicare Monthly Contributions for Calendar Year 2018

## Exhibit 10c — Hawaii Contribution Method \*

		Early Retiree			MAPD			
		RET	RET + 1	RET + 2	RET	RET + 1	RET + 2 All Medicare	RET + 2 Other
Employee/ Retiree Contributions	Plan Year 2018	\$0.00	\$420.39	\$1,118.24	\$0.00	\$177.32	\$531.28	\$1,017.43
Employer Contributions	Plan Year 2018	\$845.18	\$1,265.58	\$1,265.58	\$359.03	\$536.36	\$536.36	\$536.36
Total Rate	Plan Year 2018	\$845.18	\$1,685.97	\$2,383.82	\$359.03	\$713.68	\$1,067.64	\$1,553.79

\* NOTE: ■ Includes \$1.40 PEPM for Best Doctors a second opinion vendor and \$3.00 for the Health Care Sustainability Fund.

1674

## Final Monthly Contribution for Calendar Year 2018 Footnotes

### Exhibits 2a, 3a , 3c , 4a — 93/93/83 Contribution Method

**Note**—The 93/93/83 Contribution Model defines the following payment structure:

- EE Only: City contributes 93% towards total premium for employees selecting Single tier coverage.
- EE+1: City contributes 93% towards total premium for employees selecting EE+1 tier coverage.
- EE+2: City contributes 83% towards total premium for employees selecting EE+2 tier coverage.
- City contributions are capped at 93%, 93% and 83% of corresponding premium of the second-highest-cost plan for Single, EE+1 and EE+2 tiers respectively.
- Members cover the remaining costs across all tiers.

1675

## Final Monthly Contribution for Calendar Year 2018 Footnotes

### Exhibits 2b, 3b, 3d, 4b — 100/96/83 Contribution Method

**Note**—The 100/96/83 Contribution Model defines the following payment structure:

- EE Only: City contributes 100% towards total premium for employees selecting Single tier coverage. Members are free of premium charges.
- EE+1: City contributes 96% towards total premium for employees selecting EE+1 tier coverage.
- EE+2: City contributes 83% towards total premium for employees selecting EE+2 tier coverage.
- City contributions are capped at 96% and 83% of corresponding premium of the second-highest-cost plan for EE+1 and EE+2 tiers respectively.
- Members electing EE+1 and EE+2 tiers cover the remaining cost.

1676

CITY AND COUNTY OF SAN FRANCISCO  
 MEMBERSHIP ENROLLMENT STATISTICS REPORT

**MEDICAL PLAN ENROLLMENT**

1677

MEMBERSHIP STATUS	CTYPLN	CTYMAP	BLSHLD	BLSHLD ACCESS+	KAISER	WAIVED	DELINQ	TOTAL
ACTIVE Members	1,004	0	15,350	0	23,920	3,154	203	43,631
NO MEDICARE	1,004		15,350		23,920	3,154	203	43,631
MEDICARE A								
MEDICARE B								
MEDICARE AB								
RETIREED Members	670	10,581	0	2,112	11,416	2,367	19	27,165
NO MEDICARE	577			2,112	2,499	1,715	15	6,918
MEDICARE A						7		7
MEDICARE B		112			75	2	1	190
MEDICARE AB		10,469			8,842	643	3	19,957
NON-COMPLIANT	93							93
SURVIVING SPOUSE	62	1,287	0	109	1,392	416	3	3,269
NO MEDICARE	58			109	184	234	3	588
MEDICARE A								
MEDICARE B		6			2	1		9
MEDICARE AB		1,281			1,206	181		2,668
NON-COMPLIANT	4							4
COMMISSIONERS	8	0	31	0	37	159	0	235
NO MEDICARE	8		31		37	159		235
MEDICARE A								
MEDICARE B								
MEDICARE AB								
<b>TOTAL MEMBERS</b>	<b>1,744</b>	<b>11,868</b>	<b>15,381</b>	<b>2,221</b>	<b>36,765</b>	<b>6,096</b>	<b>225</b>	<b>74,300</b>

