

File No. 201058

Committee Item No. 10

Board Item No. 2

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date September 30, 2020

Board of Supervisors Meeting

Date October 6, 2020

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

- Updated Dental Insurance Plan Rates and Benefits Report
- Department Presentation
- _____
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- _____
- _____

Completed by: Linda Wong

Date September 25, 2020

Completed by: Linda Wong

Date October 1, 2020

1 [Health Service System Dental Plans and Contribution Rates - Calendar Year 2021]

2
3 **Ordinance approving Health Service System dental plans and contribution rates for**
4 **calendar year 2021.**

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

13
14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Background and Findings.

16 (a) At its meetings on July 28, 2020, the Board of Supervisors approved the health
17 insurance plans and contribution rates, including Delta Dental plans and rates, effective
18 January 1, 2021, for the calendar plan year January 1, 2021, through December 31, 2021.
19 Said plans and contribution rates are on file with the Clerk of the Board of Supervisors in
20 Board File No. 200674. The ordinance, Ordinance No. 130-20, was signed by the Mayor on
21 July 31, 2020.

22 (b) At its meeting of September 10, 2020, the Health Service Board (HSB) approved
23 new premium and contribution rates for the Delta Dental plans rates for dental insurance to
24 become effective on January 1, 2021, for the calendar plan year January 1, 2021, through
25 December 31, 2021. Said plans and contribution rates are on file with the Clerk of the
Board of Supervisors in Board File No. 201058 and are incorporated herein by reference.

1 Section 2. The Board of Supervisors hereby approves the dental insurance plan and
2 contribution rates adopted by the HSB on September 10, 2020, as referenced in subsection
3 (b) of Section 1 of this ordinance.

4
5 Section 3. Effective Date. This ordinance shall become effective 30 days after
6 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
7 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
8 of Supervisors overrides the Mayor's veto of the ordinance.

9
10 Section 4. Supermajority Vote Requirement. Under Charter Section A8.422, a three-
11 fourths' vote of the Board of Supervisors (i.e., the vote of at least nine Supervisors) is required
12 for passage of this ordinance.

13
14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA, City Attorney

16 By: /s/
17 ERIK A. RAPOPORT
18 Deputy City Attorney

19
20 n:\legana\as2019\1800710\01477992.docx

LEGISLATIVE DIGEST

[Health Service System Dental Plans and Contribution Rates - Calendar Year 2021]

Ordinance approving Health Service System dental plans and contribution rates for calendar year 2021.

Existing Law

Charter Section A8.422 requires the Board of Supervisors to adopt health care plan contribution rates annually for Health Service System members by three fourths of its members.

Amendments to Current Law

The Ordinance sets the Health Service System member health care Delta Dental plan contribution rates and benefits.

Background Information

As a result of substantial suppression in dental claim activity experienced in March 2020 to June 2020 due to the impact of COVID-19 pandemic caused dental office closures during those months, Delta Dental and the Health Service System negotiated a reduction in 2021 retiree dental rates from those previously approved, and enhancements to Delta Dental of California (Delta Dental) PPO Plan SmileWay Benefit for the 2021 plan year for active employees and retirees.

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Item 10 File 20-1058	Department: Health Service System (HSS)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed ordinance would approve changes to the San Francisco Health Service System’s (SFHSS) dental plans and contribution rates for calendar year 2021. The changes apply to Delta Dental’s PPO and HMO plans for 2021. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The SFHSS 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 SFHSS employers and members. • In July 2020, the Board of Supervisors approved the San Francisco Health Service System’s (SFHSS) health, vision, and dental plans as well as life insurance and long-term disability insurance plans and contribution rates for calendar year 2021 (File 20-0674). On September 10, 2020, the Health Service Board approved new premium and contribution rates for the Delta Dental Plans for dental insurance to become effective on January 1, 2021 for calendar year 2021. • Claims for the months of March through June 2020 for all SFHSS retirees enrolled in the Delta Dental PPO temporarily decreased by \$3 million or \$26.60 per member per month, an approximately 60 percent decrease relative to the prior year. The Health Service System estimates that \$2.3 million of the total \$3 million is attributable to City retirees in the Delta Dental Retiree PPO plan, based on the proportion of City retiree dental PPO plan enrollment to all SFHSS retiree dental PPO plan enrollment. Consequently, the Health Service System negotiated the following changes to the previously approved dental plans: 1) SmileWay dental program enhancement for active City employees; and 2) Rate reduction for the retiree Delta Dental PPO and DeltaCare USA retiree plans. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • Under the proposed ordinance, the total estimated dental plan premium amounts paid by the City in CY 2021 for the three active employee dental plans would increase by \$592,270 or 1.47 percent, from \$40,409,992 (as reported to the Board of Supervisors in July 2020 in File 20-0674) to \$41,002,262. This increased City cost is to pay for the SmileWay dental program enhancement for active City employees. There are no additional City costs for retirees because they pay the full cost of SFHSS dental plans. • The additional costs arising from the proposed ordinance would be funded by the Health Service System Trust Fund, which had a fund balance of \$92.2M as of June 30, 2019. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinance. 	

