



**Joint San Francisco Health Authority/San Francisco Community Health Authority  
Governing Board  
May 2, 2018  
Meeting Minutes**

Chair: Steven Fugaro, MD  
Vice-Chair: Barbara Garcia  
Secretary-Treasurer: Reece Fawley

**Members**

Present: Edwin Batongbacal, Eddie Chan, PharmD, Irene Conway, Reece Fawley, Steven Fugaro, MD., Sabra Matovsky, Maria Luz Torre, Emily Webb, David Woods, Pharm D., and Jian Zhang, DNP, MS, FNP-BC

**Members**

Absent: Dale Butler, Aneeka Chaudhry, Lawrence Cheung, MD, Barbara Garcia, Steve Fields, and Roland Pickens

Steven Fugaro, MD, Chair, chaired the meeting and called the meeting to order. He asked if there was anyone from the public in attendance that wanted to make any comments.

In attendance from the public were Shawn Paxson, with Lockton, and Heather Claus, attorney with Daponde & Szabo. There were no public comments.

John F. Grgurina, Jr., CEO, and the full Board welcomed Sabra Matovsky and Jian Zhang to the Governing Board. In addition, Mr. Grgurina introduced Brian Gentner, Director, Human Resources, who sat in for Kate Gormley, Interim Chief Human Resource Officer, as well as Skip Bishop, Director of Accounting, and Rand Takeuchi, Senior Manager, Accounting, who were sitting in for John Gregoire, CFO.

**1. Approval of Consent Calendar**

- The following Board items were on the consent calendar for the Board's approval:
- a. Review and Approval of Minutes from March 7, 2018 Governing Board Meeting.
  - b. Review and Approval of Minutes Quality Improvement Committee (QIC) Minutes.
  - c. Review and Approval of Credentialing Recommendations.

The Board unanimously approved the consent calendar without any issues.

**2. Review and Approval of 2018-19 Employee Health Benefit Contracts and Rates**

**Recommendation:** San Francisco Health Plan (SFHP) recommended the Governing Board approve the following employee benefit changes for benefit year 2018-19:

- Renew Kaiser HMO at an 8.9% increase.
- Renew Aetna PPO and HMO policies at a 10% increase.
- Renew Principal Dental and Life/AD&D, VSP and Employee Assistance

Program (EAP).

- Change voluntary employee paid long-term disability to an employer-paid benefit at a cost of \$62,218.

Brian Gentner, Director, Human Resources, and Shawn Paxson, Consultant, Lockton, provided the Board with an overview of changes SFHP's employee benefit year 2017-2018. (Detailed PowerPoint slides were provided in the Board packet.)

Initial gross increase proposed by the insurers was 12.2%, or an increase of \$521,490, but after negotiations by Lockton, the total overall renewal increase obtained was 8.5%, or \$366,007, for 2018-19.

The main change presented for benefit year 2018-19 was changing the long-term disability program from a voluntary employee-paid program to an employer-paid program for the following reasons:

1. Current voluntary program participation was under 10%.
2. Given the financial distress an employee would experience from a long-term disability, it is the second most important benefit for employees behind health insurance.
3. All 10 of our sister public health plans have employer-sponsored long-term disability benefits.

For these reasons, SFHP recommended approval of an employer-paid long-term disability policy for the employees.

The Board asked about the relative risk difference between Kaiser and Aetna. Mr. Grgurina stated that both health plans are free to employees, but the take up rate for Kaiser is still higher. Mr. Grgurina stated he would follow up and provide the Board on the question of the relative risk difference between the two plans.

The Board unanimously approved employee benefits changes for benefit year 2018-19.

### **3. Review and Approval of Year-To-Date Unaudited Financial Statements and Investment Reports**

**Recommendation:** Review and approve the year-to-date unaudited financial statement and investment reports.

Skip Bishop, Director, Accounting and Rand Takeuchi, Senior Manager, Accounting, presented the year-to-date unaudited financial statement and investment reports investment ending March 31, 2018. (The narrative summaries and financial documents were provided to the Finance Committee for reference.)

The following are key highlights:

1. March 2018 financials showed a loss \$5,129,000 versus a budgeted loss of \$772,000. This loss was due to planned Strategic Use of Reserves (SUR) payments and accruals of \$4,060,000, along with the Board-approved capitation and fee-for-service rate increases implemented on January 1, 2018. Excluding the SUR payment activity, the loss would have been \$1,069,000.

