SAN FRANCISCO HEALTH PLAN

Here for you

Joint Meeting of the San Francisco Health Authority and the San Francisco Community Health Authority

Governing Board Agenda
Wednesday January 6, 2021
12:00 pm – 2:00 pm

- TIME**: 12pm to 2pm**
- LINK: Click here to join the meeting on Microsoft Teams

SPECIAL NOTICE: Coronavirus COVID-19

Due to the COVID-19 public health emergency and in accordance with Governor Newsom's Executive Order N-29-20, San Francisco Health Authority (SFHA) and San Francisco Community Health Authority (SFCHA) Governing Board Members will be attending this meeting via video conference. The meeting will be closed to in-person public attendance. This precaution is being taken to protect members of the Governing Board, staff and the public. All of the Board members will attend the meeting by video conference and will participate in the meeting to the same extent as if they were present.

Members of the Governing Board and public may connect to the meeting with the following link:

- TIME**: 12pm to 2pm**
- LINK: Click here to join the meeting on Microsoft Teams

***********************************OPEN SESSION ***********************************

Call to Order and Public Comment on any matters within SFHA/SFCHA purview

1. (V) Election of Officers for San Francisco Health Authority and San Francisco Community Health Authority (John F. Grgurina, Jr.)
2. (V) Approval of Consent Calendar
   a. Minutes from November 4, 2020 Meeting
   b. Quality Improvement Committee Minutes
   c. Credentialing and Recredentialing Recommendations
   d. Updates to 2021 SFHP Employee Handbook Effective on January 1, 2021
3. (V) Review and Approval of Year-To-Date Unaudited Financial Statements and Investment Reports (Skip Bishop and Rand Takeuchi)

4 (V) $150,000 Grant to San Francisco Community Clinic Consortium (SFCCC) to Purchase Personal Protective Equipment for the SFCCC Network (John F. Grgurina, Jr.)

5 (V) Review and Approval of Reinsurance Vendor Contract (Skip Bishop and John F. Grgurina, Jr.)

6. (D) Federal and State Updates (Sumi Sousa)

7. (D) City National Bank Presentation on the Market and Economic Landscape in 2021 (Robert Harder, City National Bank)

8. Chief Medical Officer's Report (Jim Glauber, MD, MPH and Fiona Donald, MD)

   (V) a. Review and Approval of Evaluation of SFHP's 2020 Quality Improvement Program (Jim Glauber, MD, MPH)

   (V) b. Review and Approval of SFHP's 2021 Quality Improvement Program Workplan (Jim Glauber, MD, MPH)

9. (D) Member Advisory Committee Report (Maria Luz Torre and Irene Conway)

10. (D) CEO Report (John F. Grgurina, Jr.)
    Highlighted Items – Healthy San Francisco and City Option Updates, Operations Updates, NCQA Update and Security Updates

**********************************CLOSED SESSION***********************************

11. (D) Review Future Medi-Cal Rate Changes for Provider Contracts (Skip Bishop and John F. Grgurina, Jr.)

    Pursuant to Welfare and Institutions Code Section 14087.36(x)

12. (D) Review Contract Change for Zuckerberg San Francisco General Hospital to Fee-for-Service Payments for SFCCC Clinic Members (Kaliki Kantheti and Skip Bishop)

    Pursuant to Welfare and Institutions Code Section 14087.36(x)

13. (D) Chinese Community Health Care Association Managed Service Organization Transition and Pre-Delegation Audit Update (Nina Maruyama and Kaliki Kantheti)

    Pursuant to Welfare and Institutions Code Section 14087.36(x)

**********************************OPEN SESSION **********************************

14. (D) Report on Closed Session Action Items (Chair)

15. Adjourn

The San Francisco Health Authority and San Francisco Community Health Authority will meet concurrently.

(V) Denotes An Action Item Requiring A Vote ***(D) Denotes A Discussion Item***

Please Note These Up Coming SFHA/SFCHA Meetings:

- Member Advisory Committee: January 8, 2021 (1:00 pm – 3:00 pm)
- Member Advisory Committee: February 12, 2021 (1:00 pm – 3:00 pm)
- Quality Improvement Committee: February 11, 2021 (7:30 am – 9:00 am)
- Finance Committee: March 3, 2021 (11:00 am – 12:00 pm)
- Governing Board: March 3, 2021 (12:00 pm – 2:00 pm)

Please note that members of the public will be allowed to make public comments. If a person wishes to make a public comment during the meeting, they may either 1) use Microsoft Teams and will have the option to notify San Francisco Health Plan (SFHP) staff by alerting them via the "Chat" function or they can 2) contact SFHP staff via email at vhuggins@sfhp.org, in which staff would read the comment aloud during the public comment period. Public comments will be limited to two (2) minutes per comment.

If you plan to attend, please contact Valerie Huggins at (415) 615-4235.

If you plan to attend and need to request disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting, please contact Valerie Huggins at (415) 615-4235.

Agenda Item 1

Action Item

Election of Officers

SAN FRANCISCO HEALTH PLAN
Here for you

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MEMO

Date	**December 22, 2020**
To	**SFHP Governing Board**
From	**John F. Grgurina, Jr., CEO**
Regarding	**Election of Board Officers**

Recommendation:
We recommend that the Governing Board of the San Francisco Health Authority and San Francisco Community Health Authority conduct its annual election of its Governing Board officers, with the nominations and elections to take place at the January Board meeting.

Please note that according to the San Francisco Community Health Authority By-laws, the officers of the San Francisco Health Authority also function as the officers of the San Francisco Community Health Authority. Nominations will be taken at the meeting.

Background:
According to the Bylaws of the San Francisco Community Health Authority, there are four officers of the Board: Chair, Vice-Chair, Secretary, and Treasurer (relevant sections are attached). The positions of Secretary and Treasurer may be combined into Secretary/Treasurer and held by the same individual. The Board also has the authority to create additional officers, if the Board finds that necessary. All officers serve for one year or until their successor has been elected.

The current officers are:
Chair – Steven Fugaro, MD
Vice Chair – Roland Pickens, MHA, FACHE
Secretary & Treasurer – Reece Fawley

The following are nominations that have been proposed to date:
Chair – Steven Fugaro, MD
Vice-Chair – Roland Pickens, MHA, FACHE
Secretary & Treasurer – Reece Fawley

EXCERPT FROM THE GOVERNING BOARD BY-LAWS
ARTICLE VI
OFFICERS

6.1 **Officers**. The officers of the Governing Body shall be a Chairperson, one or more Vice Chairpersons, a Secretary and a Treasurer. At the discretion of the Governing Body, the positions of Secretary and Treasurer may, from time to time, be combined into a single position of Secretary/Treasurer.

6.2 **Election of Officers**. Each year, the Governing Body shall elect the officers set forth in section 6.1 of these Bylaws and such other officers as the business of the Authority may require, each of whom shall have such authority and perform such duties as set forth in these Bylaws and/or which the Governing Body may from time to time determine. Subject to section 6.3 hereof, each officer shall be a Member and shall serve for a term of one (1) year or until his or her successor is selected.

6.3 **Removal of Officers**. Any officer may be removed, either with or without cause, by the Governing Body at any regular or special meeting of the Governing Body. An officer shall immediately cease to be an officer in the event such person ceases to be a Member of the Governing Body or in the event the Governing Body recommends to the Board that such individual be removed as a Member.

6.4 **Chairperson**. The Chairperson shall, subject to the control of the Governing Body, have general supervision, direction and control of the business and affairs of the Governing Body. The Chairperson, if present, shall preside at meetings of the Governing Body.

6.5 **Vice Chairperson**. In the absence or disability of the Chairperson, the Vice Chairperson shall perform all the duties of the Chairperson and when so acting shall have all the powers of, and be subject to all the restrictions upon, the Chairperson. The Vice Chairperson shall have such other powers and perform such other duties as from time to time may be prescribed by the Governing Body or the Chairperson.

6.6 **Secretary**. The Secretary shall keep or cause to be kept a book of minutes of all meetings and actions of Members and committees of Members. The Secretary shall give, or cause to be given, notice of all meetings of the Governing Body required by the Bylaws or by law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Governing Body or by the Chairperson.

6.7 **Treasurer**. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the funds, properties and business transactions of the Authority including accounts of its assets, liabilities, receipts, disbursements, gains, losses, and capital.

Agenda Item 2

Action Item

Approval of Consent Calendar:

a. Minutes from November 4, 2020 Meeting
b. Quality Improvement Committee Minutes
c. Credentialing and Recredentialing Recommendations
d. 2021 Employee Handbook

MEMO

Date: December 22, 2020

To	**SFHP Governing Board**
From	**John F. Grgurina, Jr.**
Regarding	**Consent Calendar Items for Approval**

Consent Calendar
All matters listed hereunder constitute a Consent Calendar and are considered to be routine by the Governing Board of the San Francisco Health Authority and San Francisco Community Health Authority Board and will be acted upon by a single vote of the Board. There will be no separate discussion of these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

<u>Item 2a. Recommendation to Approve Board Minutes</u>
It is recommended that the Governing Board approve the minutes from the Governing Board meeting held on November 4, 2020. The minutes are attached for review.

<u>Item 2b. Recommendation of the Quality Improvement Committee (QIC) Minutes</u>
It is recommended that the Governing Board approve the attached QIC minutes as approved and recommended by the QIC.

<u>Item 2c. Recommendation of Credentialed and Recredentialed Providers</u>
It is recommended that the Governing Board approve the attached list of providers that have been approved and recommended by the Physician Advisory and Peer Review Committee.

<u>Item 2d. Recommendation to Approve 2020 Employee Handbook</u>
It is recommended the Governing Board approve the proposed revisions to the SFHP Employee Handbook for calendar year 2021. Each year we update the Employee Handbook to provide additional clarity to existing policies, add new policies, or update policies as required by law. The attached memo summarizes the changes recommended this year, described in three sections. The first section highlights new or revised policies. The second section lists slight updates or clarification to existing practices. The last section contains updates that were recommended by our legal counsel. Stylistic or grammatical changes are not described. We have also enclosed the full Employee Handbook with the changes redlined.

Agenda Item 2

Action Item

Approval of Consent Calendar:

a. Minutes from
   November 4, 2020 Meeting

Joint San Francisco Health Authority/San Francisco Community Health Authority
Governing Board
November 4, 2020
Meeting Minutes

Chair:	Steven Fugaro, MD
Vice-Chair:	Roland Pickens
Secretary-Treasurer:	Reece Fawley

Members
Present: Edwin Batongbacal, Eddie Chan, PharmD, Lawrence Cheung, MD, Irene Conway, Reece Fawley, Steve Fields, Steven Fugaro, MD, Sabra Matovsky, Roland Pickens, MHA, FACHE, Maria Luz Torre, Emily Webb, PharmD, Greg Wagner and Jian Zhang, DNP, MS, FNP-BC

Members
Absent: Dale Butler and David Woods

Due to the ongoing COVID-19 public health emergency and in accordance with Governor Newsom's Executive Order N-29-20, San Francisco Health Authority and San Francisco Community Health Authority Governing Board Members attended this meeting via teleconference. The meeting was closed to in-person public attendance, but the conference line information was provided on the publicly-posted agenda. This precaution was taken to protect members of the Governing Board, staff and the public. All of the Board members, staff and public attended the meeting via video conference.

Nina Maruyama, Officer, Compliance and Regulatory Affairs, took the roll call of the Board members and San Francisco Health Plan (SFHP) staff and provided a quick demonstration for raising hands to vote using the Microsoft Teams video conference tool.

Steven Fugaro, MD, Chair, called the meeting to order. He asked if there was anyone from the public in attendance and if there were any public comments. In attendance from the public was Eunice Majam-Simpson, DSR Health Law, the law firm for SFHP. There were no public comments.

1. Approval of Consent Calendar

The following Board items were on the consent calendar for the Board's approval:

a. Minutes from September 2, 2020 Governing Board Meeting
b. Quality Improvement Committee (QIC) Minutes

c. Appointment of Members to the QIC
d. Credentialing and Recredentialing of Practitioners and Ancillary Providers
e. Update to FY 19-20 Organizational Goals
f. Payment of CalPERS Unfunded Liability

The Board unanimously approved the consent calendar without any issues.

2. Review and Approval of the Annual Independent Auditor's Report for FY 2019-20

Recommendation: Review and Approval of the Annual Independent Audit Report for FY 2019-20.

Chris Pritchard, Partner, and Rianne Suico, Senior Manager, Moss Adams Consultants, the independent audit firm hired by SFHP, presented the FY 19-20 independent financial audit report. The auditors gave SFHP an "Unmodified Opinion," which is the highest opinion available (also known as a "clean opinion"). There were no significant or material comments in the Communication to the Governing Board. There were no required or recommended adjustments to the journal entries.