CITY AND COUNTY OF SAN FRANCISCO  
 MEMBERSHIP ENROLLMENT STATISTICS REPORT

**MEDICAL PLAN ENROLLMENT**

MEMBERSHIP STATUS	CTYPLN	CTYMAP	BLSHLD	BLSHLD ACCESS+	KAISER	WAIVED	DELINQ	TOTAL
SPOUSE/DOM PRT DEPENDENTS OF ACTIVE Members	290	25	6,277	0	8,684	0	0	15,276
NO MEDICARE	289		6,277		8,655			15,221
MEDICARE A		1						1
MEDICARE B		24			29			54
MEDICARE AB	1							
SPOUSE/DOM PRT DEPENDENTS OF RETIRED Members	166	3,068	0	1,054	3,625	0	0	7,913
NO MEDICARE	114	191		1,054	1,218			2,577
MEDICARE A								
MEDICARE B		13			11			24
MEDICARE AB	51	2,864			2,396			5,311
NON-COMPLIANT	1							1
SPOUSE/DOM PRT DEPENDENTS OF SURVIVING SPOUSE	0	0	0	0	0	0	0	0
NO MEDICARE								
MEDICARE A								
MEDICARE B								
MEDICARE AB								
NON-COMPLIANT								
SPOUSE/DOM PRT DEPENDENTS OF COMMISSIONERS	5	0	4	0	5	0	0	14
NO MEDICARE	5		4		5			14
MEDICARE A								
MEDICARE B								
MEDICARE AB								

1678

**MEDICAL PLAN ENROLLMENT**

1679

MEMBERSHIP STATUS	CTYPLN	CTYMAP	BLSHLD	BLSHLD ACCESS+	KAISER	WAIVED	DELINQ	TOTAL
CHILD/MINOR DEPENDENTS OF ACTIVE Members	331	0	10,609	0	15,710	0	0	26,650
NO MEDICARE	331		10,608		15,710			26,649
MEDICARE A								
MEDICARE B								
MEDICARE AB								
NON-COMPLIANT			1					1
CHILD/MINOR DEPENDENTS OF RETIRED Members	42	60	0	679	614	0	0	1,395
NO MEDICARE	42	41		679	599			1,361
MEDICARE A								
MEDICARE B								
MEDICARE AB		19			15			34
NON-COMPLIANT								
CHILD/MINOR DEPENDENTS OF SURVIVING SPOUSE	5	6	0	33	41	0	0	85
NO MEDICARE	5	3		33	40			81
MEDICARE A								
MEDICARE B								
MEDICARE AB		3			1			4
NON-COMPLIANT								
CHILD/MINOR DEPENDENTS OF COMMISSIONERS	6	0	7	0	7	0	0	20
NO MEDICARE	6		7		7			20
MEDICARE A								
MEDICARE B								
MEDICARE AB								
<b>TOTAL DEPENDENTS</b>	<b>845</b>	<b>3,159</b>	<b>16,897</b>	<b>1,766</b>	<b>28,686</b>	<b>0</b>	<b>0</b>	<b>51,353</b>
<b>MEDICAL PLAN TOTALS</b>	<b>2,589</b>	<b>15,027</b>	<b>32,278</b>	<b>3,987</b>	<b>65,451</b>	<b>6,096</b>	<b>225</b>	<b>125,653</b>

**DENTAL PLAN ENROLLMENT**

1680

MEMBERSHIP STATUS	DLTDEN	DLCDEN	PUDDEN	WAIVED	DELINQ	TOTAL
ACTIVE Members	30,690	785	365	1,910	198	33,948
RETIRED Members	17,052	981	681	8,374	55	27,143
SURVIVING SPOUSE	1,668	185	72	1,311	31	3,267
COMMISSIONERS	59	6	1	165	4	235
<b>TOTAL MEMBERS</b>	<b>49,469</b>	<b>1,957</b>	<b>1,119</b>	<b>11,760</b>	<b>288</b>	<b>64,593</b>
SPOUSE/DOM PRT DEPENDENTS OF ACTIVE Members	14,717	253	134			15,104
SPOUSE/DOM PRT DEPENDENTS OF RETIRED Members	6,748	356	204			7,308
SPOUSE/DOM PRT DEPENDENTS OF SURVIVING SPOUSE						
SPOUSE/DOM PRT DEPENDENTS OF COMMISSIONERS	19					19
CHILD/MINOR DEPENDENTS OF ACTIVE Members	25,571	467	216			26,254
CHILD/MINOR DEPENDENTS OF RETIRED Members	1,423	76	39			1,538
CHILD/MINOR DEPENDENTS OF SURVIVING SPOUSE	96	4	3			103
CHILD/MINOR DEPENDENTS OF COMMISSIONERS	21					21
<b>TOTAL DEPENDENTS</b>	<b>48,595</b>	<b>1,156</b>	<b>596</b>	<b>0</b>	<b>0</b>	<b>50,347</b>
<b>DENTAL PLAN TOTALS</b>	<b>98,064</b>	<b>3,113</b>	<b>1,715</b>	<b>11,760</b>	<b>288</b>	<b>114,940</b>

**LTD, LIFE AND FSA PLAN ENROLLMENT**

MEMBERSHIP STATUS	LTD	LIFE	DEPFSA	HTHFSA
ACTIVE Members	24,716	21,199	1,242	4,587

1681

Print Form

# Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2017 JUN 20 AM 10:03

BY ZLS Time stamp or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution; Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Supervisor Mark Farrell

Subject:

Health Service System Plans and Contribution Rates for Calendar Year 2018

The text is listed:

Ordinance approving Health Service System plans and contribution rates for calendar year 2018.