2. Variances between actual results and the budget include:
  - a. \$2,775,000 less in revenue due to:
    - i. 4,677 fewer member months, mostly due to members placed on hold awaiting completion of their annual Medi-Cal redetermination, as well as some member attrition.
    - ii. 110 fewer Hepatitis C treatment weeks and a 32% decrease in the Hepatitis C reimbursement rate, due to the lower cost Hepatitis C drug, Mavyret, which was anticipated by DHCS.
  - b. \$1,574,000 more in overall medical expense due to:
    - i. Increased capitation and fee-for-service rates; and
    - ii. SUR payments.
  - c. \$161,000 more in administrative expenses, mostly in the area of consulting and other operating expenses.
  
3. It is important to note that the FY17-18 budget projected that \$58 million would be recorded in revenue and medical expense related to the AB85-to-cost provision within the Medi-Cal Expansion category. Although SFHP received \$38 million in October 2017, this funding was related to prior periods and audit rules required that this revenue and related medical expense be recorded in June 2017. During the month of April 2018, SFHP expected to receive \$39.2 million in AB85-to-cost funding, which would be paid to Zuckerberg San Francisco General Hospital (ZSFG), but it was not received. The funds are likely to be received in May or June.
  
4. The chart below was reviewed to show key income statement categories with adjustments for SUR and AB 85-to-cost in order to show the margin from ongoing operations for the month of March.

CATEGORY	-----MAR 2018-----				-----FYTD 17-18 THRU MAR-----			
	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)
REVENUE	\$ 45,523,000	\$ 48,298,000	\$ (2,775,000)	-5.7%	\$ 427,885,000	\$ 492,729,000	\$ (64,844,000)	-13.2%
LESS: AB85 TO COST	\$ -	\$ -	\$ -		\$ -	\$ 58,232,000	\$ (58,232,000)	
REVENUE - REVISED	\$ 45,523,000	\$ 48,298,000	\$ (2,775,000)	-5.7%	\$ 427,885,000	\$ 434,497,000	\$ (6,612,000)	-1.5%
MLR	103.6%	94.4%			93.1%	92.7%		
ADMINISTRATIVE EXPENSES	\$ 4,493,000	\$ 4,333,000	\$ (160,000)	-3.7%	\$ 38,068,000	\$ 39,977,000	\$ 1,909,000	4.8%
ADMINISTRATIVE RATIO	8.4%	7.5%			7.5%	6.8%		
MARGIN (LOSS)	\$ (5,129,000)	\$ (772,000)	\$ (4,357,000)	564.4%	\$ (674,000)	\$ 3,342,000	\$ (4,016,000)	-120.2%
OPERATING ADJUSTMENTS:								
FY15-16 SUR PAYMENTS/ACCRUALS	\$ 800,000	\$ -			\$ 1,985,000	\$ -		
FY16-17 SUR PAYMENTS/ACCRUALS	\$ -	\$ 583,000			\$ 8,151,000	\$ 7,995,000		
FY17-18 SUR PAYMENTS/ACCRUALS	\$ 1,260,000	\$ -			\$ 1,260,000	\$ -		
CY2018 SUR PAYMENTS/ACCRUALS	\$ 2,000,000	\$ -			\$ 2,000,000	\$ -		
MARGIN FROM OPERATIONS	\$ (1,069,000)	\$ (189,000)			\$ 12,722,000	\$ 11,337,000		
MLR W/O SUR AND AB85 TO COST	94.5%	93.1%			89.9%	89.8%		
ADMIN RATIO WITHOUT AB85 TO COST	8.4%	7.5%			7.5%	8.0%		

## PROJECTIONS

Mr. Bishop reviewed the following financial projections through September 2018:

1. As of March 31, 2018, SFHP added \$2,000,000 to the Practice Improvement Program (PIP) for CY2018, covering the months of January through March 2018. This accrual was related to the recently approved CY2018 SUR totaling \$16 million. 50% of this SUR was allocated to professional

providers. The remaining funds have been accrued monthly through December 2018.