Ms. Suico reviewed the following key points of the audit report:

- SFHP has been very consistent over the years, which is a testament to management's ability to produce financial statements without material error.
- All reported receivables and assets were properly supported and appropriate.
- All payments and liabilities were appropriated accounted.
- Assumptions and information used by SFHP's actuary for the Incurred But Not Reported (IBNR) were tested and all liabilities were reasonably stated.
- All capitation payments to providers were properly supported.
- Recording of operational expenses were in accord with accounting policies and principles.
- Trends were consistent with expectations, without any unusual spikes.
- SFHP's tangible net equity (TNE), which is a measure of an organization's financial health, was very strong.
- There were no disagreements with SFHP's management.

The consultants discussed that the audit went well.

Reece Fawley, Chair, Finance Committee, stated that they spent time with the auditors without staff. He agreed with the auditors that the audit went well and stated he was impressed with the auditors and management. He stated the audit report did not have any surprises and noted the auditors' recommendations for improvement in some of the processes, but there was nothing significant.
Mr. Fawley stated the Finance Committee has confidence in the Finance department leadership and recommended the Board approve the Moss Adams independent audit report. The Board unanimously approved the independent auditor's report for FY 19-20.

3. Review and Approval of Unaudited Monthly Financial Statements and Investment Reports

Recommendation: Review and Approval of Unaudited Monthly Financial Statements and Investment Reports.

Skip Bishop, CFO, and Rand Takeuchi, Director, Accounting, reviewed the financial statements for the period ending September 30, 2020. Mr. Bishop discussed the following highlights:

1. September 2020 reported a loss of ($1,662,000) versus a budgeted loss of ($1,636,000). After removing Strategic Use of Reserves (SUR) activity, the actual loss from operations would remain ($1,662,000) versus a budgeted loss of ($1,220,000).

   On a year-to-date basis, we have a loss of ($2,127,000) versus a budgeted loss of ($3,784,000). After removing SUR activity, the actual loss from operations remains ($2,127,000) versus a budgeted loss ($2,388,000).

   In September, we received $133.9 million in Directed Payments funding related to FY 18-19. The FY 20-21 budget projected Directed Payments funding of $120.6 million for September. For FY 20-21, we projected a total of $137.0 million in Directed Payments, with 88% received in September 2020 and the remaining 12% is expected in March 2021. It is likely we will exceed this total when the next payment is received in March 2021. The Department of Health Care Services (DHCS) and the Department of Managed Health Care (DMHC) allow Directed Payments funding to be treated as revenue and medical expense.

2. Variances between September actual results and the budget include:

   a. A net increase in revenue of $14.7 million due to:
      i. $13.3 million more in Directed Payments funding related to FY 18-19.
      ii. $1.6 million more in premium revenue due to 4,050 more member months when compared to the budget. Membership has been on an upward trend with new members coming in along with members not placed on hold. Due to the COVID-19 pandemic, DHCS has discontinued negative actions such as on holds and disenrollments. Adult Expansion member months were 5,332 more than budget, which brought in $2.0 million in additional revenue.
      iii. $124,000 less in Hepatitis C revenue as the result of 48 fewer treatment weeks.
      iv. $70,000 less in Maternity revenue as the result of eight fewer maternity events.

b. A net increase in medical expense of $15.2 million due to:
   i. $13.3 million more in Directed Payments funding related to FY 18-19.
   ii. $1.1 million more in capitation expense due primarily to increasing membership. The additional revenue generated by increasing membership offset this cost.
   iii. $489,000 more in fee-for-service claims. September was expected to be a heavy month for claims due to five payment cycles. The budget anticipated this additional activity and resulting professional and hospital pmpm costs were in line. The two areas where costs exceeded the budget were Community-Based Adult Services claims and supplemental payments for qualifying Proposition 56 services.
   iv. $267,000 more in Healthy Workers pharmacy expense. The actual cost was $83 pmpm while the budgeted cost was $65 pmpm. It is important to note that SFHP receives only $58 pmpm in the Healthy Workers rate.
   v. $260,000 more in Medi-Cal non-Hepatitis pharmacy expense. This increase is due to more members as the actual pmpm cost was in line with the budget.
   vi. $216,000 less in Health Education expenses. This is a timing difference. Actual costs will align with the budget in the upcoming months.

c. A net decrease in administrative expenses of $458,000 due to:
   i. Anticipated external costs related to major projects such as CalAIM and CMS Interoperability have yet to be incurred.

Below is a chart highlighting the key income statement categories for September with adjustments for SUR activity in order to show margin or loss from ongoing operations.

	---------------------SEP 2020---------------------------				---------------------FYTD 20-21 THRU SEP---------------------------			
CATEGORY	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)
MEMBER MONTHS	148,150	144,100	4,050	2.8%	438,682	428,936	9,746	2.3%
REVENUE	$ 184,402,000	$ 169,647,000	$ 14,755,000	8.7%	$ 283,400,000	$ 267,028,000	$ 16,372,000	6.1%
MEDICAL EXPENSE	$ 181,819,000	$ 166,604,000	$ (15,215,000)	-9.1%	$ 273,120,000	$ 257,141,000	$ (15,979,000)	-6.2%
MLR	99.0%	98.6%			97.1%	97.0%		
ADMINISTRATIVE EXPENSE	$ 4,262,000	$ 4,720,000	$ 458,000	9.7%	$ 12,537,000	$ 13,796,000	$ 1,259,000	9.1%
ADMINISTRATIVE RATIO	2.0%	2.4%			3.7%	4.4%		
INVESTMENT INCOME	$ 17,000	$ 41,000	$ (24,000)	-58.5%	$ 130,000	$ 125,000	$ 5,000	4.0%
MARGIN (LOSS)	$ (1,662,000)	$ (1,636,000)	$ (26,000)		$ (2,127,000)	$ (3,784,000)	$ 1,657,000	
ADD BACK: SUR ACTIVITY	$ -	$ 416,000			$ -	$ 1,396,000		
MARGIN (LOSS) FROM OPERATIONS	$ (1,662,000)	$ (1,220,000)	$ (442,000)		$ (2,127,000)	$ (2,388,000)	$ 261,000	

On a year-to-date basis through September and after the removal of SUR activity, SFHP is $261,000 ahead of budget. SFHP is concerned because we are above budget on member months but have not produced a positive margin.

- After removing the Directed Payments funding, premium revenue is above budget by $3.1 million. This is due to a net increase of 9,746 member months. Adult Expansion member months are 13,714 above budget which is a positive development due to the fact that the premium rate for this category of aid is $381 pmpm compared to $257 pmpm for the Adult 19 category and $113 pmpm for the Child 18 category.
- After removing SUR activity and Directed Payments funding, medical expense is above budget by $4.2 million. This increase can be accounted for as follows:
  - Capitation expenses are up $2,500,000
  - Prop 56 supplemental payments are up $ 909,000
  - Healthy Workers pharmacy costs are up $ 571,000
  - CBAS expenses are up $ 444,000
  - Health Education costs are down ($ 215,000)
- Overall administrative expense is below budget by $1.3 million. The majority of this decrease is due to lower costs in the areas of professional services and information technology services. In addition, the budget included dollars for major projects that have not been incurred yet, i.e., for CalAIM and CMS Interoperability.

PROJECTIONS

Mr. Bishop reviewed the following financial projections through March 2021:

1. Due to the impact of the COVID-19 pandemic, SFHP anticipates continued increases in Medi-Cal membership over the next six months. After working with our actuary, sister plans and the county of San Francisco to gather information to help us develop estimates for the upcoming months, SFHP expects to add approximately 22,000 new members during FY 20-21. These new members would be spread across the Adult, Child and Adult Expansion categories of aid.

2. In response to the COVID-19 pandemic and the effect it is having on state of California finances, the State Legislature approved the implementation of a 1.5% rate reduction retroactive to July 2019. This rate reduction is effective for the entire Bridge Period which runs through December 2020. The rate reduction applies to all categories of aid except dual eligible members. SFHP estimates the impact of this rate reduction to be $3.3 million for the period of July through December 2020. This revenue loss was built into the FY 20-21 budget.

3. Beginning January 2021, the pharmacy benefit will be carved out of Medi-Cal managed care. The State will take on this benefit and has selected Magellan as its Pharmacy Benefits Manager (PBM). For the period of January through June 2021, SFHP will see a revenue reduction of $44 million and an expense

reduction of $43 million. This carve-out of the pharmacy benefit was built into the FY 20-21 budget.

4. In September, SFHP received preliminary rates for CY 2021. Although these rates look promising, the rates do not include adjustments for Low Acuity Non-Emergent (LANE) emergency room visits, risk adjustment and the population acuity adjustment. All three of these adjustments will reduce the preliminary rates. Our actuary believes that after these adjustments are incorporated into the rate-setting process, we may see an overall 3.2% increase, however this is only an estimate. SFHP does not expect to see final rates until late December.

5. The Proposition 56 programs will continue through FY 20-21 and will provide enhanced payments to medical groups for qualifying physician services, supplemental payments for developmental screenings, adverse childhood experiences screenings, trauma screenings, family planning services and value-based payments related to a variety of health care quality measures.

6. Directed Payments – SFHP received $133.9 million in Directed Payments funding during September. These funds were disbursed to Zuckerberg San Francisco General, UCSF and private hospitals.

HIGHLIGHTED IMPACTS TO THE HEALTH PLAN AND/OR PROVIDERS

As a result of the COVID-19 pandemic, Medi-Cal membership has been increasing for all SFHP providers and this trend is expected to continue throughout FY 20-21. The table below shows how membership and capitation have changed between March 2020 and September 2020. Please note that the capitation amounts for September 2020 reflect the impact of the reduction in the Duals capitation rate effective July 2020. The impact of this rate change across all capitated providers was a reduction of 0.9%.

Overall Medi-Cal membership has increased by 8.7%. The percentage change in membership and the percentage change in capitation will not be equal due to membership mix. For example, providers receive more capitation for Adult Expansion and SPD members and less capitation for Adult 19 and Child 18 members.

SFHP MEDI-CAL MEMBERSHIP								
	-------------SEP 2020---------		-------------MAR 2020---------		-------MEMBERS-----		----CAPITATION----	
PROVIDER	MEMBERS	CAPITATION	MEMBERS	CAPITATION	INCREASE	%	INCREASE	%
HOSPITALS								
ZUCKERBERG SAN FRANCISCO GENERAL	62,065	$ 8,577,937	56,423	$ 7,958,485	5,642	10.0%	$ 619,452	7.8%
CALIFORNIA PACIFIC MEDICAL CENTER	37,403	$ 2,758,689	35,338	$ 2,663,795	2,065	5.8%	$ 94,894	3.6%
UCSF (FEE-FOR-SERVICE)	12,423	$ -	11,655	$ -	768	6.6%	$ -	
KAISER	10,893	$ 1,387,280	9,208	$ 1,176,742	1,685	18.3%	$ 210,538	17.9%
CHINESE HOSPITAL	9,177	$ 943,673	8,601	$ 896,444	576	6.7%	$ 47,229	5.3%
CALIFORNIA PACIFIC MEDICAL CENTER/ST. LUKE'S (FFS)	3,114	$ -	2,989	$ -	125	4.2%	$ -	
	135,075	$ 13,667,579	124,214	$ 12,695,466	10,861	8.7%	$ 972,113	7.7%
MEDICAL GROUPS								
CLINICAL PRACTICE GROUP	55,606	$ 3,775,534	50,829	$ 3,521,437	4,777	9.4%	$ 254,097	7.2%
UCSF (FEE-FOR-SERVICE)	12,423	$ -	11,655	$ -	768	6.6%	$ -	
KAISER	10,893	$ 1,387,280	9,208	$ 1,176,742	1,685	18.3%	$ 210,538	17.9%
CHINESE COMMUNITY HEALTH CARE ASSOCIATION	5,273	$ 420,020	5,043	$ 405,922	230	4.6%	$ 14,098	3.5%
JADE MEDICAL GROUP	3,904	$ 321,759	3,558	$ 300,079	346	9.7%	$ 21,680	7.2%
HILL PHYSICIANS	1,631	$ 119,076	1,543	$ 111,938	88	5.7%	$ 7,138	6.4%
BROWN & TOLAND MEDICAL GROUP	1,483	$ 127,002	1,446	$ 120,622	37	2.6%	$ 6,380	5.3%
	91,213	$ 6,150,671	83,282	$ 5,636,740	7,931	9.5%	$ 513,931	9.1%
SAN FRANCISCO COMMUNITY CLINIC CONSORTIUM								
NORTH EAST MEDICAL SERVICES	43,862	$ 4,522,088	40,932	$ 4,301,331	2,930	7.2%	$ 220,757	5.1%
MISSION NEIGHBORHOOD HEALTH CENTER	6,986	$ 217,845	6,365	$ 200,331	621	9.8%	$ 17,514	8.7%
HEALTHRIGHT 360	3,087	$ 157,845	3,055	$ 158,527	32	1.0%	$ (682)	-0.4%
SOUTH OF MARKET HEALTH CENTER	2,008	$ 106,925	1,824	$ 99,259	184	10.1%	$ 7,666	7.7%
SAN FRANCISCO COMMUNITY HEALTH CENTER	747	$ 32,611	608	$ 26,953	139	22.9%	$ 5,658	21.0%
ST. ANTHONY'S MEDICAL CLINIC	700	$ 28,544	663	$ 28,464	37	5.6%	$ 80	0.3%
NATIVE AMERICAN HEALTH CENTER	587	$ 23,473	501	$ 21,004	86	17.2%	$ 2,469	11.8%
BAART	249	$ 12,709	219	$ 12,046	30	13.7%	$ 663	5.5%
	58,226	$ 5,102,040	54,167	$ 4,847,915	4,059	7.5%	$ 254,125	5.2%
UNAFFILIATED								
MARIN CITY HEALTH & WELLNESS CENTER	473	$ 14,644	406	$ 12,493	67	16.5%	$ 2,151	17.2%
DR. THANH QUOC TRAN	336	$ 14,077	310	$ 13,228	26	8.4%	$ 849	6.4%
	809	$ 28,721	716	$ 25,721	93	13.0%	$ 3,000	11.7%
TOTAL SFHP	135,075		124,214		10,861	8.7%		

Investment Reports

Mr. Takeuchi reviewed the investment reports that were provided to the Finance Committee in the packet.