Signature of Sponsoring Supervisor:

*Mark S. Farrell*

For Clerk's Use Only

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>	
Name of contractor:  Kaiser Foundation Health Plan, Inc.; Northern California Kaiser  Foundation Health Plan, Inc., Southern California	
<p><i>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.</i></p> <p>1. Please see attachment.</p> <p>2. Please see attachment.</p> <p>3. Kaiser Permanente is one of the nation's largest not-for-profit prepaid group practice plans, which represents a partnership between Kaiser Foundation Health Plan, Inc. and Kaiser Foundation Hospitals and the Permanente Medical Groups. As such, there is no owner, shareholders or sponsor.</p> <p>Health Plans and Hospitals are nonprofit corporations whose capital is available for charitable, educational, research and related purposes and are generally exempt from federal and state income taxes. No individual or entity has any ownership interest in Health Plans or Hospitals.</p> <p>4. Not applicable</p> <p>5. Not applicable</p>	
Contractor address:  <p><i>Northern California:</i> Kaiser Foundation Health Plan, Inc. 1950 Franklin Street Oakland, CA 94612</p> <p><i>Southern California:</i> Kaiser Foundation Health Plan, Inc. 393 East Walnut Street Pasadena, CA 91188</p>	
Date that contract was approved: June 8, 2017	Amount of contract: (Estimated for CY 2018) • \$ 417,320,000
Describe the nature of the contract that was approved: Medical Health Insurance: Kaiser Permanente Traditional Plan, HMO and Senior Advantage with Part D.	

File No. 170762

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

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

Print Name of Board

or 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: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244; 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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



**Health Service System – City and County of San Francisco  
Attachment to Form SFEC-126:  
Notification of Contract Approval  
June 2017**

- **Please list the names of (1) members of the contractor’s board of directors.**

Here are the members of the Kaiser Foundation Hospitals and Health Plan Boards of Directors:

**Bernard J. Tyson**

Chairman and CEO of Kaiser Foundation Health Plan, Inc. and Hospitals

**Ramon Baez**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Regina Benjamin, MD, MBA**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Jeff Epstein**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Leslie Stone Heisz**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**David F. Hoffmeister**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Judith A. Johansen, JD**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Kim J. Kaiser**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Philip A. Marineau**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Edward Pei**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Meg Porfido, JD**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Richard P. Shannon, MD**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**Cynthia A. Telles, PhD**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

**A. Eugene Washington, MD, MPH**

Kaiser Foundation Hospitals and Health Plan Boards of Directors

For more information on the members of our Boards of Directors, please go to <http://share.kaiserpermanente.org/bio/>.

- Please list the names of (2) the contractor's chief executive officer, chief financial officer, and chief operating officer.

**Bernard J. Tyson**

Chairman and CEO of Kaiser Permanente

**Kathy Lancaster**

Executive Vice President and Chief Financial Officer, Kaiser Foundation Hospitals and Health Plan

We do not have a "Chief Operating Officer" for Hospitals and Health Plan — following are the other members of our National Leadership Team:

**Gregory A. Adams**

Executive Vice President, Kaiser Foundation Hospitals and Health Plan, Inc.; Group President

**Anthony A. Barrueta**

Senior Vice President, Government Relations

**Raymond J. Baxter, PhD**

Senior Vice President, Community Benefit, Research and Health Policy

**Vanessa M. Benavides**

Senior Vice President and Chief Compliance and Privacy Officer, Kaiser Foundation Hospitals and Health Plan, Inc.

**Benjamin K. Chu, MD, MPH, MACP**

President, Kaiser Permanente Southern California Region; Group President, Kaiser Permanente Southern California and Georgia Regions; Executive Vice President, Kaiser Foundation Hospitals and Kaiser Foundation Health Plan, Inc.

**Chuck Columbus**

Senior Vice President and Chief Human Resources Officer, Kaiser Foundation Hospitals and Health Plan, Inc.

**Patrick T. Courneya, MD**

Executive Vice President, Hospitals, Quality and Care Delivery Excellence; Chief Medical Officer, Medicare Advantage, Cost and Prescription Drug Plans

**Richard D. Daniels**

Executive Vice President and Chief Information Officer, Kaiser Foundation Hospitals and Health Plan, Inc.