2. Effective January 1, 2018, SFHP implemented provider capitation and FFS Board-approved increases for the Medi-Cal and Healthy Kids lines of business. The overall weighted average increase was 6.2%. The FY17-18 budget included \$13.2 million to cover these increases. These increased rates will continue into FY18-19.
3. As stated earlier, DHCS reduced Hep C reimbursement rates in October 2017, retroactive to July 2017. SFHP experienced a 3.2% decrease in Hepatitis C reimbursements for the period from July through December 2017. For the period from January through June 2018, SFHP expects a 32.1% decrease in the reimbursement rate. The total estimated impact for FY17-18 is a decrease of \$4.3 million in Hepatitis C revenue. On a year-to-date basis, the Hepatitis C MLR is 88.3%. Our Pharmacy department continues to work closely with SFHP's provider network to increase the use of Mavyret, the new low-cost Hepatitis C drug that caused the decrease in the reimbursement rates. DHCS recently informed the Medi-Cal health plans that Hepatitis C reimbursement rates will be reduced again effective July 2018. The rate reduction for non-340B will be 3.9% (\$150 per treatment week) while the rate reduction for drugs purchased under 340B rules will be 3.3% (\$100 per treatment week).
4. In April 2018, SFHP expected to receive \$39.2 million related to Assembly Bill (AB) 85 funding intended to bring the public hospital, ZSFG, up to cost for services provided to the Medi-Cal Expansion population during FY16-17. SFHP expected to disperse the full \$39.2 million to ZSFG in April, but the funds have not yet been received.
5. There are four Directed Payment programs in place for FY17-18:
  - Proposition 56 – enhanced payments to medical groups for qualifying physician services. Utilization at Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs)<sup>1</sup> is excluded. SFHP expects to receive funding for July 2017 through March 2018 by the end of April. The first round of disbursements is expected to occur in May.
  - Public Hospital Enhanced Payment Program – available to Designated Public Hospitals (DPHs) and UC Systems. DHCS will instruct SFHP how much to pay to ZSFG and UCSF. Utilization at FQHCs and RHCs is excluded (see previous note regarding RHCs). Payments will be based on actual utilization as reported in claims and encounter activity. The timing of payment is estimated to be late FY18-19 or early FY19-20.
  - Private Hospital Directed Payments – available to private hospitals. DHCS will instruct SFHP how much to pay to the private hospitals. Utilization at FQHCs and RHCs is excluded (see previous note regarding RHCs). Payments will be based on actual utilization as reported in claims and encounter activity. The timing of payment is not known at this time.

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<sup>1</sup> DHCS' description of the payment includes RHCs. However, there are no RHCs in San Francisco.

**HIGHLIGHTED IMPACTS TO THE HEALTH PLAN AND/OR PROVIDERS**

**RECAP OF STRATEGIC USE OF RESERVES PROGRAMS**

In the last three fiscal years, the Governing Board approved four SUR programs for FY15-16, FY16-17, FY17-18 and CY2018. These distributions total \$74.6 million. Below is a summary of each program.

	<u>Paid</u>	<u>Total Approved</u>	<u>Remaining to be</u>
FY15-16 Strategic Use of Reserves	\$15,000,000	\$ 2,889,000	
FY16-17 Strategic Use of Reserves	\$30,000,000	\$ 4,772,000	
FY17-18 Strategic Use of Reserves	\$13,600,000	\$12,340,000	
CY2018 Strategic Use of Reserves	<u>\$16,000,000</u>	<u>\$16,000,000</u>	
<b>Total</b>	<b>\$74,600,000</b>	<b>\$36,001,000</b>	