Mr. Fawley stated the Finance Committee reviewed the finances in detail and the expenses and revenues are tracking together as expected. He stated the Finance Committee recommends approval of the unaudited financial statements and investment reports. With the Finance Committee's recommendation for approval, the Board unanimously approved the unaudited monthly financial statements and investment reports without any issues.

4. Federal and State Legislative and Budget Updates

Sumi Sousa, Officer, Policy Development and Coverage Programs, provided the Board with the following updates. (Detailed PowerPoint was provided in the Board packet.)

Ms. Sousa started with a comprehensive federal update. She stated that the House Democrats and Trump Administration continue to negotiate on a broad economic stimulus package ($1.8 trillion to $2.2 trillion) which includes:

- Direct state and local assistance (~$450 billion)
- Direct economic aid to individuals and families ($1,200)
- $600 enhanced unemployment benefit through 2021
- Increase in Supplemental Nutrition Assistance Program (SNAP) benefit
- Paycheck Protection Program for small businesses

She stated if current negotiations fail, there may be a potential passage in the lame duck session and an additional possibility of a larger package with a new Congress.

Ms. Sousa then provided an update on the California budget which is heavily impacted by potential federal funding. Without a stimulus package, California faces $11 billion in budget reductions or deferrals. Education at all levels would be particularly impacted. Medi-Cal, however, would be spared from these federal "trigger" cuts. However, if California's revenues remain below expenditures, California will automatically suspend the Proposition 56 enhanced provider payments and Medi-Cal optional benefits in FY 21-22.

Ms. Sousa discussed the Affordable Care Act (ACA) case, Texas vs CA. She then stated that on September 26th Amy Coney Barrett was nominated to the Supreme Court of the United States (SCOTUS), which would likely be approved by the full Senate on November 2nd.

In NFIB v. Sebelius, Justice Ginsburg and Chief Justice Roberts were in the 5 to 4 majority upholding the constitutionality of individual mandate and most of the provisions of the Affordable Care Act (ACA). Oral arguments for CA v. Texas are scheduled November 10th, with a decision to be released by June 10th. There are multiple potential scenarios, ranging from rulings with no impact to the ACA to full repeal. It is likely a Democratic Congress will arrive in January, which could pass legislation to support the ACA.

Ms. Sousa then reviewed impacts of the national election. There will likely be increased direct economic support to states, individuals and businesses due to COVID-19. The Federal Reserve Chair Powell called for another increased, broad-based national stimulus necessary for economic recovery. Currently, states are responsible for COVID-19 response with federal government as back-up and funder, resulting in wide, national variances, a lack of coordination, and competition for resources and equipment.

Lastly, Ms. Sousa provided the Board with State updates. There were no major changes in state leadership due to the November election, other than an appointment to fill the vacancy of Senator Harris' seat. Governor Newsom will fill the vacancy for Harris' seat, which is through 2022.

State Proposition 15 (split roll initiative), if approved, has significant future budgetary impacts that are positive for state and local governments. The proposition would increase taxes on commercial properties worth more than $3 million based on sale price, not original purchase price. If passed, there would be a phase in starting in 2022 and through 2025. There would be significant new funding to local government (60%) and schools (40%).

5. Member Advisory Committee Report

Maria Luz Torre and Irene Conway both provided the Board with a Member Advisory Committee (MAC) report.

Ms. Torre stated that the Committee met in September via Skype for the first time since the pandemic. The meeting was a brief check-in to see how everyone was doing and asked members to be patient since this was their first virtual meeting. The Committee did not to meet in October, as it was decided to do another "practice" run through Zoom with interpretation settings, in order to work out any technical problems. The Committee also discussed their December Christmas MAC celebration.

Ms. Conway stated Mr. Grgurina updated the Committee with what has been going on with the SFHP. Mr. Grgurina mentioned SFHP staff has been working remotely during the pandemic with 100% productivity. Mr. Grgurina stated for staff safety, the majority of whom take public transportation, will be working remotely until at least July 1, 2021.

Lastly, both Ms. Torre and Ms. Conway stated that the Committee will not be implementing their 2020 goals due to the pandemic and will defer the goals to 2021.

6. Chief Medical Officer's Report

a. HEDIS and CAHPS Results Report

Jim Glauber, MD, MPH, CMO, provided the Board with a recap of the results for HEDIS 2019. (PowerPoint slides were provided in the Board packet.)

NCQA

Organizational goal of a 0.5 rate increase in Prevention and Treatment composites of Health Plan Rating was met.

DHCS

Minimum Performance Level (NCQA 50th percentile) was met for all applicable Managed Care Accountability Set (MCAS) measures except Chlamydia Screening (CHL).

Amy Petersen, MPH, Senior Manager, Access and Care Experience, shared the results for CAHPS to the Board. (PowerPoint slides were provided in the Board packet.)

Ms. Petersen stated CAHPS is important as members relate more easily to CAHPS data than to clinical data. Members also have access to the data and could use CAHPS data to choose a health plan. Also, performance in HEDIS and CAHPS contributes to SFHP's NCQA rating.

7. CEO Report – Highlighted Items – SFHP Department Updates, SFCCC Personal Protective Equipment Grants and Distribution, Compliance Report

Mr. Grgurina highlighted the San Francisco Community Clinic Consortium (SFCCC) Personal Protective Equipment (PPE) grants and distribution. (Detailed overview of the CEO report was provided in the Board packet.)

Mr. Grgurina expressed gratitude to the Board for providing PPE supplies to SFCCC. He also thanked Sabra Matovsky, CEO of SFCCC, for purchasing and distributing the PPE supplies. Ms. Matovsky stated that she and the SFCCC clinics were grateful and thanked both SFHP and the Board.

The Board adjourned to Closed Session.

8. Discussion of the Chinese Community Health Care Association (CCHCA) Managed Services organization Change from North East Medical Services to In-House within CCHCA

This item was discussed in closed session.

The Board Resumed to Open Session.

9. Chairs Report on Closed Session Items

Dr. Fugaro reported on the closed session.

10. The meeting was adjourned.

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Reece Fawley, Secretary/Treasurer

Joint San Francisco Health Authority/San Francisco Community Health Authority
Governing Board
November 4, 2020
Closed Session Meeting Minutes

Discussion of the Chinese Community Health Care Association (CCHCA) Managed Services Organization Change from North East Medical Services to In-House within CCHCA

The following was provided as an information item only. No action was needed at this time.

Nina Maruyama, Officer, Compliance and Regulatory Affairs, San Francisco Health Plan (SFHP), provided the Governing Board with an update regarding the management services organization (MSO) for Chinese Community Health Care Association (CCHCA).

Chinese Community Health Care Association MSO Update

Chinese Community Health Care Association (CCHCA) and North East Medical Services (NEMS) entered into an agreement in August 2019 for NEMS to function as the CCHCA MSO. Both parties have agreed to terminate the agreement effective on December 31, 2020 and CCHCA will run the MSO functions in-house, as it currently does for its Medicare Advantage contracts.

To facilitate this transition, SFHP initiated a project to transition CCHCA's MSO functions from NEMS to CCHCA effective January 1, 2021. This project is on track and work is in progress to support this transition. SFHP's ITS team will continue to work with CCHCA to ensure they pass the testing phase to be able to exchange eligibility and encounter data files prior to the go-live date.

Pre-Delegation Oversight

One of the key components for the transition of the MSO functions to CCHCA is an audit of CCHCA to ensure they are prepared to perform all delegated functions. This type of audit is known as a pre-delegation audit and is conducted with a team of subject matter experts within SFHP. The MSO functions that were audited in the pre-delegation audit were claims, utilization management and case management. Since NEMS has been performing these functions on behalf of CCHCA, CCHCA does not have its own case files for review as part of the audit. This pre-delegation began in September and is ongoing. A draft report was provided to CCHCA on October 22, 2020. CCHCA has 30 days to provide evidence of corrections or provide a corrective action plan. The draft audit report details 22 findings in the three audited areas. Many of the following findings were deficiencies related to Medi-Cal requirements since the CCHCA MSO had only been functioning in Medicare Advantage. SFHP's Delegate Oversight team believes that CCHCA leadership will be able to close these gaps and correct the deficiencies prior to the end of the NEMS MSO agreement.

As relayed to the Board last year, non-compliance with regulatory and contractual requirements may require SFHP to take one or more of the following steps allowed by SFHP's provider service agreement with CCHCA:

1. De-delegation;
2. Freeze on new member auto-assignments;
3. Freeze all member assignments, e.g., close CCHCA to new enrollments;
4. Transfer of existing member assignments to other contracted provider groups;
5. Exclude CCHCA from SFHP's pay-for-performance program;
6. Withhold capitation in part or in full; or
7. Termination of the provider agreement.

As stated earlier, we believe CCHCA will be able to make the necessary corrections prior to taking over the MSO functions and such measures should not be needed.

Agenda Item 2

Action Item

Approval of Consent Calendar:

b. Quality Improvement Committee (QIC) Minutes

Date: October 8, 2020

Meeting Place: Join Microsoft Teams Meeting
+1 323-475-1528 : Conference ID: 309 421 143#

Meeting Time: 7:30AM - 9:00 AM

Members Present: James Glauber, MD, MPH (Chief Medical Officer, SFHP); Kenneth Tai, MD; Edward Evans; Joseph Woo, MD; Jackie Lam, MD; Ann Valdes, MD; Jaime Ruiz, MD; Lukejohn Day, MD; Irene Conway; Albert Yu, MD

Staff Present: Ravid Avraham, MD; Sean Dongre; Abby Ealy; Crystal Garcia; Lisa Ghotbi; Yves Gibbons; Joel Nellis; Elizabeth Sekera; Se Chung; Paul Velasco; Cecil Newton

Topic		Follow-up [if Quality Issue identified, Include Corrective Action]	Resolution, or Closed Date [for Quality Issue, add plan for Tracking after Resolution]
Call to Order	Meeting called to order at 7:29 AM with a quorum. • Dr. Glauber: verbal roll call		
Follow Up Items	Announcements: SFHP is preparing for the NCQA re-accreditation survey; last survey conducted in 2017.	None.	n/a
Consent Calendar	All in favor.		Approved: -Review of August 2020 Minutes -P&P Criteria -UM Committee Minutes (Apr, May, June 2020) -Q2 2020 QI Scorecard

			-Q2 2020 Grievances -Q2 2020 Appeals Report -2019 Annual Review Medical & Rx Appeals -Q2 2020 PQI Report
Quality Improvement	<u>Medi-Cal Rx Transition</u> • Lisa Ghotbi, Director, Pharmacy, presented. *Medi-Cal Rx Transition Summary* • Largest change in Medi-Cal since the formation of health plans. • Carving out of pharmacy benefit for Medi-Cal statewide and it effects eleven million members. • 75% of SFHP members use this benefit. • Effective on January 01, 2021. -All outpatient prescriptions for Medi-Cal members must be converted to bill Fee For Service (FFS) Medi-Cal. -All prescribing must comply with FFS Medi-Cal policies. -Six-month transition period (January-June) to support prescribers to comply. -SFHP is not permitted to pay for any Medi-Cal medications, supplies, or other serviced billed on a pharmacy claim. -SFHP can pay for medications billed on a medical claim only. • SFHP will retain some oversight responsibilities: medication adherence, care coordination, and education. *Medi-Cal Rx Transition Background* • The January 1, 2021 Medi-Cal Rx transition was an Executive Order from Governor Gavin Newsom on January 7, 2019. • Finalized DHCS polices: https://www.dhcs.ca.gov/provgovpart/pharmacy/Pages/Medi-CalRX.aspx. • MagellanRx has been selected as the Pharmacy Benefit		

