



# SF Community Health Authority

File #: 260389: Healthy SF Private Provider Network

File #: 260390: Third Party Administrator of SF City Option

**BOS Budget & Finance Committee | May 20, 2026**

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# Overview



- The City's Health Care Security Ordinance (HCSO) approved in 2006, led to the development of the Healthy SF (HSF) and SF City Option (SFCO) programs.
  - ✓ HSF is a health access program funded through General Fund to provide medical and behavioral health services to SF residents who have no other option for care, through partnership with private, non-profit providers.
  - ✓ SFCO is funded through employer contributions and offers medical reimbursement to employees whose employers have chosen to contribute funds to comply with HCSO.
- **Today's goal:** Obtain BOS approvals for two contracts for FY26-30:
  - ✓ The HSF Private Provider Network Agreement to pay private, non-profit providers in the HSF network
  - ✓ The SFCO Third-Party Administration Agreement to provide administrative functions supporting daily operations

# Healthy SF Private Provider Network Agreement



- **Contractor:** SF Community Health Authority (SFCHA)
- **Not-to-Exceed Amount:** \$41,648,505
- **Source of Fund:** General Fund
- **Purpose:** Continue paying the private, non-profit providers in the HSF network
- **Terms:** 7/1/2026 - 6/30/2030

## • **Summary**

Private, non-profit providers network includes:

- ✓ 15 non-DPH clinics (e.g., SF Community Clinic Consortium)
- ✓ UCSF Health Stanyan Hospital
- ✓ Kaiser Permanente
- ✓ A network of pharmacies (e.g. Walgreens)

# Healthy SF Private Provider Network Agreement



- **Summary** (continued)

Through this contract, DPH will continue paying contracted private providers for:

- ✓ Primary care, specialty care, hospital, and pharmacy services, based on the number of assigned program participants per month and services offered
- ✓ Ambulance services

**Contract is budgeted based on:**

- ✓ The maximum number of participants providers have agreed to accept under their current SFCHA contracts
- ✓ Forecasted utilization of pharmacy and ambulance services and projected membership increases
- ✓ Multi-year gender health services utilization data

# Healthy SF Private Provider Network Agreement



- **Summary** (continued)

A comparison of the proposed years with the prior 4-year period indicates a 170% increase in the budget due to:

- ✓ Increase in enrollment
- ✓ Increase in private, non-profit provider reimbursement

# SF City Option Third-Party Administration Agreement



- **Contractor:** SF Community Health Authority (SFCHA)
- **Not-to-Exceed Amount:** \$52,768,224
- **Source of Funding:** Interest earned from the HCSO fund pool
- **Purpose:** Provide administrative functions to support daily program operations
- **Terms:** 7/1/2026 - 6/30/2030

# SF City Option Third-Party Administration Agreement - Administrative Functions



## Operations - Support Services

- Planning and development of policies and procedures
- Hiring, training, supervision, and provision of office space and equipment
- Budgeting and subcontracting
- Risk management
- Financial management
- Marketing and communication
- IT infrastructure
- Data analytics

## Operations - Customer-Facing

- Medical Reimbursement Account (SFMRA) enrollment
- SFMRA claims and reimbursement
- Outreach to employers and employees
- Call center and customer service

# SF Medical Reimbursement Account (MRA)



To ensure that the SF Community Health Authority (SFCHA) has done its due diligence in working with a MRA vendor, SFCHA will:

1. Issue a Request for Interest (RFI) for the MRA work between January and February of 2027
2. Based on the responses, decide whether to:
  - continue its work with the existing MRA vendor (including ongoing contract and performance monitoring) based on RFI responses; or
  - issue a Request for Qualifications (RFQ) by June 30, 2027, and develop a subsequent list of qualified vendors



# Conclusion

**DPH respectfully requests approval of these items. Thank you.**