MANDATE STATEMENT

City Charter Section A8.423 requires the Board of Supervisors to adopt health care plan contribution rates, including dental plan rates and benefits, annually for Health Service System members by three fourths of its members. 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 San Francisco Health Service System (SFHSS). The SFHSS 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 SFHSS employers and members. Although the SFHSS includes the City, the School District, the Community College District, and the Superior Court, SFHSS only provides dental plans for City employees and Superior Court employees. Upon achieving eligibility to retire, however, retirees of the City, the School District, Community College District and Superior Court can enroll in retiree dental plan at their own costs.

Dental Plans

SFHSS offers three dental plans, including one PPO (Delta Dental PPO) and two HMOs (DeltaCare USA and UnitedHealthcare Dental). The City pays most of the cost of dental benefits for active employees enrolled in the Delta Dental PPO, and the full cost of the dental HMOs for active employees. Retirees pay the full cost of their dental plans. For plan year 2021, the City contributes (1) the total premium toward each of the dental HMO plans for City active employees, and (2) the monthly premium minus employee contributions ranging from \$5.00 for employee only coverage to \$15.00 per month for full family coverage, for the Dental PPO plan. Member contributions for the three dental plans remain unchanged from the 2020 plan year.

New Premium and Contribution Rates for Dental Plans

In July 2020, the Board of Supervisors approved the San Francisco Health Service System's (SFHSS) health, vision, and dental plans as well as life insurance and long-term disability insurance plans and contribution rates for calendar year 2021 (File 20-0674). On September 10, 2020, the Health Service Board approved new premium and contribution rates for the Delta Dental Plans for dental insurance to become effective on January 1, 2021 for calendar year 2021.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would approve changes to the San Francisco Health Service System's (SFHSS) dental plans and contribution rates for calendar year 2021. The changes apply to Delta Dental's PPO and HMO plans for 2021.

Changes to Delta Dental Plan

According to Mr. Lawrence Loo, Chief Financial Officer at the Health Service System, since the dental plans were initially approved in July 2020, there has been substantial decrease in claim

activity relative to 2020 because of the impact of closed dental offices due to the COVID-19 pandemic. Mr. Loo states that claims for the months of March through June 2020 for all SFHSS retirees enrolled in the Delta Dental PPO temporarily decreased by \$3 million or \$26.60 per member per month, an approximately 60 percent decrease relative to the prior year. The Health Service System estimates that \$2.3 million of the total \$3 million is attributable to City retirees in the Delta Dental Retiree PPO plan, based on the proportion of City retiree dental PPO plan enrollment to all SFHSS retiree dental PPO plan enrollment. Consequently, the Health Service System negotiated the following changes to the previously approved dental plans:

- 1) **Benefit Enhancement:** Delta Dental PPO plan's SmileWay benefit allows for members with one or more chronic disease conditions (diabetes, heart disease, HIV/AIDS, rheumatoid arthritis, and stroke) to receive additional dental services at no charge.¹ According to Mr. Loo, some benefits provided by the SmileWay program for qualifying members were being applied to member dental annual benefit maximums, which meant added services for root planing, periodontal scaling, and periodontal maintenance were being paid out-of-pocket by members who have achieved their annual dental benefit maximum previously. The benefit enhancement corrects for this gap in SFHSS active employee PPO and retiree PPO plan coverage for individuals needing added dental services resulting from having one of the five qualifying chronic conditions mentioned above.
- 2) **Rate Reduction:** Delta Dental has proposed to credit SFHSS 25 percent of the insured plan premium for August 2020 and September 2020 for the retiree Delta Dental PPO and DeltaCare USA retiree plans by reducing the rate effective January 2021.