**Donna Lynne, DrPH**

Executive Vice President, Kaiser Foundation Hospitals and Health Plan, Inc.; Group President, Kaiser Permanente Colorado, Hawaii, Oregon and Washington

**Arthur M. Southam, MD, MBA, MPH**

Executive Vice President, Health Plan Operations

**Mark S. Zemelman**

Senior Vice President and General Counsel

**Edward M. Ellison, MD**

Executive Medical Director/Chairman of the Board, Southern California Permanente Medical Group; Chairman of the Board and CEO, The Southeast Permanente Medical Group; co-CEO, National Permanente Executive Committee, The Permanente Federation, LLC

**Robert M. Pearl, MD**

Executive Director and CEO, The Permanente Medical Group; President and CEO, Mid-Atlantic Permanente Medical Group; co-CEO, National Permanente Executive Committee, The Permanente Federation, LLC

**Geoffrey S. Sewell, MD, FACP**

President and Executive Medical Director, Hawaii Permanente Medical Group, Inc.; Chairman, National Permanente Executive Committee, The Permanente Federation, LLC

**Chris Grant**

Executive Vice President, Chief Operating Officer, Kaiser Permanente, The Permanente Federation

**David Bell, MD**

Executive Vice President of Leadership and People Strategy, The Permanente Federation; Corporate Vice President and Associate Medical Director for Professional Development and Service, Hawaii Permanente Medical Group

**Pat Conolly, MD**

Executive Vice President of Information Technology and Chief Information Officer, The Permanente Federation; Associate Executive Director, The Permanente Medical Group

**Pauline Fox**

Executive Vice President and Chief Legal Officer, The Permanente Federation, LLC; Interim General Counsel, Colorado Permanente Medical Group

**Michael Kanter, MD**

Executive Vice President of Quality and Chief Medical Officer, The Permanente Federation; Medical Director, Quality and Clinical Analysis, Southern California Permanente Medical Group

**Daryl Kurozawa, MD, FACS**

Executive Vice President of Products/Sales & Marketing, The Permanente Federation; Associate Medical Director, Sales & Marketing, Service Delivery Planning and Community Benefit, Hawaii Permanente Medical Group

**Sharon Levine, MD**

Executive Vice President, External Affairs, Communications and Brand Strategy, The Permanente Federation; Director and Senior Advisor of Public Policy, Pharmacy, and Professional Development, The Permanente Medical Group

**Paul Minardi, MD**

Executive Vice President, Finance and Strategy, The Permanente Federation; Medical Director, Business Management, Southern California Permanente Medical Group

**Rochele Thornburg**

Executive Vice President, Leadership and People Strategy, The Permanente Federation; Vice President, Strategy, Leadership, and Communications, Hawaii Permanente Medical Group

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: Blue Shield of California
<i>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.</i>
(1) members of the contractor's board of directors: <ul style="list-style-type: none"> <li>• Doug Busch, Chairman</li> <li>• Mari Barker</li> <li>• Kimberly Belshé</li> <li>• Evelyn Dilsaver</li> <li>• Helen DuPlessis, M.D., M.P.H.</li> <li>• Hector Flores, M.D.</li> <li>• Alan Fohrer</li> <li>• Will Glaser</li> <li>• Kristina M. Leslie</li> <li>• Paul Markovich</li> <li>• Leon E. Panetta</li> <li>• Mohammad H. Qayoumi, Ph.D.</li> </ul>
(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: <ul style="list-style-type: none"> <li>• <b>The Rawlings Group, La Grange, KY (2016)</b> – The Rawlings Group provides investigation and recovery functions related to workers' compensation and third-party liability.</li> <li>• <b>Xerox, Sandy, UT (2011)</b> – Xerox provides member enrollment data entry services.</li> </ul>

- **TPUSA, Los Angeles, CA (2007)** – TPUSA assists with handling calls from Individual and Family Plan (IFP) members as well as eligibility and billing questions for members with portfolio plans.
- **Optum, Waltham, MA (2003)** – Optum 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
- **CVS Specialty, Redlands, CA (2005)** – CVS Specialty 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 explanation of benefits documents.
- **Arvato, Valencia, CA (2015)** – Arvato provides production services for ID cards.
- **Hewlett Packard, Plano, TX (2001)** – Hewlett Packard provides information systems and reporting services.
- **Trizetto Cognizant, Englewood, CO (2015)** - Trizetto Cognizant 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.
- **MES Vision, 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.
- **CVS Health, Woonsocket, RI (2017)** – CVS Caremark 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.
- **Partners in Care Foundation, San Fernando, CA (2015)** – Partners in Care Foundation currently administers a home visit component of Shield Support care management, as well as a pilot of Evidence-Based Self- Management Programs for members with chronic conditions (provided as an additional option for members enrolled in BSC disease management program).
- **The Health Trust, San Jose, CA (2015)** – The Health Trust currently administers a pilot of Evidence-Based Self-Management Program for members with chronic conditions (provided as an additional option for members enrolled in BSC disease management program).

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.