<b><u>PROVIDER STRATEGIC USE OF RESERVES FY15-16</u></b>			
	<b>SUR</b>		
<b>HOSPITAL</b>	<b>FY15-16</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
CHINESE HOSPITAL	\$ 605,412	\$ 544,871	\$ 60,541
CPMC	\$ 1,807,173	\$ 1,781,715	\$ 25,458
S.F. GENERAL (CHN AND NMS)	\$ 3,939,009	\$ 3,138,076	\$ 800,933
ST. LUKE (HILL AND BROWN & TOLAND)	\$ 517,530	\$ 310,518	\$ 207,012
UCSF MEDICAL CENTER	\$ 630,876	\$ 567,790	\$ 63,086
<b>TOTAL DISTRIBUTION - HOSPITAL</b>	<b>\$ 7,500,000</b>	<b>\$ 6,342,970</b>	<b>\$ 1,157,030</b>
	<b>SUR</b>		
<b>PROFESSIONAL</b>	<b>FY15-16</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
CCHCA	\$ 605,412	\$ 435,895	\$ 169,517
NEMS	\$ 1,922,515	\$ 1,563,001	\$ 359,514
CPG	\$ 1,847,754	\$ 1,373,497	\$ 474,257
SFHN	\$ 1,632,622	\$ 1,353,769	\$ 278,853
SFCCC	\$ 343,291	\$ 304,063	\$ 39,228
HILL PHYSICIANS	\$ 262,299	\$ 157,379	\$ 104,920
BROWN & TOLAND	\$ 255,231	\$ -	\$ 255,231
UCSF MEDICAL GROUP	\$ 630,876	\$ 580,280	\$ 50,596
<b>TOTAL DISTRIBUTION - PROFESSIONAL</b>	<b>\$ 7,500,000</b>	<b>\$ 5,767,884</b>	<b>\$ 1,732,116</b>
<b>TOTAL DISTRIBUTION</b>	<b>\$ 15,000,000</b>	<b>\$ 12,110,854</b>	<b>\$ 2,889,146</b>
<b>DISTRIBUTION % TO DATE</b>		<b>80.7%</b>	

<b>PROVIDER STRATEGIC USE OF RESERVES FY16-17</b>			
	<b>SUR</b>		
<b>HOSPITAL</b>	<b>FY16-17</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
CHINESE HOSPITAL	\$ 1,165,703	\$ 1,049,133	\$ 116,570
CPMC	\$ 3,586,515	\$ 3,227,864	\$ 358,652
S.F. GENERAL (CHN AND NMS)	\$ 7,949,596	\$ 7,949,596	\$ -
ST. LUKE (HILL AND BROWN & TOLAND)	\$ 999,281	\$ 899,353	\$ 99,928
UCSF MEDICAL CENTER	\$ 1,298,905	\$ 1,169,015	\$ 129,891
<b>TOTAL DISTRIBUTION - HOSPITAL</b>	<b>\$ 15,000,000</b>	<b>\$ 14,294,960</b>	<b>\$ 705,040</b>
	<b>SUR</b>		
<b>PROFESSIONAL</b>	<b>FY16-17</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
CCHCA	\$ 1,165,695	\$ 582,848	\$ 582,847
NEMS	\$ 3,952,018	\$ 3,293,348	\$ 658,670
CPG	\$ 3,727,828	\$ 2,795,871	\$ 931,957
SFHN	\$ 3,180,590	\$ 2,128,759	\$ 1,051,831
SFCCC	\$ 675,699	\$ 514,435	\$ 161,264
HILL PHYSICIANS	\$ 490,184	\$ 326,789	\$ 163,395
BROWN & TOLAND	\$ 509,090	\$ 275,757	\$ 233,333
UCSF MEDICAL GROUP	\$ 1,298,896	\$ 1,014,763	\$ 284,133
<b>TOTAL DISTRIBUTION - PROF (PIP ENHANCEMENT)</b>	<b>\$ 15,000,000</b>	<b>\$ 10,932,570</b>	<b>\$ 4,067,430</b>
<b>TOTAL DISTRIBUTION</b>	<b>\$ 30,000,000</b>	<b>\$ 25,227,529</b>	<b>\$ 4,772,471</b>
<b>DISTRIBUTION % TO DATE</b>		<b>84.1%</b>	

<b>PROVIDER STRATEGIC USE OF RESERVES FY17-18</b>			
	<b>SUR</b>		
<b>GROUP</b>	<b>FY17-18</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
HOSPITALS	\$ 6,800,000	\$ -	\$ 6,800,000
PROFESSIONAL - MEDICAL GROUPS	\$ 6,800,000	\$ 1,260,000	\$ 5,540,000
<b>TOTAL DISTRIBUTION</b>	<b>\$ 13,600,000</b>	<b>\$ 1,260,000</b>	<b>\$ 12,340,000</b>
<b>DISTRIBUTION % TO DATE</b>		<b>9.3%</b>	

<b>PROVIDER STRATEGIC USE OF RESERVES CY2018</b>			
	<b>SUR</b>		
<b>GROUP</b>	<b>CY2018</b>	<b>PAYMENTS</b>	<b>BALANCE</b>
HOSPITALS	\$ 8,000,000	\$ -	\$ 8,000,000
PROFESSIONAL - MED GROUPS (PIP ENHANCEMENT)	\$ 8,000,000	\$ -	\$ 8,000,000
<b>TOTAL DISTRIBUTION</b>	<b>\$ 16,000,000</b>	<b>\$ -</b>	<b>\$ 16,000,000</b>
<b>DISTRIBUTION % TO DATE</b>		<b>0.0%</b>	

The Board members asked about the Medi-Cal membership on hold and whether it was known when the members would be released from hold. Mr. Grgurina stated

that there is a backlog at the County. He also stated that the Medi-Cal enrollment peaked a year ago and that we are projecting a slight decrease.