FISCAL IMPACT

Under the proposed ordinance, the total estimated dental plan premium amounts paid by the City in CY 2021 for the three active employee dental plans would increase by \$592,270 or 1.47 percent, from \$40,409,992 (as reported to the Board of Supervisors in July 2020 in File 20-0674) to \$41,002,262. This increased City cost is to pay for the SmileWay dental program enhancement for active City employees. There are no additional City costs for retirees because they pay the full cost of SFHSS dental plans.² The additional costs arising from the proposed ordinance would be funded by the Health Service System Trust Fund, which had a fund balance of \$92.2M as of June 30, 2019.

RECOMMENDATION

Approve the proposed ordinance.

¹ The added coverage for SmileWay program enrolled members includes: 1) Four teeth cleanings (e.g., prophylaxis) covered at 100% annually; 2) Four periodontal maintenance procedures covered at 100% annually; and 3) One periodontal scaling and root planing procedure per quadrant covered at 100% annually.

² The 2021 monthly premiums for retiree Delta Dental Plan PPO would decrease by \$1.07 and the DeltaCare USA DHMO would decrease by \$1.35 relative to the previously approved premiums.



September 11, 2020

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

RE: UPDATE to January 1, 2021 to December 31, 2021 Dental Insurance Plan Rates and Benefits

Honorable Members of the Board of Supervisors:

On July 28, 2020 the Board of Supervisors approved 2021 plan year rates and benefits for San Francisco Health Service System (“SFHSS”) health, dental, vision, life insurance, and long-term disability plans. The documentation for the approved SFHSS 2021 plan year rates and benefits was contained in our June 17, 2020 letter to the Board of Supervisors.

Since that time, two specific actions by Delta Dental Plan of California (“Delta Dental”) have generated the ability for SFHSS to negotiate one plan improvement to the Active Employee and Retiree Dental PPO plans, and lower 2021 proposed plan rates for the insured Retiree Delta Dental plans for which retirees pay 100% of the insured plan premium—the Retiree Dental PPO plan and the Retiree DeltaCare USA Dental HMO plan.

Plan Improvement Recommendation for 2021 Plan Year to “SmileWay” Benefit

The active employee and retiree dental PPO plans currently incorporate a benefit called “SmileWay”, a Delta Dental program which allows for 100% coverage of the cost for certain added services annually for members with the following chronic diseases: diabetes, heart disease, HIV/AIDS, rheumatoid arthritis, and stroke. These added services are beneficial to supporting dental health of members with one or more of these five chronic conditions. The added coverage for SmileWay program enrolled members includes:

- Four teeth cleanings (e.g., prophylaxis) covered at 100% annually;
- Four periodontal maintenance procedures covered at 100% annually; and
- One periodontal scaling and root planing procedure per quadrant covered at 100% annually.

Presently, there are 161 members (0.2% of covered lives) enrolled in SmileWay from the Active Employee PPO plan population, and 461 members (1.6% of covered lives) enrolled in SmileWay from the Retiree PPO plan population.



It was recently brought to the attention of SFHSS that while the cost of additional teeth cleaning covered services (two are covered for all participants, with two additional annually for SmileWay program enrollees) does not count towards a member's annual benefit maximum dollar limit, the costs for the periodontal maintenance, periodontal scaling, and root planing procedures do count towards a member's annual benefit maximum dollar limit under their Delta Dental PPO plan—meaning a member could attain their annual benefit maximum before all allowed additional SmileWay program services can be obtained. Presently costs for SmileWay services after the annual maximum is attained become responsibility of the member.

Thus, we ask that the Board of Supervisors approve a recommended change to become effective January 1, 2021 that would allow all SmileWay program services to be covered at 100% without application to the annual benefit plan maximum. The impact to employer costs is projected as follows for the 2021 plan year:

- **Active employees**—Delta Dental estimates this will increase claim costs for the active employee PPO plan (self-funded plan) by 1.4%. Aon estimates the dollar amount to be \$592,000 to the City and County of San Francisco (San Francisco Unified School District and City College of San Francisco employees do not receive dental benefits through SFHSS).
- **Retirees**—no cost to the City and County of San Francisco, as retirees pay 100% of insured plan premiums for SFHSS dental plans.

