AGENDA ITEM 1

Joint Meeting of the San Francisco Health Authority
and the San Francisco Community Health Authority
Finance Committee Minutes
May 3, 2023 (11:00 am – 12:00 pm)

Present: Steven Fugaro, MD, Deneen Hadley, and Greg Wagner
Absent: Eddie Chan, PharmD and Emily Webb
Staff: Skip Bishop, Rand Takeuchi, Yolanda R. Richardson, Eva Hilliard, Alana Troutt and Nina Maruyama
Guests: None

1. **Welcome.** Steven Fugaro, MD, Chair of the Governing Board, functioned as Chair of the Finance Committee, welcomed all, and opened the meeting. He noted there were no public members or comments.

2. **Minutes from March 1, 2023, Finance Committee Meeting.**
   Deneen Hadley motioned to approve the minutes of the March 1, 2023, Finance Committee meeting.
   Second: Greg Wagner
   Motion was approved unanimously.

3. **Year-To-Date Unaudited Financial Statements and Investment Reports.**
   Skip Bishop, Chief Financial Officer, and Rand Takeuchi, Director, Accounting, reviewed the year-to-date unaudited financial and investment reports for the period ending 3/31/2023. Mr. Bishop discussed the Incurred but not Reported (IBNR) estimate, which was adjusted to accommodate the additional claims San Francisco Health Plan (SFHP) is responsible for due to the change to fee-for-service payments with Zuckerberg San Francisco General Hospital, effective January 1, 2023. Historically, the IBNR estimate has been on target. With less than six months' claims experience, it is unclear how accurate the IBNR estimate will be this year.

   Mr. Bishop also discussed the change in the tangible net equity (TNE) ratio of 11.5 on December 31, 2022, to a ratio of 7.2 as of March 31, 2023. The change in the TNE ratio was largely due to the new fee-for-service risk, which requires a higher TNE.

   Ms. Hadley motioned to approve the year-to-date unaudited financial and investment reports.
   Second: Greg Wagner
   Motion was approved unanimously.

4. **Employee Benefits Packet for FY 2023-2024**
   Eva Hilliard, Chief People Officer, presented the recommendations for the FY 2023-2024 employee benefits for health care plans, dental plan, vision plan, life and disability insurance, and employee assistance. The recommendation included a change from Aetna to Blue Shield for a savings of $95,000 and a change from Principal to Sunlife for dental coverage, for a savings of 8 percent.

   Mr. Wagner motioned to approve the employee benefit packet for FY 2023-2024 as presented.
   Second: Deneen Hadley
   Motion was approved unanimously to forward to the full Board for approval.

5. **Meeting adjourned.**