The Board members also asked about the past years' SUR that was remaining to be paid. Will the payments be made? If the medical groups did not meet required milestones, the amounts would be rolled over to the overall SUR pool for future provider distributions. There were also longer project timelines in FY15-16, so milestones have not all been met, yet. For the CY2018 SUR, the funds are expected to be paid out more quickly. There was a question about the lack of a balance for ZSFG in FY16-17. Mr. Grgurina stated that ZSFG selected the option to receive the payment in the form of capitation; however, 10% of the funding was still at risk for achieving the agreed upon quality improvement metrics.

Reece Fawley, Chair of the Finance Committee, stated the Finance Committee reviewed and discussed the financials in detail at the Finance Committee meeting. Mr. Fawley recommended the Board approve the unaudited monthly financial statements and investment income reports for the period ending March 31, 2018 and stated Mr. Bishop and Mr. Takeuchi did a great job, instilling confidence in the Finance staff.

The Board unanimously approved the year-to-date unaudited financial statements and investment income reports for the period ending March 31, 2018, as presented.

The Governing Board adjourned to Closed Session. Guests from the public and staff members not involved in the Closed Session items left the room.

**4. Review and Approval of Proposed Medi-Cal Rate Reductions for the Medi-Cal Expansion Rate Category**

This item was discussed in closed session

**5. Review and Approval to Contract with Seton Medical Center**

This item was discussed in closed session.

The Governing Board resumed in Open Session. Staff members and members of the public joined the meeting again.

**6. Chair's Report on Closed Session Items**

Dr. Fugaro reported on the following closed session action items:

- a. The Board approved that it would not take any action on provider Medi-Cal Expansion rates at this time.
- b. The Board approved the CEO to enter into a contract with Seton Medical Center under similar contract terms and rates as other contracted hospitals.

**7. Review and Approval of Contract with 1-Answer for the Analytic Data Warehouse (ADW)**

**Recommendation:** SFHP recommended the Board's approval to continue contracting with 1-Answer to complete the ADW project.

Sunny Cooper, Chief Information Officer (CIO), reviewed the proposal to continue the contract with ADW vendor, 1-Answer. The projected total amount to be invoiced by 1-answer in CY 2018 is expected to be approximately \$1.7 million and \$1.5 million in CY 2019.

Ms. Cooper reviewed the background to the Governing Board. (PowerPoint slides were provided in the Board packet.)

The Board asked what set 1-Answer apart from other vendors. Ms. Cooper stated that although their business is built on Medicare business, they were the most willing to work with SFHP to customize their model and were much cheaper than the others. The largest, most well-known vendors were often not the best bids. The Board members asked about the scoring process. She stated that a workgroup comprised of IT and Business Intelligence staff was responsible for scoring the vendors on a 0 to 5 basis.

The Board also asked whether the ADW tapped into other databases. Ms. Cooper stated that we plan to put all of our data into the ADW and hope to integrate data from PreManage and other medical record systems. Phase 3 is planned to include member self-reported data. Board members also asked about the timeline. Ms. Cooper reviewed the project accomplishments and future milestones on page 88.

Ms. Cooper stated that we will be coming back to the Board in FY19-20 for additional approval as needed.

The Board asked whether data storage was included and if 1-Answer develops software or provided analytics. Ms. Cooper stated that data storage is within SFHP and that we purchased the data model, not software. It is a model to ingest the data and relate the data via their table design. The Board asked whether SFHP owns the ADW and Ms. Cooper stated that SFHP does own the ADW. A Board member asked how we would ensure the maintenance of data or use of analytics are not farmed out to a location that would be vulnerable to a breach. He stated the importance to protect the PHI. Ms. Cooper stated that the data are required to be encrypted at rest.

Another Board member asked if physicians would be able to know members' history through the ADW. Ms. Cooper stated that providers would not have access to the ADW now, but that the view between providers' systems and the ADW would be down the road.