Revised (Lower) Retiree Dental Plan Premiums for 2021 Plan Year

Given the COVID-19 pandemic resulted in significantly reduced member dental plan utilization activity during recent periods of “shelter in place/stay at home” orders—primarily March 2020 to June 2020—Delta Dental has offered a partial refund of premiums paid for its insured dental plans. Specifically, for retiree plans, since the Retiree Dental PPO and Retiree DeltaCare USA Dental HMO plans are fully paid by retirees with no employer contribution, SFHSS has negotiated a further insured plan premium reduction for the 2021 plan year for retirees enrolled in these two plans. The adjusted Retiree Dental PPO plan premium for the 2021 plan year also incorporates provision for the enhancement in SmileWay program benefits described in the prior section to this letter (estimated to be 1.86% of premium).

The table below illustrates the retiree dental plan monthly insured premium rates—which are also the monthly retiree contributions paid by SFHSS enrolled retiree members—that were originally approved by the Board of Supervisors on July 28, 2020 for the 2021 plan year:



Originally Approved SFHSS Retiree Delta Dental Plan Monthly Rates for 2021 Plan Year

SFHSS Dental Plan	Plan Year	Retirees		
		RET Only	RET + 1	RET + 2+
Delta Dental PPO	PY 2020	\$45.77	\$91.04	\$135.88
	PY 2021	\$44.97	\$89.45	\$133.50
	\$ Difference	-\$0.80	-\$1.59	-\$2.38
	% Difference	-1.75%	-1.75%	-1.75%
DeltaCare USA DHMO	PY 2020	\$32.85	\$54.21	\$80.19
	PY 2021	\$32.28	\$53.26	\$78.79
	\$ Difference	-\$0.57	-\$0.95	-\$1.40
	% Difference	-1.75%	-1.75%	-1.75%

As a result of recent negotiations with Delta Dental given claim suppression impacts from the COVID-19 pandemic, we show below revised recommended 2021 monthly premium rates—which are same as monthly retiree member contributions—for the two Delta Dental retiree dental plans offered to SFHSS retirees, where the Retiree Dental PPO plan revised rates also include adjustment for the enhanced SmileWay program benefits described earlier in this letter:

Revised Recommended SFHSS Retiree Delta Dental Plan Monthly Rates for 2021 Plan Year

SFHSS Dental Plan	Plan Year	Retirees		
		RET Only	RET + 1	RET + 2+
Delta Dental PPO	PY 2020	\$45.77	\$91.04	\$135.88
	PY 2021	\$43.90	\$87.32	\$130.32
	\$ Difference	-\$1.87	-\$3.72	-\$5.56
	% Difference	-4.09%	-4.09%	-4.09%
DeltaCare USA DHMO	PY 2020	\$32.85	\$54.21	\$80.19
	PY 2021	\$30.93	\$51.04	\$75.50
	\$ Difference	-\$1.92	-\$3.17	-\$4.69
	% Difference	-5.84%	-5.85%	-5.85%

The revised 2021 rates above will benefit retirees while generating no additional cost in 2021 to the City and County of San Francisco since retiree dental plans are fully paid by retirees.



September 11, 2020
Board of Supervisors
City and County of San Francisco
Page 4

The Health Service Board approved the change recommendations outlined above in this letter on September 10, 2020.

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, appearing to read "M. Clarke", is positioned below the "Sincerely," text.

Michael A. Clarke, FSA, MAAA, FCA
Senior Vice President & Consulting Actuary, Aon Consulting, Inc.

cc: President and Members of the Health Service Board
Abbie Yant, San Francisco Health Service System

MEMORANDUM

DATE: September 14, 2020
TO: Supervisor Sandra Fewer, Chair
Budget and Finance Committee
FROM: Abbie Yant, Executive Director
Health Service System
RE: Ordinance Approving Health Service System Dental Plans and Contribution
Rates for Calendar Year 2021

Attached are the following documents relating to the above matter:

1. Proposed ordinance (approved as to form by the City Attorney's Office) approving Health Service System dental plans and contribution rates for calendar year 2021;
2. Actuarial Report dated September 11, 2020 from Aon, as required under Section A8.422 of Appendix A to the San Francisco Charter, including summaries of the dental rates and benefits adopted by the Health Service Board on September 10, 2020.
4. Form SFEC-126 (Notification of Contract Approval) for Delta Dental of California.