	Management (PBM) company. *Medi-Cal Rx – SFHP Policy Influence* • Expanded transition period for prescribers from 90 to 180 days. • Convinced DHCS the importance that all claim data history and prior authorization history should uploaded to MagellanRx. • Agreed to honor SFHP authorizations. Honored for up to one year. • Agreed to extend authorizations for chronic medications for up to five years. • Advocating for more coverage on FFS drugs and supplies. • Advocating for a Prescriber involved PA/TAR process. A TAR is prior authorization process/request; a set of paperwork that is submitted for approval to the State for a restricted medication. *Medi-Cal Rx – Remaining Concerns:* • No member appeal rights. -Every other benefit in Medi-Cal they will have appeal rights but there are no appeals rights for pharmacy denials. Members would have to go to State Fair Hearing which can be a ninety-day process and no clinician involved in decision. • Provider appeal process not detailed. • No out-of-state prescription coverage. • No coverage for medication related medical supplies (ex. home blood pressure monitors). • Need further clarity on DHCS / MagellanRx support for e-prescribing. -Currently, 75% prescriptions are e-prescribed. • PA cases will be decided and closed within 24 hours. -DHCS has no criteria upon which to base a decision for approving a drug that requires a TAR. -The only consideration seems to be financial. • No process for providers to ask for drugs to be added to the		

	formulary. • Kaiser access to MagellanRx for patients enrolled with plan partners. -This past April, a coalition letter was sent to DHCS ask for a delay for this transition but with no movement. *SFHP Transition Activities* • All departments within SFHP are engaged in this transition effort. -Compliance, Marketing, ITS, Reporting, Customer Service, and Pharmacy team (focused on the gap, high-risk members, and pharmacy coordination). • SFHP Organizational Goal to be judged on three questions: Have we done the best job we can to support high-risk members? Have we got all the compliance documents in order? Have we set up the data exchange all the way to the Medical Groups so that data flows on a daily basis to SFHP and monthly to the Medical Groups? *Medical Group Coordination Activities* • High Risk member support. • Ensuring e-prescribing is set up. • Data transfer is set with the new monthly files sent to the groups. • Escalation plan for problems that arise during transition. -California Health Care Foundation (CHCS) is forming a workgroup to develop a proposal for how the State should assess the impact of this change. *Dr. Yu: Have you seen the MagellanRx formulary? What are the impacts?* *Lisa Ghotbi: DHCS is not giving the PBM the formulary responsibility. DHCS is using a contracted drug list (CDL). A CDL*		

	means if its contracted, its covered. Nearly 25% of medications dispensed to SFHP member were not initially on the CDL but slowly have been advocating for more coverage. Overview of DHCS Annual Medical Survey • Crystal Garcia, Manager, Compliance and Oversight, presented. *Audit Process Background* • DHCS audits SFHP on an annual basis, usually in March with full scope audit every three years. • A full scope audit is a complete review of SFHP contractual and regulatory requirements including file reviews. • A limited scope audit mostly focusing on new requirements, deficiencies from previous years, and verification study and file reviews of key areas. • SFHP will have a full scope audit in 2021. *2020 Audit Findings and Corrective Action Plans* • Eleven findings in 2020 DHCS Medical Survey. • Finding areas: (two) Utilization Management, (two) Coordination of Care, (two) Access and Availability to Care, (two) Members' Rights, (one) Quality Management, (one) Administrative and Organizational Capacity, (one) State Supported Services (services covered outside of Medicaid). *DHCS Medical Audit Utilization Management Finding 1.1.1* • Delegation oversight finding (provider relations finding). • New requirement as of 2019. • SFHP is required to obtain ownership and control of disclosure forms for delegations and anybody that holds risk. • Action: Since audit, two forms have been received with two pending. SFHP is working to receiving the forms by end of 2020.		

	DHCS Medical Audit Utilization Management Finding 1.2.1 • Finding that SFHP has been fighting against since 2017. This year's finding states that the Plan did not ensure that a qualified physician reviewed or decided all denials based on medical necessity. • Currently there is no timeframe within the DHCS contract or within any of the applicable regulatory requirements that states that SFHP have to accept retro authorizations for a certain period of time. • SFHP is working with the Managed Care Quality Monitoring Division (MCQMD) to set up a guideline/framework around retro authorizations. • Action: In order to meet this requirement, SFHP has agreed for a period of time to review retro authorization regardless of when they come in. SFHP PNO is working on communicating with the medical groups. *DHCS Medical Audit Coordination of Care Finding 2.4.1* • Finding: SFHP did not collect all required information on Physician Certification Statement (PCS) for non-emergency medical transportation (NEMT) requests. • Action: SFHP questioned DHCS to send guidance that specifically states that we cannot approve any NEMT service unless a PCS form is completely filled out. DHCS has not responded to request. *DHCS Medical Audit Coordination of Care Finding 2.4.2* • New requirement as of 2018. Every Managed Care Plan providers must enroll in the Medi-Cal program. • Finding: At the time of the audit, there were two transportation vendors that we not enrolled. • Action: SFHP has worked with all of its providers and delegates to ensure that they are enrolled. One is in the enrollment process and second has sent an application to DHCS.		

	DHCS Medical Audit Members' Rights Finding 4.1.2 • Finding: SFHP did not ensure that the person who submitted the grievance is the one who received information on the grievance. SFHP did not have a process if SFHP receives a grievance from someone that was not listed as the personal representative of the member. SFHP would only respond to member. • Action: SFHP to contact unlisted representative(s) to get proper consent so communication can be sent to them. *DHCS Medical Audit Members' Rights Finding 4.1.1* • Finding: SFHP did not ensure that the person who resolved a clinical grievance had not participated in any prior decision related to the case. Original complaint was clinical but the next one was due to the way SFHP handled the grievance. • Action: SFHP has put a new process to ensure that any clinician previously involved in an original decision will not participate in related grievances. The policy is currently under review. *What is Next?* • Full scope audit with DHCS planned for March 2021, remotely. • DMHC audit also in 2021.		

QI Committee Chair's Signature & Date James Fowler

Minutes are considered final only with approval by the QIC at its next meeting.

Agenda Item 2
Action Item
Approval of Consent Calendar:

c. Credentialing and Recredentialing Recommendations

MEMO

Date: December 22, 2020

To	Governing Board
From	James Glauber, MD, MPH Chair, Physician Advisory/Peer Review/Credentialing Committee
CC	Sean Dongre, Manager, Provider Network Operations
Regarding	Summary of SFHP Credentialing Activities (October 2020 to November 2020)

Recommendation:

San Francisco Health Plan (SFHP) completed the credentialing and recredentialing of the following practitioners and ancillary providers. SFHP's Physician Advisory/Peer Review/Credentialing Committee recommends the Governing Board approve the following providers for participation in the SFHP provider network.

PRACTITIONERS

NAME	DEGREE	BOARD	INITIAL / RECRED	LICENSE
Maria Katrina Celles	NP	N/A	Initial	95012949
Mollie Charon	MD	Family Medicine	Initial	A120130
Brian Clear	MD	Family Medicine	Initial	A148861
Linda Hennessey	OT	N/A	Initial	2689
Brent Lem	MD	Pediatrics	Recred	A119419
Cara Nalagan	NP	N/A	Recred	95007334
Robert Williams	MD	Internal Medicine	Recred	A92069
Eileen Kim	MD	Family Medicine	Recred	A146059
Bonita Trinclisti	MD	N/A	Recred	2271

ANCILLARY

ORGANIZATION NAME	# OF SITES	TYPE OF SERVICE	INITIAL / RECREDENTIALED
MedPorter	1	Non-Emergency Medical Transportation	Initial
Excell Health Care Center	1	Skilled Nursing Facility	Initial
Bayview Hunters Point Adult Day Health Care Center	1	Community Based Adult Services	Initial
Circle of Friends Adult Day Health Care	1	Community Based Adult Services	Initial
Golden State Adult Day Health Care	1	Community Based Adult Services	Initial
L'Chaim Adult Day Health Care	1	Community Based Adult Services	Initial
SteppingStone Adult Day Health Care • Golden Gate • Mabini • Presentation • Mission Creek	4	Community Based Adult Services	Initial
Coram CVS/Specialty Infusion Services • Bakersfield • Hayward • Los Angeles • Ontario • Sacramento • San Diego • Tustin	7	Home Infusion	Initial

Agenda Item 2
Action Item
Approval of Consent Calendar:

d. 2021 Employee Handbook

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San Francisco, CA 94119
1(415) 547-7800
1(415) 547-7821 FAX
www.sfhp.org

MEMO

Date	**December 22, 2020**
To	**Governing Board**
From	**Kate Gormley, Chief Human Resources Officer, and John F. Grgurina, Jr., CEO**
Regarding	**Revisions to the 2021 SFHP Employee Handbook**

Recommendation
San Francisco Health Plan (SFHP) recommends the Governing Board approve the proposed revisions to the SFHP Employee Handbook for calendar year 2021.

Background
Each year we update the Employee Handbook and present the changes to the Governing Board for review and approval. The following is a summary of the changes made to the Employee Handbook, effective January 1, 2021.

Summary of Proposed Changes
Based on both an internal and external legal review, several changes are recommended for the Employee Handbook to provide additional clarity to existing policies, add new policies or update policies as required by law. The changes recommended this year are shown in red-lined format in the enclosed document.

This memo summarizes the notable changes in the handbook, organized into three (3) sections. The first section highlights new or revised policies. The second section lists slight updates or clarifications to existing policies. The last section contains updates recommended by our legal counsel. Stylistic or grammatical changes are not noted in this memo.

New/Revised Policies

- Page(s) 28-35 – Revised our telework policy to reflect our current situation regarding our remote work mode due to the pandemic. We will be issuing a new policy at some point in the future, but our former policy which restricted most employees' ability to telecommute no more than two days per week no longer applies.

Updates/Clarification to Current Policies/Practices

- Page 7 – Addition of statements that acknowledges the current pandemic, that adaptations to existing policies may occur during this turbulent time and informs staff to contact Human Resources if they have any questions.
- Page 37 – Updated CalPERS employer and employee contribution rates.
- Page 45 – Updated holiday dates for 2021.
- Page 66 – Deleted “Remote Access” section as it no longer applies given our current full-time remote work situation.
- Page 68 – Revised language to include “Program Integrity” instead of “Fraud.”
- Page(s) 68,69 – Updated “Dress Code” policy to include guidance for remote workers.
- Page 77 – Updated “Alcohol Consumption” policy from “on property” to “during company work hours.”
- Page 78 – Updated employee file retrieval policy language to include expected lag time due to limited access to our building and remote workforce.

Legal Updates/Requirements and Recommendations by Attorney

- Page 9 – Updated legal language as required for additional Equal Employment Opportunity (EEO) descriptors of race.
- Page 20 – Removed language prohibiting former employees from contacting members or providers to comply with California state legal restrictions. Inserted language that reiterates ongoing confidentiality and HIPAA requirements for all employees, including former employees.
- Page 22 – Revised definitions of Exempt and Non-Exempt employees.
- Page 25 – Revised language for breaks and meal periods.
- Page(s) 26,27 – Reworded the “Make-up Time Request” policy for additional clarity.
- Page 48 – Updated California Paid Family Leave (PFL) language.
- Page(s) 51-54 – Updated and clarified recent Family and Medical Leave Act (FMLA) FMLA and California Family Rights Act (CFRA) changes.

We recommend Governing Board approval of these changes because they are necessary and improve the information provided to our employees. Please feel free to contact either Kate Gormley or John F. Grgurina, Jr., with any questions.

Welcome to the San Francisco Health Authority

Starting a new job is exciting. This employee handbook has been developed to help you get acquainted and to answer many of your initial questions.

As an employee of the San Francisco Health Authority, which operates and does business as the San Francisco Health Plan ("Plan"), the importance of your contribution cannot be overstated. Our goal is to provide the finest quality health care services to customers and to do this more efficiently and effectively than our competitors. We believe that satisfied customers will continue to do business with us and will recommend us to others.

You are an important part of this process because your work directly influences our organization's reputation and success.

This employee handbook explains our personnel policies and some of the opportunities and responsibilities that exist for you within the Plan. In an effort to be responsive to the needs of a growing organization, changes or additions to this handbook will be made when necessary, with the exception of our Employment At-Will policy. We will attempt to provide you with notification of such changes when they occur.

We are glad you have joined us, and we hope you will find your work to be both challenging and rewarding.

Contents

About This Handbook / Employment At-Will

Employment at the San Francisco Health Plan is on at "at-will" basis, is for no definite period, and may, regardless of the date or method of payment of wages or salary, be terminated at any time with or without cause and with or without notice. Other than the Governing Board and/or the CEO of the Plan, no supervisor, manager, or other person, irrespective of title or position, has the authority to alter the at-will status of your employment or to enter into any employment contract for a definite period of time with you.