EmpPAC

Contractor address:  
50 Beale Street, San Francisco CA 94105

Date that contract was approved:  
June 8, 2017

Amount of contract: (Estimated for CY 2018)  
• \$ 330,000,000

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

File No. 170762

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: ( 415 ) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: United HealthCare Services, Inc. (for City Plan)

*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. The United HealthCare Services, Inc. Directors are :

- |                           |                           |
|---------------------------|---------------------------|
| • William C. Ballard, Jr. | • Rodger A. Lawson        |
| • Edson Bueno, M.D.       | • Douglas W. Leatherdale  |
| • Richard T. Burke        | • Glenn M. Renwick        |
| • Robert J. Darretta      | • Kenneth I. Shine, M.D.  |
| • Stephen J. Hemsley      | • Gail R. Wilensky, Ph.D. |
| • Michele J. Hooper       |                           |

2. The United HealthCare Services, Inc. Officers include:

**CEO and President:** Stephen J. Hemsley  
**CFO:** David S. Wichmann  
**COO:** Dirk McMahan

3. No person owns 20 percent or more in the contractor.

4. We provide most of our core services directly through the UnitedHealth Group family of companies. This enables us to offer affordable solutions through integrated data elements and systems, streamlined implementations and unified account management support.

We do work with a variety of external vendors and subcontractors and have listed some of these third parties and the different capacities in which we interact with them. Due to the broad spectrum of UnitedHealth Group businesses and variations in the contractual relationships we have with each vendor or subcontractor, this list is subject to change and should not be considered exhaustive.

**VENDORS AND SUBCONTRACTORS**

**ID CARDS**

Our member medical ID cards are produced by Fiserv Output Solutions, a business unit of Fiserv, Inc. Fiserv, headquartered in Stafford, Texas, is a provider of business-critical communications to the financial services, health care, telecommunications, investment services and retail markets.

**HEALTH INFORMATION**

Various internal and external sources provide health content to our member website, [myuhc.com](http://myuhc.com). Each resource maintains relationships with various health professionals who write, edit and review the content created for the site. We screen each vendor for accuracy and independence of content.

**OVERPAYMENT IDENTIFICATION VENDORS**

We contract with a number of vendors to identify overpayments. These vendors perform a variety of audits, including, but not limited to, credit balance, data mining, COB, contract audits, DRG audits, workers' compensation and subrogation. Generally, these vendors do not perform collections on the overpayments they identify in an effort to reduce the number of vendors approaching physicians. A collection vendor is assigned to collect these overpayments.

**OVERPAYMENT COLLECTION VENDORS**

We contract with a number of vendors to collect overpayments that are identified internally or from an overpayment identification vendor. Overpayment collection vendors are responsible for sending the initial overpayment notification letter and will follow up with the physician on outstanding balances through phone calls or subsequent recovery letters. These vendors help resolve physician disputes/appeals.

**SURVEYS**

We conduct an annual member satisfaction survey based upon the HEDIS 3.0 standards.

Administration of the CAHPS survey is a joint effort between the Survey Research Studies division of OptumInsight (a UnitedHealth Group company) and the Center for the Study of Services (CSS). CSS is certified by NCQA as a CAHPS survey vendor.

**NETWORK LEASING**

We own the majority of networks we use for providing health care coverage. However, we use leased or vendor networks where it is not feasible to develop our own network. Vendor networks must comply with the same quality standards we use for our own networks. Vendor network compensation varies based on market demands and the customary practices of the local marketplace. We retain responsibility for claim processing. In addition, we oversee all quality issues, including quality control of the physicians and other health care professionals in the network.

**SHARED SAVINGS PROGRAM**

We use Viant, Three Rivers Physician's Network, First Health Networks and MultiPlan's national network of hospitals, physicians and other health care professionals to provide discounts to our customers for non-network claims through our Shared Savings Program (SSP).

**SOCIAL SECURITY ADVOCACY ASSISTANCE**

Social Security advocacy assistance is provided through another vendor. Claim specialists are trained to educate, guide and monitor the application process for Social Security disability benefits. We then consider offering assistance through Social Security Advocacy for the Disabled.

**LEGAL**

We hold our vendors to the same standards and requirements to which we agree. We accept responsibility to the extent that our subcontracted vendor fails to meet any contractual obligation we assume.

5. In California, corporate contributions are legal, and all of our political giving is reported by United HealthCare Services, Inc., a corporate entity that registers as a major donor committee with the state. We are happy to provide additional information at the parent company level (UnitedHealth Group, Inc.) for states other than California, upon request.