Please let me know if you need any additional information.

CC: Members, Health Service Board (w/ electronic attached)
Erik Rapoport (w/ electronic attached)
Ben Rosenfield (w/ electronic attached)
Pamela Levin (w/ electronic attached)
Larry Loo (w/electronic attached)
Mike Clarke (w/ electronic attached)
Ashley Groffenberger (w/ electronic attached)

President, District 7
BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. 554-6516
Fax No. 554-7674
TDD/TTY No. 544-6546

Norman Yee

PRESIDENTIAL ACTION

Date:

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No.

(Primary Sponsor)

Title.

Transferring (Board Rule No 3.3)

File No.

(Primary Sponsor)

Title.

From:

Committee

To:

Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor:

Replacing Supervisor:

For:

Meeting

(Date)

(Committee)

Start Time:

End Time:

Temporary Assignment:

Partial

Full Meeting

Norman Yee, President
Board of Supervisors



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 201058

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Michael Visconti	628-652-4645
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
HSS Health Service System	michael.visconti@sfgov.org

5. CONTRACTOR	
NAME OF CONTRACTOR Delta Dental of California	TELEPHONE NUMBER 888-335-8227
STREET ADDRESS (including City, State and Zip Code) 560 Mission Street, Suite 1300, San Francisco, CA	EMAIL

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 201058
DESCRIPTION OF AMOUNT OF CONTRACT \$61,348,847		
NATURE OF THE CONTRACT (Please describe) Dental health insurance benefits Delta Dental PPO Policy 01673-Retirees (fully insured premium) - \$15,878,154 Delta dental PPO Policy 09502-Actives (self funded claims plus admin) - \$44,656,034 DeltaCare USA DHMO Policy 717-97-DeltaCare active and retiree (fully insured premium) - \$814,659		

7. 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.

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Castro	Michael J.	CEO
2	Weber	Alicia F.	CFO
3	Gilbert	Roy	COO
4	Bergert	Glen F.	Board of Directors
5	Farnsworth DDS	R.Kent	Board of Directors
6	Franzoi	Lynn L.	Board of Directors
7	Gonella	Roy A.	Board of Directors
8	Kaplan DDS	Gregory D.	Board of Directors
9	Law	Ian	Board of Directors
10	McCann	Steven F.	Board of Directors
11	O'Toole	Terry A.	Board of Directors
12	Pickering DDS	Stephen R.	Board of Directors
13	Reid	Andrew J.	Board of Directors
14	Widmann	Janet	Board of Directors
15	Yodowitz	Heidi	Board of Directors
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<p>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</p> <p>BOS Clerk of the Board</p>	<p>DATE SIGNED</p>
-------------------------------------------------------------------------------------------------------------------	---------------------------

Introduction Form

By a Member of the Board of Supervisors or Mayor

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. Topic 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):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

For Clerk's Use Only

From: [Snyder, Jen \(BOS\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [Dean Preston](#); [Kyle Smeallie](#); [Lopez, Holly \(HSS\)](#)
Subject: Ordinance approving Health Service System dental plans and contribution rates for calendar year 202
Date: Tuesday, September 15, 2020 2:53:59 PM
Attachments: [2020_SFHSS_BOS_Dental_Rates_and_Benefits_Package_Memo.docx](#)
[HSS_2021_R&B_Legislative_Digest_amended_9-2020.docx](#)
[HSS_2021_r&B_Ordinance_amended_9-2020.docx](#)
[Intro_Form_SUP.Preston_Health_Service_System_Dental_Plans_and_Contribution_Rates_-_Calendar_Year_202.pdf](#)
[SFEC_Form_126f4BOS---HSS-200674-Delta_Dental_Amended.pdf](#)
[SFHSS_SEPT_2021_BoS_Letter_Dental_Updates_DRAFT_as_of_091120_1209PM.docx](#)

Hi there,

Attached you'll find the Health Services Board Ordinance that will be introduced today by Supervisor Preston today.