Any agreement with you altering your at-will employment status must be in writing and signed by the CEO or the Chair of the Governing Board. This at will policy supersedes any prior agreement you may have had with the Plan regarding the term of your employment.

Except with respect to the at-will employment policy, the policies outlined in this handbook should be regarded as management guidelines only, which in a developing organization require change from time to time. The San Francisco Health Authority, which does business as the San Francisco Health Plan ("Plan"), retains the right to make management decisions as needed in order to conduct its work in a manner that is beneficial to the employees and the Plan.

This Handbook was last modified January ~~8~~[6#], ~~2020~~2021. This Handbook supersedes and replaces any and all prior handbooks, policies, procedures, practices, letters, memoranda and understandings of the San Francisco Health Authority or the Plan.

Full facts and details about policies, procedures and benefits referenced in this Handbook may be contained in formal written documents such as plan documents and summary plan descriptions. Please keep in mind that this Handbook is provided for general information only and is not intended to cover all possible situations that may arise during your employment with the Plan. ~~–~~The Plan has the right to modify or eliminate the policies, procedures and practices described in this Handbook at any time. ~~–~~ The Plan will attempt to provide you with notification of such changes when they occur.

You may be receiving this Handbook during uncertain and unprecedented times due to the COVID-19 pandemic. The Plan takes the health and safety of its employees very seriously and is fully committed to following agency guidance and all federal, state and local laws seeking to minimize the negative effects of COVID-19. That being said, the agency guidance and laws concerning the COVID-19 pandemic are constantly changing. Therefore, please contact Human Resources for information about the Plan's current response, policies, procedures and benefits related and specific to the COVID-19 pandemic.

The contents of this Handbook will be reviewed periodically. Changes and modifications are the responsibility of Human Resources, with final approval by the Governing Board. Material modifications will be in the form of new, substitute pages which will be distributed to all employees.

Date of Issue: January ~~8~~[6#], 2021~~0~~

Approved by: San Francisco Health Plan Governing Board

About the San Francisco Health Plan

Mission

The mission of San Francisco Health Plan is to improve health outcomes of the diverse San Francisco communities through successful partnerships.

The Plan was established to create, in San Francisco:

1. an efficient, integrated health care delivery system to provide access to comprehensive health care services for Medi-Cal beneficiaries and other persons;
2. to provide quality care that is compassionate, respectful and culturally and linguistically appropriate; and
3. to ensure preservation of the safety net.

Organizational Overview

The Plan is an NCQA-accredited Medicaid HMO plan and is a unique public-private partnership which was originally created in response to the State's strategic plan for Medi-Cal managed care. The Plan is an independent public agency created through State legislation and City ordinance.

The Plan is directed by a Governing Board which includes representatives of providers, members, health and government officials, labor, and other health professionals.

The Plan's lines of coverage include Medi-Cal and Healthy Workers

The Plan is also the third-party administrator for the Healthy San Francisco and SF City Option, which are non-insurance health access programs offered in partnership with the San Francisco Department of Public Health.

As new opportunities arise to serve the underserved/uninsured populations of San Francisco, the Plan may continue to develop new lines of coverage to meet those needs.

San Francisco Health Plan Policies

Equal Employment Opportunity

The Plan provides equal employment opportunity for all employees. Equal employment opportunity related questions can be directed to Human Resources or to any member of management.

Equal Employment Opportunity Policy

The Plan maintains a policy of non-discrimination with employees and applicants for employment. No aspect of employment within the Plan will be influenced in any manner by sex/gender (including gender identity, gender expression, pregnancy, childbirth and related medical conditions), sexual orientation, race (including traits historically associated with race such as hair texture and protective hairstyles involving braids, locks, and twists), color, national origin, ancestry, citizenship, religion, age (40 and over), physical or mental disability, medical condition (as defined under California law), genetic characteristics, military status, veteran status, marital status, registered domestic partnership status, political activity or affiliation, taking or requesting a statutory leave, height, weight or any other basis protected by law. Decisions also will not be influenced by a perception you fall within any of these categories or your association with a person falling within any of these categories.

Appropriate disciplinary action, up to and including termination of employment, may be taken against any employee violating this policy.

Disability, Pregnancy and Lactation Accommodation

The Plan's policy and practice is to comply with the Americans with Disabilities Act (ADA) (and related Federal, State and local laws) and ensure equal employment opportunity for all qualified persons with disabilities. The Plan is committed to ensuring non-discrimination in all terms, conditions and privileges of employment. The Plan will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee unless undue hardship would result.

Reasonable accommodation is determined on a case-by-case basis. Any applicant or employee who requires an accommodation in order to perform the essential functions of their job should talk to their supervisor or Human Resources to request an accommodation. The Plan and the employee will engage in an interactive process to identify possible accommodations.

Employees who are disabled by pregnancy, childbirth, or related medical conditions may request reasonable accommodation (including, without limitation, a transfer to a less strenuous position or less strenuous duties where the transfer is medically advisable). Transfer requests will be granted to the extent the Plan can reasonably accommodate the request without eliminating the requirement for anyone to perform the essential functions of their specific position. Employees requesting an intermittent leave or reduced schedule leave may be transferred, at the Plan's discretion, to a position more suited to such a leave for which the employee is qualified. The position to which the employee is transferred will have the same pay and benefits as the employee's former position. The Plan may require a doctor's certification of the condition,~~;~~ any limitations associated with the condition, and need for accommodation. The Plan prohibits retaliation against employees who request accommodation.

Employees have a right to request Lactation Accommodation. An employee shall make a written request to their supervisor of the proposed schedule, with a copy to Human Resources. The supervisor will respond to the employee and Human Resources within 5 business days. If the request is denied, the supervisor will identify the basis for the denial in their response and will engage in an interactive process with the employee to determine a suitable accommodation. Retaliation against an employee who exercises her rights under the San Francisco Lactation in the Workplace ordinance is prohibited.

The Plan will provide all employees who wish to express breast milk at work with a reasonable amount of break time. The break time will be required to run concurrently, if possible, with any paid break time already provided. In the event it is not possible for the break time for expressing milk to run concurrently with the paid break time already provided to the employee, the break time for expressing milk is unpaid. The Plan will provide all employees desiring to express breast milk at work with reasonable accommodations. Employees have a right to file a complaint with the Labor Commissioner for any violation of a right under SB 142.

A Lactation Room is available at 50 Beale and may be reserved on Outlook. The Lactation Room at Spring Street is scheduled with the Enrollment Center Supervisor. The employee's normal work area may be used if it allows the employee to express milk in private.

Policy Prohibiting Discrimination, Harassment, and Retaliation

The Plan is committed to providing a work environment that is free of discrimination and harassment. In keeping with this policy, the Plan strictly prohibits discrimination and harassment of any kind, including discrimination and harassment on the basis of sex/gender (including gender identity; gender expression; and pregnancy, childbirth, breastfeeding and related medical conditions), sexual orientation, race (including traits historically associated with race such as hair texture and protective hairstyles involving braids, locks, and twists), color, national origin, ancestry, citizenship, religious creed (including religious dress and grooming practices), age (40 and over), physical or mental disability including HIV and AIDS, medical condition (cancer and genetic characteristics), genetic information, military status, veteran status, marital status, registered domestic partnership status, political activity or affiliation, taking or requesting a statutory leave (including Family and Medical Care Leave), height, weight, or any other characteristics protected under Federal, State, or local laws.

Definitions

1. Harassment may take many forms, but the most common forms include:

   a. Verbal harassment – such as jokes, epithets, slurs, negative stereotyping, and unwelcome remarks about an individual's body, color, physical characteristics, or appearance, questions about a person's sexual practices, or gossiping about sexual relations;

   b. Physical harassment – such as physical interference with normal work, impeding or blocking movement, assault, unwelcome physical contact, leering at a person's body, and threatening, intimidating, or hostile acts that relate to a protected characteristic;

   c. Visual harassment – such as offensive or obscene photographs, calendars, posters, cards, cartoons, e-mails, drawings, and gestures, display of sexually suggestive or lewd objects, unwelcome notes or letters, and any other written or graphic material that denigrates or shows hostility or aversion toward an individual, because of a protected characteristic, that is placed on walls, bulletin boards, or elsewhere on the employer's premises or circulated in the workplace.

2. Sexual harassment – There are two distinct categories of sexual harassment:

   a. Quid Pro Quo – When an individual's submission to or rejection of unwelcome sexual conduct is used as a basis for employment decisions affecting that individual, including granting of employment benefits; and

b. Hostile Environment – When unwelcome sexual conduct unreasonably interferes with an individual's job performance or creates an intimidating, hostile, or offensive working environment, even if it does not lead to tangible or economic job consequences.

Sexual harassment includes harassment of women by men, of men by women, and same-sex harassment. The Fair Employment and Housing Act prohibit co-workers, supervisors, managers, and third parties doing business with or for the Plan from engaging in discriminatory, harassing or retaliatory conduct.

The Plan prohibits any and all conduct that may reasonably be interpreted as harassment as defined above whether or not such conduct is pervasive enough or severe enough to meet the technical legal requirements of harassment.

Reporting and Investigation

If you believe you have been subject to or witnessed harassment or discrimination of any kind or any conduct that violates this policy, you must immediately report the facts of the conduct to your supervisor or the Human Resources Department, or both. If, for any reason, you do not feel comfortable discussing the matter with your supervisor, you should bring the matter to the attention of the Human Resources Department, ~~or~~ to your second-tier supervisor, or report the issue anonymously to the Compliance Hotline, at www.convercent.com, or 1(800) 461-9330. The important thing is that you bring the matter to the Plan's attention promptly so that any concern of harassment or discrimination can be investigated and addressed appropriately.

Supervisors must promptly report any complaints of misconduct to the Human Resources Department so that the Plan can try to resolve the claim internally.

When the Plan receives an allegation of misconduct, it will conduct an impartial, timely and thorough investigation by qualified personnel that provides all parties appropriate due process and reaches a reasonable conclusion based on the evidence collected. All information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, and in accordance with applicable law. All employees and supervisors have a duty to cooperate in the investigation of alleged harassment or discrimination. In addition, failing to cooperate or deliberately providing false information during an investigation shall be grounds for disciplinary action, including termination of employment. The investigation will be tracked and documented for reasonable progress. At the conclusion of its investigation, if the Plan determines a violation of policy has occurred, it will take timely and effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, up to and including termination of employment. Steps will be taken, as reasonable and necessary, to prevent any further violations of policy.

Retaliation

Retaliation for reporting any incidents of harassment or discrimination, or perceived harassment or discrimination, for making any complaints of harassment or discrimination, or participating in any investigation of incidents of harassment or discrimination, or perceived harassment or discrimination, is strictly prohibited.

Any report of retaliation by the one accused of harassment or discrimination, or by co-workers, supervisors, or managers, will also be promptly and thoroughly investigated in accordance with the Plan's investigation procedures outlined above. If a complaint of retaliation is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken.

Additional Information

In addition to the Plan's internal complaint procedure, employees should also be aware that the Federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) investigate and prosecute complaints of harassment, discrimination, and retaliation in employment.

Information about the EEOC complaint procedure can be found on their website (www.eeoc.gov).
You may also contact the EEOC at:

1-800-669-4000 (English)

1-800-669-6820 (TTY)

Information about the DFEH can be found on their website (www.dfeh.ca.gov).
You may also contact the DFEH at the following numbers if you are calling within California:

1-800-884-1684 (English)

1-800-700-2320 (TTY)

This policy can be modified unilaterally by the Plan at any time without notice. Modification may be necessary to maintain compliance with local, State, and Federal laws and/or accommodate organizational changes within the Plan.

Translated

Oportunidades de empleo igualitarias

El Plan ofrece oportunidades de empleo igualitarias para todos los empleados. Las preguntas relacionadas con las oportunidades de empleo igualitarias pueden remitirse e Recursos Humanos o a cualquier miembro de la gerencia.
Política de oportunidades de empleo igualitarias

El Plan mantiene una política de no discriminación con los empleados y solicitantes de empleo. Ningún aspecto del empleo contemplado por el Plan se verá afectado de ninguna manera por el sexo/género (ni siquiera la identidad de género, la expresión de género, el embarazo, el parto y afecciones médicas relacionadas), la orientación sexual, la raza, el color, la nacionalidad, la ascendencia, la ciudadanía, la religión, la edad (mayores de 40), la discapacidad física o mental, cualquier afección médica (tal como lo define la ley de California), las características genéticas, el estado militar, el estado de veterano, el estado civil, el estado de pareja de hecho registrada, la actividad o afiliación política, el hecho de tomar o solicitar una licencia reglamentaria, la altura, el peso o cualquier otra base protegida por la ley. Las decisiones tampoco se verán afectadas por una percepción que pueda tener en relación con alguna de estas categorías o su asociación con una persona que pertenezca a cualquiera de estas categorías.
Pueden tomarse acciones disciplinarias adecuadas, hasta e incluso la terminación del empleo, contra cualquier empleado que infrinja esta política.
Política sobre la prohibición de la discriminación, el acoso y las represalias

El Plan se compromete a proporcionar un ambiente de trabajo libre de discriminación y acoso. En consonancia con esta política, el Plan prohíbe estrictamente la discriminación y el acoso de cualquier tipo, incluso la discriminación y el acoso sobre la base del sexo/género (incluso la identidad de género, la expresión de género y el embarazo, el parto, la lactancia y enfermedades relacionadas), la orientación sexual, la raza, el color, la nacionalidad, la ascendencia, la ciudadanía, el credo (incluso la vestimenta religiosa y las prácticas aseo), la edad (mayores de 40), la discapacidad física o mental incluso el VIH y SIDA , la afección médica (cáncer y características genéticas), la información genética, el estado militar, el estado de veterano, el estado civil, el estado de pareja de hecho registrada, la actividad o afiliación política, el hecho de tomar o solicitar una licencia reglamentaria (incluso una licencia familiar y médica), la altura, el peso o cualquier otra característica protegida por las leyes federales, estatales o locales.

