

[Authorizing health plans for City residents.]

CHARTER AMENDMENT

PROPOSITION _____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by amending Section 12.200 of the Charter and Section A8.421 of Appendix A of the Charter to authorize the Health Service Board to offer health plans to City residents.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 2, 2004, a proposal to amend the Charter of the City and County by amending Section 12.200 of the Charter and Section A8.421 of Appendix A of the Charter to read as follows:

Note: Additions are *single-underline italics Times New Roman*.
Deletions are ~~*strikethrough italics Times New Roman*~~.

SEC. 12.200. HEALTH SERVICE BOARD.

There shall be a Health Service Board which shall consist of seven members as follows: one member of the Board of Supervisors, to be appointed by the President of the Board of Supervisors; the City Attorney or designated deputy city attorney; two members appointed by the Mayor pursuant to Section 3.100, one of whom shall be an individual who regularly consults in the health care field, and the other a doctor of medicine; and three members elected from the active and retired members of the System from among their number. Elections shall be conducted by the Director of Elections in a manner prescribed by ordinance. Elected members need not reside within the City and County. The terms of members, other than the two ex officio members, shall be five years, one term expiring on May 15 of each year.

A vacancy on the Board appointed by the Mayor shall be filled by the Mayor. A vacancy in an elective office on the Board shall be filled by a special election within 90 days after the vacancy occurs unless a regular election is to be held within six months after such vacancy shall have occurred.

The Health Service Board shall:

1. Establish and maintain detailed historical costs for medical and hospital care and conduct an annual review of such costs;
2. Apply benefits without special favor or privilege;
3. Put such plans as provided for in Section A8.422 into effect and, through the Human Resources Department, conduct and administer the same and contract therefor and use the funds of the System;
4. Make rules and regulations for the administration of business of the Health Service System, the granting of exemptions and the admission to the System of persons who are hereby made members, and such other officers and employees as may voluntarily become members with the approval of the Board; and
5. Receive, consider and, within 60 days after receipt, act upon any matter pertaining to the policies of, or appeals from, the Health Service System submitted to it in writing by any member or any person who has contracted to render medical care to the members.

Subject to the requirements of state law and the budgetary and fiscal provisions of the Charter, the Health Service Board may make provision for health or dental benefits for residents of the City and County of San Francisco as provided in Section A8.421 of Appendix A of the Charter.

A8.421 CONTINUATION OF EXISTING PLANS ADOPTION OF PLANS FOR RESIDENTS

~~*The medical care plans in effect on the effective date hereof shall continue in force and effect until rescinded or superseded by a new plan or plans adopted by the health service board and approved by ordinance of the board of supervisors, adopted by three fourths of its members.*~~

Subject to the requirements of state law and the budgetary and fiscal provisions of the Charter, the Health Service Board is authorized by a two-thirds vote of the entire membership of the Health Service Board to adopt a plan or plans or make other provision for health or dental benefits for residents of the City and County of San Francisco. Such plan or plans shall not become effective until approved by an ordinance of the Board of Supervisors adopted by three-fourths of its members. Residents shall not by virtue of enrolling in such plan or plans become members of the Health Service System. The Health Service System Fund shall not be used to provide any benefits under this section. The Health Service Board shall adopt rules and regulations to administer this section.

The determinations made under this section, including but not limited to whether to adopt a plan or plans, what benefits to offer, determination of eligibility, and the fixing and allocation of the cost of any plan or plans, are within the sole discretion of the City and County and its officials.

A8.422 ADOPTION OF PLANS FOR MEMBERS

The board shall have power and it shall be its duty by a two-thirds vote of the entire membership of the health service board to adopt a plan or plans for rendering medical care to members of the system, or for the indemnification of the cost of said care, or for obtaining and carrying insurance against such costs or for such care.

Such plan or plans as may be adopted, shall not become effective until approved by ordinance of the board of supervisors, adopted by three-fourths of its members.

The board of supervisors shall secure an actuarial report of the costs and effect of any proposed change in the benefits of the health service system or rates of contribution before

enacting an ordinance or before voting to submit any proposed charter amendment providing for such change.

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

By: _____
MOLLY S. STUMP
Deputy City Attorney