The completed Introduction Form is attached here, and Supervisor Preston is copied to indicate his approval.

Also attached are:

- A memorandum from the HSS
- Word version of the Ordinance
- Word version of the Legislative Digest for the Ordinance
- The PDF's of the Forms 126 that were also submitted electronically
- A letter from Abbie Yant to notify the Board

Let me know if there is anything further needed from our office or the Health Services Board at this time.

Thank you much,

2021 Delta Dental Benefit Enhancement and Retiree Rate Reduction

Budget and Finance Committee | September 30, 2020

Abbie Yant, RN, MA
Executive Director, HSS

Background on Recommendations

Dental Plan Benefits & Rates for Active Employees & Retirees

- Health Service Board (HSB) annually presents health benefits and rates for active employees and retirees for Board of Supervisors (BOS) approval
- 2021 health benefits and rates were approved by the (BOS) 7/28/2020
- In recognition of lower utilization of dental services due to COVID-19 and a service issue, **Delta Dental** proposed to provide a benefit enhancement and a reduction in retiree rates. The HSB approved the proposal on 9/10/2020.

Benefit Enhancement to Delta Dental PPO for Active Employees and Retirees

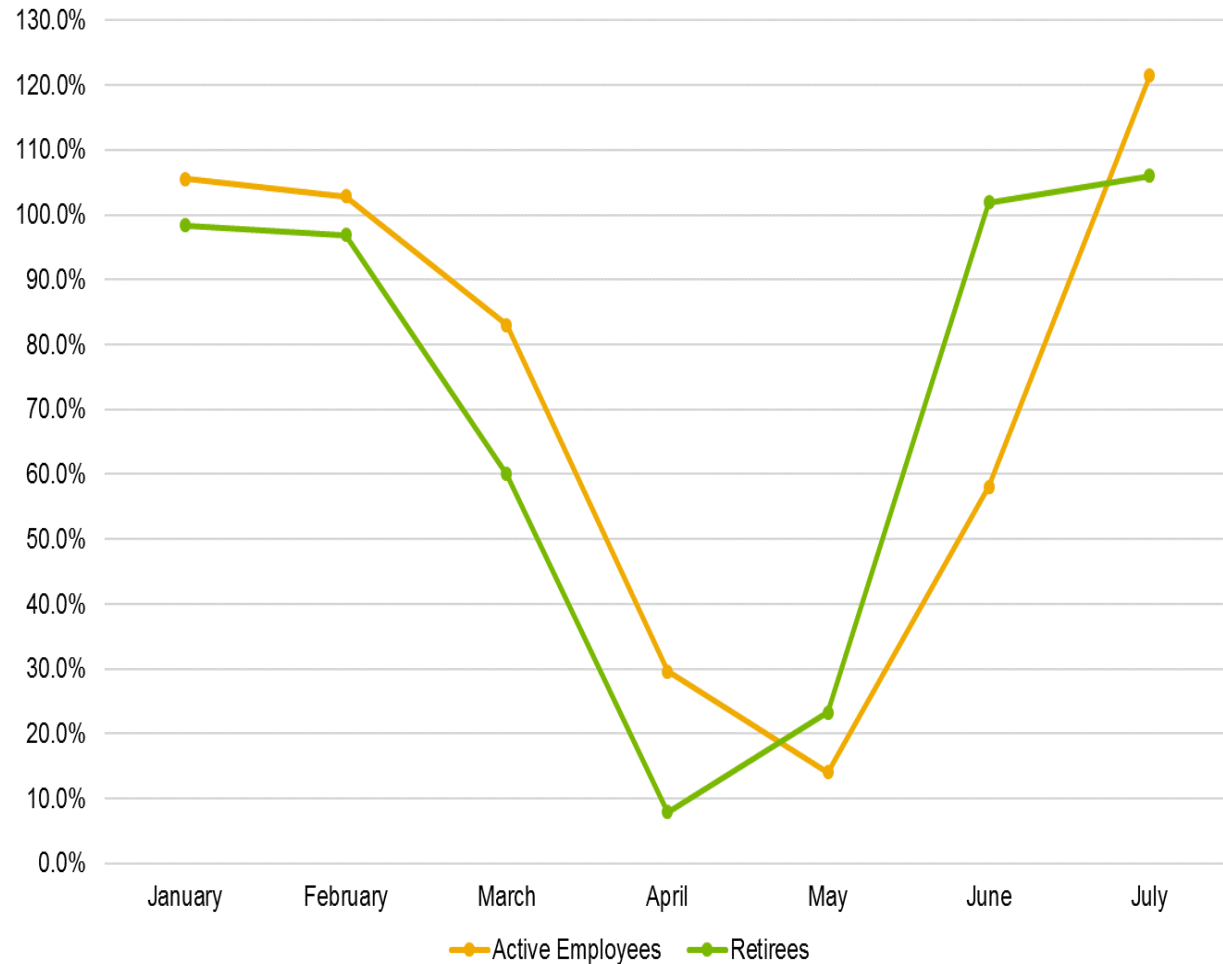
- SmileWay: members with one or more specific chronic illnesses (diabetes, heart disease, HIV/AIDS, rheumatoid arthritis, and stroke) receive additional services at no additional out of pocket cost.