Contractor address:  
UnitedHealth Group Center  
9900 Bren Road East  
Minnetonka, Minnesota 55343

Date that contract was approved:  
June 8, 2017

Amount of contract: (Estimated for CY 2018)

- Self-Funded PPO: \$ 39,710,000
- Medicare Advantage PPO: \$66,816,000

Describe the nature of the contract that was approved: Self-Insured Medical Plan and Prescription Drug sponsored by CCSF and whose claims administration is outsourced to UnitedHealth Services, Inc., as well as a fully insured Plan for Medicare A and B retirees

Comments:\* The amount of this contract is based on the most recent actuarial information and will change due to actual claims, 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:  
Angela Calvillo, Clerk of the Board

Contact telephone number:  
(415) 554-5184

Address:  
City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102

E-mail:  
Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: Delta Dental of California ( Delta Dental PPO Active Self Insured and Retiree PPO fully insured, and DeltaCare DHMO)
<i>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.</i>
<b>(1) DIRECTORS AND OFFICERS</b>
Glen F. Bergert 100 First Street San Francisco, CA 94105
Barbara J. Burgel 100 First Street San Francisco, CA 94105
R. Kent Farnsworth, DDS Secretary 100 First Street San Francisco, CA 94105
Lynn L. Franzoi, 1st Vice Chair 100 First Street San Francisco, CA 94105
Roy A. Gonella, Secretary 100 First Street San Francisco, CA 94105
Gregory D. Kaplan, DDS 100 First Street San Francisco, CA 94105
Beverly A. Kodama, DDS 100 First Street San Francisco, CA 94105
Steven F. McCann 100 First Street San Francisco, CA 94105
Terry A. O'Toole, Treasurer 100 First Street San Francisco, CA 94105

<p>Stephen R. Pickering, DDS, 2<sup>nd</sup> Vice Chair          100 First Street          San Francisco, CA 94105</p> <p>Andrew J. Reid, Chair          100 First Street          San Francisco, CA 94105</p> <p>Heidi Yodowitz          100 First Street          San Francisco, CA 94105</p> <p>Anthony S. Barth (Ex Officio)          100 First Street          San Francisco, CA 94105.</p> <p>(2)          President/Chief Executive Officer – Anthony S. Barth          Chief Financial Officer – Michael J. Castro          Chief Operations Officer – Nilesh C. Patel</p> <p>(3)          None</p> <p>(4)          None</p> <p>(5)          None</p>	
<p>Contractor address:          100 First Street, San Francisco, California 94105</p>	
<p>Date that contract was approved:          June 8, 2017</p>	<p>Amount of contract: (estimated for CY 2018)</p> <p>Delta Dental PPO -  <u>Policy Number 01673 – Retirees (fully-insured premium)</u>          • \$14,090,000</p> <p>Delta Dental PPO -  <u>Policy Number 09502 – Actives (self-funded claims + admin.)</u>          • \$48,510,000</p> <p>DeltaCare USA – DHMO  <u>Policy Number 71797 – DeltaCare (fully-insured premium)</u>          • \$1,000,000</p>
<p>Describe the nature of the contract that was approved:          Dental Health Insurance Benefits</p>	
<p>Comments:          The amount of this contract is based on the most recent 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. The Delta Dental PPO Active Self-Insured Plan is based on actual claims and administration.</p>	

File No. 170762

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

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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 Signe

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

<b>City Elective Officer Information (Please print clearly.)</b>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information (Please print clearly.)</b>
Name of contractor: DENTAL BENEFIT PROVIDERS OF CALIFORNIA, INC., an indirect subsidiary of UnitedHealth Group [Pacific Union]
<i>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.</i>
<p>1. The Dental Benefit Providers of California, Inc. Directors are:</p> <ul style="list-style-type: none"> <li>■ Kirk Eugene Andrews</li> <li>■ Brandon Eric Cuevas</li> <li>■ Andrew Joseph Fabula</li> <li>■ Kenneth Mark Sheldon</li> <li>■ Paul Ryan Toler.</li> </ul> <p>2. The Dental Benefit Providers of California, Inc. officers include:</p> <ul style="list-style-type: none"> <li>■ <b>President:</b> Kirk Eugene Andrews</li> <li>■ <b>CFO:</b> William David Aliski (Note: the Board is in the process of appointing Paul Ryan Toler as CFO)</li> </ul> <p>3. Dental Benefit Providers, Inc. is 100% shareholder of Dental Benefit Providers of California, Inc.</p> <p>4. We provide most of our core services directly through the UnitedHealth Group family of companies. This allows us to offer affordable solutions through integrated data elements and systems, streamlined implementations and unified account management support.</p> <p>We do work with a variety of external vendors and subcontractors and have listed some of these third parties and the different capacities in which we interact with them. Due to the broad spectrum of UnitedHealth Group businesses and variations in the contractual relationships we have with each vendor or subcontractor, this list is subject to change and should not be considered exhaustive. We will be responsible for holding our vendors to the same standards and requirements to which we agree. We will accept responsibility to the extent that our subcontracted vendor fails to meet any contractual obligation assumed by us.</p> <p>Following are examples of non-affiliated organizations with which we subcontract for dental services:</p> <ul style="list-style-type: none"> <li>■ <b>Careington</b> augments our national dental network. We have been working with Careington since 2010.</li> <li>■ <b>Datamatics Global Services</b> (formerly Tricom) performs data entry of some of our claims in India. We have been working with this company since 2005.</li> <li>■ <b>Diversified Dental Service</b> augments our dental networks in Mississippi and Nevada. We have been working with Diversified Dental since 2005.</li> </ul>