The Board did not have any more questions and unanimously approved SFHP to continue contracting with 1-answer to complete the ADW project.

## **8. Review Status of Contract with Change Health Care Consultants**

The following was presented to the Governing Board for discussion only. No action is required.

Karen Andrews, Chief Operations Officer (COO), provided a status report of the contract with Change Health Consultants (CHC), LLC. She reviewed that during the annual review with the Board in March we stated that the CHC contract was used in CY2017 by two separate executives and multiple units at SFHP and that tracking the total contract spend was not reviewed on a routine basis, until the end of the



calendar year, when it was determined that the total spend in CY2017 exceeded \$1 million.

As a follow up to the March meetings, we stated we would review the projected spend for CHC in CY2018 and determine whether the projection would exceed the \$1 million threshold. Operations and ITS project the following need for the CHC contractor resources during CY2018, which will be just under \$700,000.

<b>Change Healthcare Solutions, LLC</b>	<b>Projection</b>
<b>FY 17-18: January 2018 thru December 2018</b>	
January 2018 thru March 2018 Actual Incurred	\$402,772
Projected Spend 4/18 - 6/18 for ITS and Operations	\$108,000
Projected Spend 7/18 – 12/18 for ITS and Operations	\$189,000
<b>TOTAL PROJECTED SPEND FOR CHC in CY 2018</b>	<b>\$699,772</b>

Ms. Andrews stated that there will now be a quarterly review of contract spending and a projected year-end totals. This will provide an early warning of contracts that would be approaching \$1 million. This provides a system to identify contracts that require Governing Board approval in a timely manner.

**9. Member Advisory Committee (MAC) Report**

Irene Conway, Co-Chair, and Maria Luz Torre, Co-Chair, of the Member Advisory Committee (MAC), reported that the Committee met in March and April 2018.

At the March meeting SFHP staff members attended the meeting to discuss member incentives and receive feedback from the Committee.

The April meeting staff attended to discuss the Health Risk Assessment Tool (HRA) for their input. In addition to that, Jim Glauber, MD, Chief Medical Officer, attended the Committee meeting to hear feedback from members regarding their experiences with Teladoc. Marketing staff also reviewed the new member portal.

Maria and Irene reviewed that some MAC members had issues with Teladoc. They said that members were registered, but had to go through the process again. Members also stated that they were surprised that Individuals had to each register separately, and not as a family. Overall, though, the MAC members said Teladoc was good. Maria helped someone that needed help with services and suggested using Teladoc since it was after hours. Mr. Grgurina cited the value of MAC in these cases as they helped to identify suggestions that would make Teladoc more useful.

Board members asked if PCPs receive a report from Teladoc. Dr. Glauber stated that they do. Board members asked if the portal was only for Medi-Cal. Mr. Grgurina stated that they would follow with a confirmation, but that it is believed it is only for Medi-Cal.

**10. Chief Medical Officer’s (CMO) Report**

- a. Approach to Opiate Safety  
James Glauber, MD, MPH, CMO, gave a brief update on the approach to opiate safety.

He stated that a statewide initiative on opiate safety, SmartCare, established

a goal that by January 2019, every payer (including health plans, purchasers, and risk-bearing provider organizations) should launch an organization-wide opioid safety initiative. The goal should include lowering overprescribing and reducing opioid-related morbidity and mortality while increasing addiction treatment access. (PowerPoint slides were provided in the Board packet.)

Dr. Glauber stated that SFHP has already launched an opioid program, e.g., Pain Safety. Board members asked about the standard rate of opioid use. Dr. Glauber stated that of the 23 plans SFHP is lower, but is also an outlier for individuals on chronic higher doses. Dr. Glauber also stated that SFHP supports hospitals through SUR payments for inpatient addiction treatment services.

This was a discussion item only. No action was required.

## **11. CEO Report**

Mr. Grgurina highlighted the completion and availability of the three-year Strategic Plan. He then reminded the Board about the next meeting on June 13. The Finance Committee will be meeting from 10:30 to 12:00.

Valerie Huggins and Mr. Grgurina informed the Board that the San Francisco Ethics Committee determined that the Board members do not have to take the ethics training any longer.

Due to time constraints, the CEO report was not discussed. The May 2018 CEO Report was provided as a reference document in the Board packet.

## **12. Adjourn**

The meeting was adjourned.

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Reece Fawley, Secretary