Reduction Modifications to Delta Dental Retiree Rates for 2021 (given retirees pay 100% of Retiree Dental plan premiums)

- Retiree PPO and DeltaCare USA Dental HMO for Retirees

SFHSS Specific Data—Dental Claim Suppression (Comparison of Same Month Per Member Claims, 2020 vs. 2019)

- As shelter-in-place / stay-at-home orders played out starting mid-March in the Bay Area, SFHSS saw lower levels of claim activity in the March to June 2020 timeframe



SmileWay Benefit Enhancement Recommendation

Current: How enhanced benefits are handled currently within the SmileWay program for qualified PPO plan members

Recommendation: Changes the applicability of costs to the Calendar Year Maximum (CYM) starting January 1, 2021:

Description	Code	Frequency Limits	SmileWay – Current	SmileWay – 2021 Recommended
Teeth Cleaning	D1110 or D1120	Up to 4 per year	100% (does not apply to CYM)	100% (does not apply to CYM)
Periodontal maintenance	D4910		100% (applies to CYM)	100% (does not apply to CYM)
Periodontal scaling	D4341	1 per quadrant per year	100% (applies to CYM)	100% (does not apply to CYM)
Root planing	D4342		100% (applies to CYM)	100% (does not apply to CYM)

2021 Dental Plan Rating Renewal Summary — Revised

Below is a summary of rate changes from 2020 to 2021 approved by the HSB on June 11, 2020—and rate change approved by the HSB on September 10, 2020.

Yellow highlighted fields below are presented for retiree rate revision.

Dental Plan	Original 2021 Rate Change Action (June 11 HSB)	Updated 2021 Rate Change Action	* Enrolled Employee/ Retiree Members
Active Employee Delta Dental PPO	+0.6%	+0.6%	31,723
Active Employee DeltaCare USA HMO	-1.75%	-1.75%	761
Active Employee UHC Dental HMO	-3.0%	-3.0%	544
Retiree Employee Delta Dental PPO	-1.75%	-4.09%	21,388
Retiree Employee DeltaCare USA HMO	-1.75%	-5.85%	1,022
Retiree Employee UHC Dental HMO	-3.0%	-3.0%	800

* Enrollments as of May 2020

Summary of Recommendations

1) Active Employee Delta Dental PPO:

- Adds SmileWay benefit enhancements to become effective January 1, 2021
- No change to previously approved rates
- Delta Dental expects this to add 1.4% in claim costs in 2021 which would be captured in existing rate stabilization reserves

2) Retiree Delta Dental PPO:

- Add SmileWay benefit enhancements to become effective January 1, 2021
- Accept additional rate reductions for 2021—result is a 4.09% reduction in premium rates from 2020 to 2021

3) Retiree DeltaCare USA DHMO Plan:

- Accept additional rate reductions for 2021—result is a 5.85% reduction in premium rates from 2020 to 2021

Recommendation

Approve the proposed ordinance authorizing
the rate reduction of
2021 Delta Dental Retiree Rates and
Smileway Benefit enhancement