- **Emdeon** assists with HIPAA transactions and code sets. We have been working with Emdeon since 1997.
- **GfK Custom Research** conducts our member surveys. We have been working with GfK since 2010.
- **P & R Dental Strategies, Inc.** performs utilization review for our commercial dental business. We have been working with P&R since 2005.
- **PPOUSA** adds additional dental providers nationally. We have been working with PPOUSA since 2008.
- **The Premier Dental Group, Inc.** augments our dental network in Minnesota. We have been working with Premier Dental Group since 2007.
- **Scion Dental, Inc.** handles utilization review, and network recruitment. We have been working with Scion since 2009.
- **SourceHOV** (formerly HOV Services) receives and images paper claims. UnitedHealth Group has used this subcontractor since 1998 and we began using them for dental claims in 2005.
- **Southland Benefit Solutions, LLC**, provides our network lease in Alabama.
- **TeleTech** receives all incoming provider phone calls in Lipa City, Philippines. UnitedHealth Group has used this subcontractor since 1996 and we began using TeleTech for dental provider calls in 2006.
- **The TriZetto Group, Inc.** supports and maintains our claims system. We have been working with TriZetto since 2002.
- **Verisk Health** performs special investigating unit (SIU) services in support of the fraud, waste and abuse program. We have been working with this company since 2012.

In addition, due to the nature of UnitedHealth Group's corporate structure, some functions are handled by affiliates.

5. In California, corporate contributions are legal, and all of our political giving is through the United HealthCare Services, Inc. corporate entity, which registers as a major donor committee with the state. We are happy to provide additional information at the parent company level (UnitedHealth Group) for states other than California, upon request.

Contractor address;  
 Dental Benefit Providers of California, Inc.  
 3110 Lake Center Drive  
 Santa Ana, CA 92704

Date that contract was approved:  
 June 8, 2017

Amount of contract:(estimated for CY 2018)  
 • \$365,000

Describe the nature of the contract that was approved:  
 DMO Dental Health Insurance Benefits

Comments:  
 \*The amount of this contract is based on the most recent 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

File No. 170762

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

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

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

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: Vision Service Plan (VSP)

*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) *Matthew Alpert, O.D, Mark Bronstein, M.D., M.M.M., Walter Grubbs., Fred Howard, Gordon W. Jennings, O.D, Jarrett Johnson, O.D., Randy D. Lee, O.D., Rob Lynch, Dan Mannen, O.D., F.A.A.O., Leslie A. Murphy, CPA, Mary Anne Murphy, O.D., Gary Sheppard, J.D., Ryan Wineinger, O.D.*
- 2) *Rob Lynch, President/CEO, Kate Renwick-Espinosa, VSP Vision Care President, Don Ball, CFO/Global, Les Passuello, CFO/Vision Care, Chief Operating Officer is not applicable.*
- 3) *not applicable*
- 4) *not applicable*
- 5) *not applicable*

Contractor address: 3333 Quality Drive, Rancho Cordova, CA 95670

Date that contract was approved: June 8, 2017	Amount of contract:(estimated for CY 2018) \$5,485,000
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Describe the nature of the contract that was approved:  
Vision Health Insurance Benefits

Comments:  
\*The amount of this contract is based on the most recent 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

