

1 [Agreement - San Francisco Community Health Authority - Third Party Administrator Services
2 - San Francisco City Option Program - Not to Exceed \$49,054,357]

3 **Resolution approving an agreement between the San Francisco Community Health**
4 **Authority and the Department of Public Health for Third Party Administrator Services**
5 **for the San Francisco City Option program for a total amount not to exceed \$49,054,357**
6 **for a term of five years, from July 1, 2020, through June 30, 2025.**

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8 WHEREAS, In 1994, the California Legislature authorized the Board of Supervisors to
9 establish a health authority as a separate legal entity to operate programs involving health
10 care services, and the Board subsequently established the San Francisco Health Authority
11 (SFHA), in order to provide access to comprehensive health care services for Medi-Cal
12 beneficiaries and such other persons as the health authority deemed appropriate; and

13 WHEREAS, In 2005, the Board of Supervisors approved a Joint Powers Agreement
14 with the SFHA to create the San Francisco Community Health Authority (SFCHA), a Joint
15 Powers Authority (JPA), as a separate legal entity, for the purpose of operating the non-Medi-
16 Cal programs operated by the SFHA at that time, such as the Healthy Kids program, to
17 ensure that those non-Medi-Cal program revenues were not subject to the state Quality
18 Improvement Fee, as well as any new programs or lines of business that the JPA might
19 develop, and that the members of the governing body of the SFHA would serve *ex-officio* as
20 members of the governing body of the JPA; and

21 WHEREAS, In 2006, in order to increase access to health care services, the Board of
22 Supervisors amended the San Francisco Administrative Code to create the San Francisco
23 Health Care Security Ordinance (HCSO), which established the Health Access Program, a
24 non-Medi-Cal public health benefit program comprised of the Healthy San Francisco (HSF)

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1 program and Medical Reimbursement Accounts (MRAs), charging the DPH with
2 administration; and

3 WHEREAS, The HCSO enables the DPH to coordinate with a third party vendor to
4 administer the Health Access Program, including the Healthy San Francisco and Medical
5 Reimbursement Accounts programs; and

6 WHEREAS, The Medical Reimbursement Account Program has been expanded to
7 include other Board authorized reimbursement programs such as SF Covered MRA; and

8 WHEREAS, The Medical Reimbursement Account Program and SF Covered MRA are
9 consolidated and marketed under the overall program name of "SF City Option" programs;
10 and

11 WHEREAS, The JPA enables the most effective and efficient governance and
12 operations of the SF City Options programs to be by and through the SFCHA; and

13 WHEREAS, The Healthy SF program provides health care access for uninsured
14 San Francisco residents who meet the eligibility criteria established by the DPH; the SF MRA
15 program reimburses eligible employees for eligible health care expenditures; and the SF
16 Covered MRA program provides financial assistance to eligible employees who purchase
17 insurance through Covered California; and

18 WHEREAS, The DPH wishes to enter into an agreement with the SFCHA for Third
19 Party Administrator Services for the administration of the SF City Option programs, which
20 includes management of vendor services (including SF MRA/SF Covered MRA
21 administration, skip tracing, electronic funds transfers [EFT], and online forms development
22 and processing), enrollment and eligibility functions, employee outreach and utilization;
23 account monitoring and financial oversight of employee funds; employer liaison and training
24 activities, coordination with the Office of Labor Standards Enforcement, and policy analysis
25 and support for program recommendations, as requested by DPH; and

1 WHEREAS, The DPH wishes to establish an agreement with the San Francisco
2 Community Health Authority (SFCHA) to provide such services, the total amount of which will
3 exceed ten million dollars (\$10,000,000) and require Board approval under Section 9.118 of
4 the San Francisco Charter; and

5 WHEREAS, The DPH has contracted with the SFCHA to perform these services since
6 2006, and is satisfied with SFCHA's performance and delivery of services; and

7 WHEREAS, The SFCHA governing board operates in accordance with the Joint
8 Powers Agreement approved by the Board of Supervisors through Resolution No. 237-05;
9 now, therefore, be it

10 RESOLVED, That the Board of Supervisors hereby authorizes the Director of Public
11 Health and the Purchaser, on behalf of the City and County of San Francisco, to execute an
12 agreement with the San Francisco Community Health Authority for Third Party Administrator
13 Services for the San Francisco City Option program for a total amount not to exceed
14 \$49,054,357, for a term of five (5) years, July 1, 2020, through June 30, 2025; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors authorizes the
16 Department of Public Health to enter into any amendments or modifications to the
17 contract, prior to its final execution by all parties, that the Department determines, in
18 consultation with the City Attorney, are in the best interest of the City, do not otherwise
19 materially increase the obligations or liabilities of the City, are necessary or advisable to
20 effectuate the purposes of the contract, and are in compliance with all applicable laws;
21 and, be it

22 FURTHER RESOLVED, That within thirty (30) days of the contract amendment being
23 fully executed by all parties, the Director of Health and/or the Director of Office of Contract
24 Administration/Purchased shall provide the final contract to the Clerk of the Board for inclusion
25 in the official file (File No. _____).

1 RECOMMENDED:

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3 /s/ _____

4 Grant Colfax, M.D.

5 Director of Health

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