Definiciones

1. El acoso puede tomar diferentes formas, pero las más comunes incluyen:

a. Acoso verbal: como chistes, epítetos, insultos, estereotipos negativos y comentarios desagradables sobre el cuerpo, el color, las características físicas o el aspecto de una persona, preguntas acerca de las prácticas sexuales de una persona, o chismes acerca de las relaciones sexuales;

b. Acoso físico: como interferencia física con el trabajo normal, impedir o bloquear el movimiento, ataques, contacto físico desagradable, mirar lascivamente en el cuerpo de una persona y amenazas, intimidación o actos hostiles que se relacionen con una característica protegida;

c. Acoso visual: como fotografías, calendarios, carteles, tarjetas, dibujos animados, correos electrónicos, dibujos y gestos ofensivos u obscenos, exhibición de objetos sexualmente sugerentes o lascivos, notas o cartas desagradables y cualquier otro material escrito o gráfico que denigre o muestre hostilidad o aversión hacia una persona, debido a una característica protegida, que se coloque en las paredes, carteleras o en otros lugares de las instalaciones del empleador o circulen por el lugar de trabajo.

2. Acoso sexual: existen dos categorías diferentes de acoso sexual:

a. Quid Pro Quo: cuando el sometimiento o rechazo por parte de una persona de una conducta sexual desagradable se utiliza como base para tomar decisiones laborales que afectan a esa persona, incluso el otorgamiento de las prestaciones laborales; y

b. Ambiente hostil: cuando una conducta sexual desagradable interfiere de forma irrazonable con el desempeño laboral de una persona o crea un ambiente de trabajo intimidante, hostil u ofensivo, aunque no genere consecuencias laborales tangibles o económicas.

El acoso sexual incluye el acoso de mujeres por parte de hombres, de hombres por parte de mujeres y entre personas del mismo sexo. La Ley de Empleo Justo y Vivienda prohíbe que compañeros de trabajo, supervisores, gerentes y terceros que realicen negocios con o para el Plan adopten conductas discriminatorias, de acoso o de represalia.

El Plan prohíbe cualquier y toda conducta que razonablemente pueda interpretarse como acoso, según la definición anterior, ya sea o no lo suficientemente invasiva o grave como para cumplir con los requisitos técnicos legales del acoso.

Informes e investigación

Si considera que ha sido objeto de acoso o discriminación de cualquier tipo o de cualquier conducta que viole esta política, debe informar inmediatamente los hechos de la conducta a su supervisor o al Departamento de Recursos Humanos, o a ambos. Si, por cualquier motivo, no se siente cómodo hablando sobre el asunto con su supervisor, debe informarle el asunto al Departamento de Recursos Humanos, ~~o~~ al supervisor de segundo nivel, o anónimamente a

Compliance Hotline, www.convercent.com, or 1(800) 461-9330. Lo importante es informar el asunto al Plan de forma oportuna para que cualquier preocupación de acoso o discriminación pueda investigarse y abordarse apropiadamente.

Los supervisores deben informar de forma oportuna Cualquier queja de mala conducta al Departamento de Recursos Humanos para que el Plan pueda intentar resolver la queja de forma interna.

Cuando el Plan recibe una acusación de mala conducta, el personal cualificado llevará a cabo una investigación imparcial, oportuna y exhaustiva que les ofrezca todas las partes un debido proceso y llegue a una conclusión razonable basada en la evidencia recopilada. Toda la información revelada durante el curso de la investigación se mantendrá confidencial, excepto según sea necesario para llevar a cabo la investigación y tomar medidas correctivas, y de acuerdo con la ley aplicable. Todos los empleados y supervisores tienen el deber de cooperar en la investigación de los presuntos actos de acoso o discriminación. Además, el hecho de no cooperar o proporcionar deliberadamente información falsa durante una investigación será motivo de acción disciplinaria, incluso la terminación del empleo. Se realizará un seguimiento y se documentará el progreso razonable de la investigación. Una vez que finalice la investigación, si el Plan determina que se ha producido una violación de la política, tomará acciones correctivas oportunas y eficaces, acordes con la gravedad de la ofensa. Esta acción puede incluir una acción disciplinaria contra la parte acusada, hasta e incluso la terminación del empleo. Se tomarán medidas, según sea razonable y necesario, para prevenir cualquier otra violación de la política.

Represalias

Se prohíben estrictamente las represalias por informar de cualquier incidente de acoso o discriminación, o supuesto acoso o discriminación, por realizar cualquier tipo de queja de acoso o discriminación, o por participar en la investigación de incidentes de acoso o discriminación, o supuesto acoso o discriminación.

Cualquier informe de represalias por parte del acusado de acoso o discriminación, o por parte de compañeros de trabajo, supervisores o gerentes, también será investigado de forma oportuna y minuciosa, de acuerdo con los procedimientos de investigación del Plan detallados anteriormente. Si la queja por represalias está fundamentada, se tomarán acciones disciplinarias apropiadas, hasta e incluso la terminación del empleo.

Información adicional

Además del procedimiento de quejas interno del Plan, los empleados también deben saber que la Comisión para la Igualdad de Oportunidades en el Empleo (EEOC) federal y el Departamento de Empleo Justo y Vivienda (DFEH) de California investigan y procesan las quejas de acoso, discriminación y represalias en el empleo.

Puede encontrar información sobre el procedimiento de quejas de la EEOC en su Sitio web (www.eeoc.gov). También puede comunicarse con la EEOC llamando a:

1-800-669-4000 (inglés)

1-800-669-6820 (TTY)

Puede encontrar información sobre el DFEH en su sitio web (www.dfeh.ca.gov). También puede comunicarse con el DFEH llamando a los siguientes números, si se encuentra en California:

1-800-884-1684 (inglés)

1-800-700-2320 (TTY)

El Plan puede modificar unilateralmente esta política en cualquier momento y sin previo aviso. La modificación puede ser necesaria para seguir en cumplimiento de las leyes locales, estatales y federales o para incluir cambios organizativos en el Plan.

平等就业**机会**

本计划为所有从业人员提供平等就业机会。平等就业机会相关问题可直接找人力资源部或任何管理人员。

平等就业**机会政策**

本计划主张**采用**对从业人员和就业申请者的无差别待遇政策。本计划中任何就业方面均不受以下任何方式的影响：**性**别（包括性别认同、性别表达、怀孕、分娩等相关医疗条件）、性取向、种族、肤色、国籍、血统、公民身份、宗教、年龄（40岁及以上）、身体或心理障碍、医疗条件（按照加利福尼亚州法律定义）、遗传特征、兵役状况、退伍军人状况、婚姻状况、登记同居伴侣状况、政治活动或联盟、法定休假或申请法定休假、身高、体重或任何其他法律保护的基本信息。所做决定也不受对您属于**以上任何**类别或对您的组织有人属于**以上任何**类别的看法**影响。**
任何违反此政策的员工，都可能受到**相**应**的**纪律处分，严重者将被解雇。

禁止歧视**、**骚扰**和**报**复的政策**

本计划致力于**提供一个无歧**视**、无**骚扰的工作环境。为执行该政策，本计划严格禁止任何形式的歧视和骚扰，包括以下基本信息的歧视和骚扰：性别（含性别认同、性别表达、怀孕、分娩、哺乳等相关医疗条件）、性取向、种族、肤色、国籍、血统、公民身份、宗教信仰（含宗教穿着和仪容整洁）、年龄（40岁及以上）、身体或心理障碍（包括**HIV和艾滋病）、医**疗条件（癌症和遗传特征）、遗传信息、兵役状况、退伍军人状况、婚姻状况、登记同居伴侣状况、政治活动或联盟、法定休假或申请法定休假（含探亲假和医疗护理假）、身高、体重或任何联邦、州或当地法律保护的基本信**息。**

定义

1. 骚扰方式有多种，但最常见的方式包括：

a. **言**语骚扰**—如**对个人身体、肤色、身体特征或外貌的玩笑、绰号、侮辱**,消极刻板印象和不受**欢迎的言论、对个人性习惯的质疑、或对性关系散播谣言；

b. **身体**骚扰**—如正常工作中的身体干**扰、妨碍或阻碍**行**为**、攻**击、不受欢迎的身体接触、色眯眯地斜眼看别人身体，和对受相关法律保护的特征进行威胁、胁迫或敌对行为；

c. 视觉骚扰**—根据受保**护的特点，是指在墙壁、公告板**,或在雇主**经营**的其他地方**张贴或在工作场所传播的东西，如攻击性或淫秽照片、日历、海报、卡片**、漫画、**电子邮件、图纸和手势、展示性暗示或淫秽物体、不受欢迎的纸条或信件**以及任何其他**诋毁或对个人表示敌意或厌恶的书面或图片**材料。**

2. **性**骚扰**—有两种不同的性**骚扰：

a. **交**换补偿**—利用个人屈服或拒**绝不受欢迎的性行为作为影响个人就业决定的基础时，包括授予就业福利；

b. 敌对环境**—当不受**欢迎的性行为虽然未造成有形的或经济上的工作后果，但不合理地影响个人工作表现或造成胁迫、敌对或攻击性工作环境。

性骚扰包括男性骚扰女性、女性骚扰男性以及同性骚扰。《公平就业和住房法案》禁止与本计划业务相关的同事、主管、经理和第三方涉及歧视、骚扰或报复行为。

本计划禁止任何部分或全部根据上述定义可能解释为骚扰的行为，不论该行为是否具有足够说服力或足以严重到**符合**骚扰的技术法律要求。

报告和调查

如您认为您已受到任何形式的骚扰或歧视或任何违反该政策的行为，您必须立刻向您的主管或人力资源部或同时向他们报告该行为事实。如果因任何原因，您感觉与您的主管讨论此事不舒服的话，您**可以将此事反映**给人力资源部或引起人力资源部的注意，或向您的二级领导报告。重要的是您要立刻让此事引起注意，以便任何所涉及的骚扰或歧视可以进行适当地调查和处理。

主管必须立即向人力资源部报告任何**不当行**为的投诉，以便本计划能够内部解决该投诉。

当本计划收到任何**不当行**为的指控时，本计划将组织**有**资质的**人**员进行公平、及时和全面的调查，并给各方提供**合适的**调查**程序**，**且在所收集**证据**的基**础上**达成合理**结论。除**根据适用法律**，**在需**进行调查和采取补救措施等必要情况下，调查期间获得**的所有信息将**进行保密。在质控骚扰或歧视调查期间，所有员工和主**管有**责任给予配合。此外，在调查期间，不予配合或故意提供虚假信息**的行**为应当给予纪律处分，包括**解雇。**该调查将**在合理**进展**中被追**查和记录。在调查结论中，如本计划确定发生了违反政策行为，本计划将采取及时有效的**、与**该冒犯行为严重程度相应的补救措施。该行为可能包括对被指控方的纪律处分，最严重者将被**解雇。在合理且必要情况下**，**将采取措施**预防更多违反本政策的行为发生。

报复

严厉禁止对报告任何骚扰或歧视（或视为骚扰或歧视）事件、对投诉骚扰或歧视、或参与任何骚扰或歧视（或视为骚扰或歧视）调查的报复行为。

被指控骚扰或歧视者**、其同事、主管或**经理报告的报复行为也将立即根据上述所列的本计划调查程序进行全面调查。如果对报复行为的投诉得以证实，将采取**相**应**的**纪律处分，严重者将被**解雇**。

附加信息

除本计划的内部投诉程序，员工还应该了解联邦平等就业机会委员会（EEOC）**以及加利福尼**亚州公平就业和住房部（DFEH）**依法**查处对就业中骚扰、歧视和报复行为的投诉。

有关EEOC**投**诉程序的信息可在其网站上查找 (www.eeoc.gov)。**您可以通**过以下方式联系EEOC：

1-800-669-4000 (**英**语)

1-800-669-6820 (传真)

有关DFEH**投**诉程序的信息可在其网站上查找 (www.dfeh.ca.gov)。**如您在加利福尼**亚州内，也可以通过以下电话联系DFEH：

1-800-884-1684 (**英**语)

1-800-700-2320 (传真)

本计划无需通知即可随时单方面地修改本政策。对该政策的修改必须符合当地、州和联邦法律规定和/**或适**应本计划的组织改动。

Religious Accommodation Policy

The Plan provides equal employment opportunity to all employees and applicants without regard to their membership in any religious group. Discrimination against employees or applicants because of religion is prohibited.