File No. 170762

<b>Filer Information</b> <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>
Name of contractor: <b>Aetna Life Insurance Company</b>
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.
<p>(1) Contractor (Aetna) Board of Directors</p> <ul style="list-style-type: none"> <li>- Fernando Aguirre, Former Chairman, President and Chief Executive Officer Chiquita Brands International, Inc.</li> <li>- Mark T. Bertolini Chairman, Chief Executive Officer and President Aetna</li> <li>- Frank M. Clark, Former Chairman and Chief Executive Officer Commonwealth Edison Company</li> <li>- Betsy Z. Cohen, Chief Executive Officer The Bancorp, Inc</li> <li>- Molly J. Coye, M.D., Chief Innovation Officer UCLA Health System</li> <li>- Roger N. Farah, President, Chief Operating Officer and Director Ralph Lauren Corporation</li> <li>- Jeffrey E. Garten, Juan Trippe Professor in the Practice of International Trade, Finance and Business, Yale University</li> <li>- Ellen M. Hancock, Former President of Jazz Technologies, Inc., Former Chairman and Chief Executive Officer of Exodus Communications, Inc.</li> <li>- Richard J. Harrington, Chairman The Cue Ball Group, Former President and Chief Executive Officer The Thomson Corporation</li> <li>- Edward J. Ludwig, Former Chairman and Chief Executive Officer Becton, Dickinson and Company</li> <li>- Joseph P. Newhouse, John D. MacArthur Professor of Health Policy and Management Harvard University</li> <li>- Olympia J. Snowe, Chairman and Chief Executive Officer, Olympia Snowe, LLC, Former U. S. Senator</li> </ul> <p>(2) Contractor (Aetna) Chief Executive Officer/Chief Financial Officer/Chief Operating Officer</p> <ul style="list-style-type: none"> <li>- Mark T. Bertolini Chairman, Chief Executive Officer</li> <li>- Karen S. Lynch, President</li> <li>- Shawn Guertin, Senior Executive Vice President, Chief Financial Officer</li> <li>- Meg McCarthy is Executive Vice President, Operations &amp; Technology.</li> </ul> <p>(3) Any person who has an ownership of 20% or more</p> <ul style="list-style-type: none"> <li>- Aetna is a publically traded company with no one person or entity having 20% or more ownership</li> </ul> <p>(4) Any subcontractor listed in the bid.</p> <ul style="list-style-type: none"> <li>- Affiliated Customer Services</li> <li>- Allsup</li> <li>- Computer Sciences Corporation</li> <li>- Coventry Priority Services</li> <li>- Dell Systems</li> <li>- IBM Daksh</li> <li>- International Beneficiary Locators, Inc.</li> <li>- Intracorp</li> <li>- Open Solutions and Harland (formerly BISYS)</li> <li>- The Rawlings Company</li> </ul> <p>(5) Any Political committee sponsored or controlled by the contractor</p> <ul style="list-style-type: none"> <li>- Aetna Political Action Committee (PAC) <ul style="list-style-type: none"> <li>i. Aetna PAC is a bipartisan political action committee, an organization that enables company employees to have a voice with legislators who make laws and policy that have a direct impact on the way the company does business. Its purpose is to collect voluntary contributions from eligible Aetna employees</li> </ul> </li> </ul>

File No. 170762

*and then use these funds to support candidates for federal and state political office in accordance with applicable election laws.*

Contractor address: 151 Farmington Avenue Hartford, CT 06156	
Date that contract was approved: June 8, 2017	Amount of contract: (estimated for CY 2018) <ul style="list-style-type: none"><li>• Life (basic): \$1,050,000</li><li>• Life (Supplemental): \$570,000</li><li>• Long Term Disability(LTD): \$7,050,000</li></ul> TOTAL: \$8,670,000
Describe the nature of the contract that was approved: 1.) Basic Group Life and Supplemental Life, and; 2.) Long Term Disability Insurance	
Comments: *The amount of this contract is based on the most recent 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

<b>Filer Information</b> (Please print clearly.)	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: ( 415 ) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

\_\_\_\_\_  
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

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

<b>City Elective Officer Information</b> <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

<b>Contractor Information</b> <i>(Please print clearly.)</i>	
Name of contractor: <b>Best Doctors, Inc.</b>	
<p>1) <i>Please list the names of members of the contractor's board of directors:</i></p> <ul style="list-style-type: none"> <li>• Douglas Donahue,</li> <li>• Bradley Langer,</li> <li>• Jeffrey Meskin,</li> <li>• Jeff Price,</li> <li>• Peter McClennen,</li> <li>• Chester Burrell</li> <li>• Nancy Falchuk,</li> <li>• Douglas Maine,</li> <li>• Elizabeth Allen,</li> <li>• Ignacio Rivera, and</li> <li>• Jack Wolf</li> </ul> <p>2) <i>the contractor's chief executive officer, chief financial officer and chief operating officer:</i></p> <ul style="list-style-type: none"> <li>• Peter McClennen, CEO</li> <li>• John McLean, CFO</li> <li>• Best Doctors does not have a COO</li> </ul> <p>3) <i>(3) any person who has an ownership of 20 percent or more in the contractor:</i></p> <ul style="list-style-type: none"> <li>• No one person has ownership of 20 percent or more of the company.</li> </ul> <p>4) <i>any subcontractor listed in the bid or contract:</i></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p>5) <i>any political committee sponsored or controlled by the contractor.</i></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
Contractor address: 60 State Street #600, Boston, MA, 02109	
Date that contract was approved: June 8, 2017	Amount of contract: (estimated for CY 2018) \$1,150,000
Describe the nature of the contract that was approved: Best Doctors provides an expert medical review benefit, beyond what is offered through Health Plans.	
Comments: *The amount of this contract is based on the most recent 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

File No. 170762

Print Name of Board

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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