The Plan will reasonably accommodate employees' religious beliefs, observances, and practices as long as they do not impose undue hardship on the conduct of the business or infringe upon the rights of any other individual. In order to request an accommodation, employees should put the request in writing to their supervisor, specifying the nature of the religious belief, observance, or practice that needs to be accommodated. Accommodations are determined on a case-by-case basis. The Plan prohibits retaliation against any employee who requests accommodation for a sincerely held religious belief.

Employment Practices

Categories of Employment

The Plan maintains standard categories of employment status for purposes of personnel administration and related payroll transactions. Categorization of employment is for administrative and payroll purposes only and does not impact the at-will status of employment. Categories of employment are as follows:

1. **Regular Full-time Employee**. Employees who are regularly scheduled to work 40 or more hours per week.
2. **Regular Part-time Employee**. Employees who are regularly scheduled to work less than 30 hours per week.
3. **Limited Term Employee**. Employees who are hired for a specific period of time and work 40 or more hours per week and receive the same benefits as regular employees.

Note: Independent Contractors and individuals placed on short term assignments through a staffing agency *are NOT considered to be employees and are NOT eligible for Plan benefits, holiday pay, etc., except to the extent required by law.*

Employment of Relatives

The Plan desires to avoid situations in which actual or potential conflicts of interest may be caused by relatives working in the same environment. Relatives of present employees may be hired by the Plan only if they do not directly or indirectly supervise another family member or are not supervised by another family member. Additionally, relatives of current employees may not report to the same supervisor.

For the purposes of this policy, relatives include an employee's parent, child, spouse, registered domestic partner, brother, sister, in-laws, or immediate step relations. This policy is also extended to individuals sharing the same household.

If employees become related after employment and a conflict of interest or management problems of supervision, safety, security or morale result, reasonable time may be provided to resolve the matter.
If resolution is not possible, the Plan may require one or both of those employees to transfer positions or resign, at the Plan's exclusive discretion.

The Plan reserves the right to determine that other relationships not specifically listed within this policy may represent actual or potential conflicts of interest as well.

Employment of Minors

As a general rule, employees of the Plan must be 18 years of age or older. However, minors may occasionally be hired during school breaks, at peak work periods, or on an internship basis. Minors must have a valid work permit, a certificate of high school proficiency, or be a high school graduate. There are also limitations as to the number of hours minors who have not graduated may work.

Re-Employment

Former employees who are eligible for rehire and who seek to return to employment with the Plan may apply for positions and be considered along with other applicants. It will be noted that the applicant is a former employee. Former employees who are rehired within one year (365 calendar days) after separation will have their service bridged. This means that the employee will retain the original date of hire and will continue to accrue benefits (PTO accruals) at the same rate as before separation. Employees rehired after a break of service of more than 365 consecutive calendar days will be treated as a new employee for the purpose of benefits and other employment related issues, except as may be otherwise required by law.

New Employee Orientation

New employees will be promptly scheduled for an orientation. Human Resources ensure that all tax forms, insurance forms, and any other required forms are completed on the first day of employment. The new employee must furnish proof of eligibility to work in the U.S. and complete the I-9 form within three (3) business days from date of hire. If at any time an employee cannot verify their right to work in the United States, the Plan is obligated to terminate their employment.

After reading this employee handbook, all employees will be asked to sign the acknowledgment of receipt page and return it to the Human Resources Department. The new employee should also complete personnel, payroll and benefit forms at this time.

Employees are encouraged to learn as much as they can about the work of the Plan, and how each job contributes to the Plan's mission and objectives. Supervisors will be a good source of information about the Plan and your job.

Ergonomic Evaluation Policy

The Plan works to ensure that the comfort and well-being of employees are mitigated by identifying and correcting ergonomic risk factors in the workplace. The Ergonomic Program is developed to improve the health of its employees by minimizing ergonomic stressors. Methods to effectively prevent work-related musculoskeletal disorders include proper work practices, administrative controls, engineering and equipment.

Transfers and Promotions / Internal Applicant Guidelines

Because the Plan believes that career advancement is rewarding for both the employee and the organization, available positions will be posted internally.

The Plan is committed to assisting employees to reach their professional goals through internal promotion and transfer opportunities. One of the tools the organization makes available to employees in managing their career is our internal job posting system, which enables current employees to apply for any available position either before or at the same time the position is advertised outside of the Plan.

Internal job opportunities are regularly posted on SharePoint under Jobs@SFHP.

Eligibility and Participation

- Transfer/promotion eligibility requirements:
    - Must be a current, regular full- or part-time Plan employee.
    - Must be in current position for at least six (6) months. (Exceptions to this six-month requirement can be made, consistent with Plan business needs.)
    - Performance meets established work standards for current position.
    - No participation in employee counseling or been on a performance improvement plan ("PIP") within the past six (6) months.
    - Must meet the qualifications for the position.
- It is highly recommended for Internal Applicants to consult with the Talent Acquisition Team before deciding to apply to an open position.
- Once the decision is made to formally apply, Internal Applicants must notify their manager via email and copy the Talent Acquisition team.
- Applicants must apply via the Jobs@SFHP link on the Sharepoint home page.
- Once reviewed by the Talent Acquisition Team, if an applicant meets the minimum qualifications for a position, there will be a meeting scheduled to discuss your background and qualifications.
- Although the Plan is committed to making opportunities available to existing employees, the Plan reserves the right to hire any candidate, internal or external, that best fits Plan business needs.

If selected for the position, the hiring and releasing managers must discuss and agree upon a transfer plan. Once agreement has been reached, employees will be notified by the hiring manager.

Outside Employment

Employment with the Plan is a full-time responsibility requiring full-time commitment. Part-time employees, may engage in outside employment. Whether employees work for the Plan on a full- or part-time basis, all employees must disclose outside employment to their supervisor to allow the Plan to assess whether outside employment presents a conflict of interest. Final determination as to conflict of interest will be made by the CEO. Except as otherwise protected by applicable law, outside employment or other outside activities must not conflict with an employee's work schedule, duties, responsibilities, and performance.

Termination of Employment

San Francisco Health Plan is an at-will employer. This means that employees may terminate employment at any time, with or without notice, for any reason, and similarly, the Plan may terminate employment at any time, with or without notice and with or without cause for any reason. No one other than the Governing Board and/or the CEO of the Plan has the authority to alter this arrangement, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy. Furthermore, any such agreement must be in writing and must be signed by the Chair of the Governing Board and/or the CEO.

Your employment with the Plan may be terminated through one of the following actions:

- Voluntary resignation;
- Retirement;
- Reduction in force;
- Involuntary termination, with or without cause, with or without notice;
- Failure to return to work as scheduled after an absence (which will be considered abandonment of position);
- Failure to report for work without notice for three consecutive work days (which will also be considered abandonment of position);
- Prolonged disability resulting in an inability to safely and satisfactorily perform all of the essential functions of the job with or without reasonable accommodation; or
- Death.

Employees who wish to resign from the Plan, are requested to give at least two (2) weeks' written notice, if possible. Additionally, employees must be present on the last day of employment. Taking PTO during the notice period is highly discouraged. Upon exit from the Plan, employees ~~must~~ are responsible for ensuring the return of all Plan documents, equipment, keys, and other Plan property. Employees must also turn in all identification badges and all passwords used to access work computer or communications systems. ~~Human Resources will be responsible for ensuring that this occurs.~~

Employees will also be asked to participate in an exit interview with Human Resources. During this interview, employees may be asked about their views regarding work with the Plan, including duties, training, supervision, and benefits. Employees may be asked to sign an exit form that states that they have received their final paycheck and that they have returned all Plan property. If any money is owed to the Plan, employees will be asked to make arrangements for repayment at this time.

Human Resources will provide you with information regarding any conversion or continuation rights to insured benefits. When employees leave the Plan, all enrolled dependents may have the right to continue group medical benefits temporarily under COBRA.

Former employees should notify the Plan if their address changes during the calendar year in which termination occurs so that their tax information will be sent to the proper address.

~~No Contact with SFHP Members or Providers~~

~~Separated employees are prohibited from contacting any Plan members or providers after their term of employment has ended regarding the Plan or using any confidential information obtained during employment with the Plan for any reason.~~

On-Going Confidentiality Obligations

Information concerning the Plan's members and providers, including their personal and contact information, is confidential information and may be protected from disclosure by HIPPA. ~~Information concerning the Plan's members and providers, including their personal and contact information, is confidential information and may be protected from disclosure by HIPPA.~~ Separated employees continue to be subject to on-going confidentiality and proprietary information obligations, particularly in regards to HIPAA-related information. Separated employees are prohibited from using or disclosing confidential information obtained in connection with their employment with the Plan, including using the Plan's confidential information ~~regarding the Plan or~~to contact its members and providers.

Employees References for Former Employees

The Plan will provide only dates of employment and job title to any inquiring prospective employer. Additionally, pay rate at time of separation may be provided if the separated employee provides written authorization directing the release of such information to Human Resources. Absent such written authorization, the Plan will not provide an Employee's prior salary information to anyone, including prospective employers.

All inquiries regarding former employees should be referred to Human Resources.

Employee Referral Bonus Program

The purpose of the Employee Referral Bonus Program is to provide an incentive award to current regular full or regular part time employees bringing new talent to the Plan by referring applicants who are subsequently selected and successfully employed in an eligible position.

Eligibility and Participation

Applicant: Applicants must be persons who are not currently or were not formerly employed by the Plan in any capacity.

Referring Employee: All regular employees are eligible to receive a referral bonus with the exception of the following:

- Executives
- Hiring manager/supervisor or other persons associated with the sourcing, recruiting and/or selection of the candidate
- Human Resources Department employees (Facilities and Marketing Employees are eligible)
- Contractors/Consultants

Positions Eligible: Positions eligible for this program will be determined by Human Resources. Bonus amounts will be determined by position and are as follows, less applicable withholdings:

- Director level positions $3,000
- Manager level, IT technical or RN positions $2,000
- All Other Positions $1,000

Referral Bonus Payment

Payment will be made as follows:

- 50% once the referred candidate has been employed for 45 days.
- 50% once the referred candidate has been employed for 90 days.

Referral bonuses may be apportioned between multiple employees at management's discretion where it is determined there is more than one simultaneous candidate referral source.

In order for the Referral Bonus to be earned, the referred employee must be actively employed by the Plan at the time of payment and the name of the referring employee must be indicated on the candidate's application or resume at the time of the initial interview. Human Resources must be aware of the referral prior to the interview. The Plan reserves the right to amend the award amounts based on market conditions.

Compensation

Position Evaluation

Each position at the Plan is classified and evaluated in accordance with the knowledge, skills, required experience, complexity, responsibility, and authority associated with its assigned duties. The compensation range for each position is based on a number of factors, including the position's evaluation and competitive marketplace realities. Employees can direct any questions they may have about their position's evaluation, classification or compensation range to their supervisor or to Human Resources.

Employee Classifications

The Plan maintains standard employment classifications for payroll and related transactions:

- **Exempt:** ~~Employees who are classified as exempt from the overtime provisions of Federal and State wage and hour law. An employee whose position meets specific exemption tests established by the California Industrial Welfare Commission ("IWC") and/or the federal Fair Labor Standards Act ("FLSA") is exempt from overtime pay requirements.~~ An employee whose position meets specific exemption tests established by the California Industrial Welfare Commission ("IWC") and/or the federal Fair Labor Standards Act ("FLSA") is exempt from overtime pay requirements.

- **Non-Exempt:** ~~Employees who are covered by the overtime provisions of Federal and State wage and hour law.An employee whose position does not meet the specific exemption tests of the FLSA or IWC is entitled to the applicable overtime pay rate.~~ An employee whose position does not meet the specific exemption tests of the FLSA or IWC is entitled to the applicable overtime pay rate.

~~You will be informed of your initial exempt or non-exempt classification at the start of your employment. Your subsequent position or duties may result in a change of your employment classification~~ and whether you are entitled to overtime pay~~.~~ You will be informed of your initial exempt or non-exempt classification at the start of your employment. Your subsequent position or duties may result in a change of your employment classification and whether you are entitled to overtime pay.

Performance Reviews

Supervisors will formally review job performance with their employees approximately once a year, whenever the Plan is contemplating a pay raise, when an employee is transferring to another manager and/or department and any other time that the Plan determines that such a review is appropriate. The purposes of these evaluations are:

1. To evaluate the strengths and opportunities of employee work
2. To communicate both areas to the employee
3. To provide employees with the opportunity to discuss work and career goals

4. To set future performance goals

Supervisors may prepare a written assessment of employee job performance, which may be reviewed by the next-higher level of management. After that, employees will meet with their supervisor to discuss the evaluation. Employees and their supervisor are encouraged to ask clarifying questions and to talk candidly about expectations and achievements. Employees will be allowed to enter their own comments into the evaluation form and to digitally sign it to show that they have read and discussed it. Employees may request a copy of the completed form for their own records. If an employee transfers to another department within the Plan, the supervisor or manager and employee will complete a performance review and give it to the receiving manager on or before the transfer date. During the annual review period, the reviews will be scored and weighted based on time spent in each role and one final score will be calculated. If the employee transfers before 90 days in their current review period, completing a transitional review is optional.

A good performance evaluation does not guarantee a pay raise, nor is it a promise of continued employment. Nothing in this policy alters anyone's at-will employment status.

Pay Changes

Several factors impact the granting of pay increases: the availability of funding, employee performance, increased responsibilities, position in one's salary range, competitive pressures, etc. Receipt of a pay increase should not be considered a promise of job security nor should employees expect that increases are automatic. Pay decreases may also occur in certain situations.

Bonus Program Eligibility

Regular full-time and regular part-time employees may be eligible to receive an annual bonus which is based on organizational and individual goals and objectives. Bonus program payout will vary from year to year depending on the financial health of SFHP and is subject to Financial Committee and Governing Board approval. Interns, Residents and Contract~~t~~ employees are ineligible for the bonus program.

All employees must complete the mandatory training requirements to be eligible for an employee bonus. The Plan is committed to the education of our employees and the guidance provided in the training, which is in the best interest of our organization and services to our members.

The training programs are either mandated by the Plan, State law or regulatory agencies. Mandatory training requirements may change annually and requirements will be announced at the beginning of each fiscal year. New hires are required to take the training within 30 days of their first day of work. Employees will be notified when each training program is available, and the respective completion date. Participation for each program will be tracked. Employees who do not complete the mandatory training requirements will not be bonus eligible and may be subject to disciplinary action, up to and including termination.

Employees who are on a leave of absence will not receive their bonus while on leave. Upon return from the leave of absence, employees have 30 days to complete their performance review and any mandatory training requirements to be eligible for their bonus.

Your Paycheck

Normal Pay Day

Pay periods are bi-weekly. Employees will be paid every other Friday. When a payday falls on a holiday, employees will normally be paid on the last working day before the holiday. If there appears to be an error in the paycheck, employees must report it immediately to Payroll/Finance.

Payroll Deductions

Federal and State laws require that the Plan withhold taxes from employees' wages. The mandatory deductions are:

- Federal income tax
- California income tax
- Employee contribution to CalPERS retirement
- Medicare
- California State Disability Insurance (SDI)
- California Paid Family Leave contribution
- State and Federal income tax liens
- Court-ordered garnishments

Payroll and tax withholding and exemption certificates (Form W-4) are required to be on file before payment of wages can be made. An employee who wants to change the number of exemptions or marital status for Federal and/or State income tax withholding tax purposes should contact Payroll/Finance.

Direct Deposit Option

Employees have the option of receiving a payroll check or receiving their pay through the direct deposit program. Employees opting for direct deposit will receive an earnings statement. All employees will receive a written statement of their gross pay, deductions, and resulting net pay, as well as year-to-date totals.

Employees may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, employees must complete the Employee Direct Deposit Enrollment Form (available from ADP Workforce Now, Human Resources or Payroll) and return it ten (10) days prior to the pay period that the service is to begin.

To stop automatic payroll, you should complete the Employee Direct Deposit Enrollment Form and return it to Payroll at least ten (10) days prior to the pay period that the service is to end. Employees will receive a regular paycheck on the first pay period after receipt of the form, provided it is received within the required ten (10) days prior to the end of the pay period.

Advances

The Plan does not permit advances against paychecks or against paid time off (PTO).

Your Work Week

The Work Week Defined

For payroll purposes, the Plan has defined the work week as running from Monday through Sunday.

Working Hours

Because of the nature of the Plan's business, employee work schedules may vary depending on the job they perform. The Plan's normal business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday. However, certain parts of the Plan's operations require 24/7 coverage and may require employees to work alternate shifts depending on the business needs. Supervisor will assign employee individual work schedules, which may deviate from the Plan's normal business hours. Employees should check with their supervisor if they have questions on hours of work.

Breaks and Meal Periods

Non-exempt employees who are scheduled to work more than 5 hours in a day are entitled to and ~~expected~~ required to take an unpaid, off-duty meal period of at least 30 minutes to begin no later than the start of the fifth hour of work. A second 30 minute meal period is ~~provided~~ required after an employee works ten hours or more. The failure to take off-duty meal periods is a violation of Plan policy unless the employee submits a written request to waive a meal period and receives prior written authorization from their supervisor. ~~, unless the employee was given the opportunity to take an off-duty meal period but voluntarily and without coercion declined to do so, or submits a written waiver of the meal period in accordance with applicable law. The Plan does not expect any E~~Eemployee are prohibited from ~~to~~ performing any work during any meal period that is provided under this policy. You are expected to clock in and clock out for all meal periods, and to precisely account for all time spent on the meal period.

Non-exempt employees are also required ~~expected~~ to take a 10-minute rest period for every four hours of work or major portion thereof. These breaks are paid. Employees are entitled to these breaks as a matter of law and cannot be required to work through these breaks. If at any time you feel you are being coerced into working through your breaks, you should immediately bring a complaint to Human Resources.

Exempt employees, while not entitled under California law to take a meal period of at least 30 minutes per day, should take meal and rest breaks as their work and schedules permit. Everyone should make every effort to stay safe and effective while at work, and taking necessary breaks and time for meals is a must for all employees regardless of their exempt status.

Overtime

There may be times when employees will be required to work overtime so that the Plan may successfully meet the needs of our Members. However, only non-exempt employees qualify for overtime pay. Non-exempt employees will be paid a rate of one and one-half their regular hourly rate for hours worked in excess of eight (8) hours per day or 40 hours per workweek, or for ~~the first eight hours worked on the 7th consecutive day worked in a workweek.~~ . Double time is paid to non-exempt employees for hours worked in excess of 12 hours in a day or after 8 hours on the 7th consecutive workday in a workweek.

All overtime must have prior written authorization by a supervisor and a supervisor should be present during overtime work. However, regardless of whether the overtime is preapproved or whether the supervisor is present, non-exempt employees should account for all time worked in order to get paid. An employee who continues to perform overtime without preapproval may be subject to discipline. The Plan strictly prohibits any non-exempt employee from working off the clock, or performing work without compensation. This includes before or after any regular scheduled shift, or during any off-duty meal or rest periods.

For purposes of determining which hours constitute overtime, only actual hours worked in a given workday or work week will be counted. Time off with pay for any reason will not be deemed hours worked for purposes of overtime calculation or credited for purposes of overtime calculation.

Attendance and Punctuality

Attendance and punctuality are important factors for our employees' success within the Plan. We work as a team, and this requires that each person be in the right place at the right time.

Employees are expected to report to work as scheduled, on time and prepared to start work. Employees are also expected to remain at work for the entire work schedule, except for rest breaks, meal periods and when required to leave for authorized Plan business. Any change in employees' work schedules must have a supervisor's prior approval.

Employees who are going to be late for work or absent, must notify their supervisor before the start of the workday. Employees must inform their supervisor of the expected duration of any absence. Absent extenuating circumstances, employees must call in on any day they are scheduled to work and will not report to work. Regular attendance is an essential function of every position with the Plan.

Excessive employee absence or lateness are undesirable performance factors and can result in disciplinary action up to and including termination. If an employee is absent for **three (3) days** without notifying the Plan, the employee is considered to have voluntarily abandoned their position, and will be terminated. The employee will be considered for reinstatement if exceptional circumstances explain why the employee could not have called in.

Makeup Time Request

~~Makeup Time requests can be initiated for regular full-time and part-time hourly (non-exempt) employees. A non-exempt employee is entitled to overtime pay if they work over eight (8) hours in a day, OR over40 hours in a week. If either of these conditions are met, then the employee receives time-and-a-half pay. However, if an employee requests to alter their schedule due to a personal obligation to remain within the 40 hours per week by working less than 8 hours on one day and more than 8 hours on another day during the same week (up to 11 hours in one day), the employee may do so with their supervisor's approval. The makeup time will be paid at the employee's regular rate and will not count toward calculating overtime unless the employee works more than 11 hours on a makeup day or 40 hours in that week. Employees must fill out a "Makeup Time Policy and Request Form", and have it approved by their supervisor, department Director, Payroll and Human Resources. An approved request form may be submitted up to four (4) weeks in advance.~~

~~While the Plan may inform an employee of this makeup time option, the Plan is prohibited from encouraging or otherwise soliciting an employee to request the employer's approval to take personal time off and make up the work hours within the same work week.~~
The Plan will allow non-exempt employees to make up time for work missed or alter their work schedule due to their personal obligations in certain circumstances. Employees must fill out a "Makeup Time Policy and Request Form", and have it approved by their supervisor, department Director, Payroll and Human Resources for each occasion that they desire to make up time. Employees can request make-up time up to four (4) weeks in advance; requests for recurring obligations must be made at least every four (4) weeks.

~~Employees must make up the time within the same week during which time was lost. However, an employee who makes up missed time in the same workweek will not be paid overtime for the additional hours of work on a given day unless they exceed eleven (11) on that day or total more than forty (40) in that week. Nothing in this policy should be construed as encouraging or otherwise soliciting employees~~ to take personal time off and make up the work hours within the same work week.- Employees must make up the time within the same week during which time was lost. However, an employee who makes up missed time in the same workweek will not be paid overtime for the additional hours of work on a given day unless they exceed eleven (11) on that day or total more than forty (40) in that week. Nothing in this policy should be construed as encouraging or otherwise soliciting employees to take personal time off and make up the work hours within the same work week.

Electronic Time-Keeping

Electronic timesheets (e-timesheets) are used as a means of accurately recording hours worked and calculating pay. All **non-exempt** employees are required to complete their e-timesheets on-line, recording their start and end times, meal breaks and any times that the employee leaves the workplace for personal reasons (except during a rest break) down to the minute. Rest breaks need not be designated on this e-timesheet as rest breaks are paid time. If an employee is unable to take a rest break due to work or because a manager or supervisor asked them to skip it, the employee must report this to Human Resources immediately.

Exempt employees are also required to submit weekly e-timesheets indicating days worked. Exempt employees may be required to record start and end times or breaks. All employees whether exempt or non-exempt must indicate on their e-timesheets any exceptions to the regular work period (e.g. holiday, PTO, etc.). The list of exceptions and codes appears on the e-timesheet.

E-timesheets are available through your computer desktop, and are accessible any time. They can also be accessed from a home computer (with internet access). It is important for you to keep an accurate record of your work hours and submit your e-timecard when they are due. These e-timesheets are legal documents. They must reflect actual time worked and must not be tampered with or falsified in anyway. Reporting inaccurate time worked (including not reporting all time worked) is a serious violation of Plan policy that will be subject to discipline, including up to termination. Corrections to e-Timesheets must be submitted to, and approved by, your supervisor. Altering the e-timesheet of a fellow employee or falsifying your own e-timesheet (overstating or understating your actual time worked) is dishonest and may lead to immediate discharge.

E-timesheets must be submitted electronically to payroll by the Friday prior to payday. Non-exempt employees who work the second weekend of the pay period should electronically resubmit a copy of their e-timesheet to payroll by 9:00 a.m. of the Monday before payday. Any pay adjustments required, whether because an e-timesheet was turned in late or for any other reason will be made on the following paycheck.

Telecommuting

Purpose

The purpose of this policy is to outline ~~a work structure that supports an~~the Plan's rules and expectations for employees~~ to~~ who are mandated or have been authorized by the Plan to work from a Remote Work Location~~-~~/~~-~~Home, including as the result of the COVID-19 pandemic or Plan office closure. Please contact Human Resources for more information about the Plan's current policies and procedures related to the COVID-19 pandemic.

It is your responsibility to provide Human Resources with accurate and up to date information about your primary working location during periods of telework. Part-time, temporary or full time telecommuting from a location outside of California is based on business needs, and requires the approval of the department executive, Human Resources and the CEO. Working outside of the United States is strictly prohibited. ~~on an intermittent basis. The Plan acknowledges the fact that our current telecommute policy now extends to all employees because of the pandemic. Part-time, temporary or full time telecommuting from a location outside of California is based on business needs, and requires the approval of the department executive, Human Resources and the CEO. Working outside of the United States is strictly prohibited.~~

~~The intent of this policy is to provide an opportunity for a better work/life balance, reduce operation and overhead costs, recruit and retain skilled employees, and promote a culture of managing by results.~~

~~Definition~~

~~Telework is a workplace arrangement in which eligible employees work away from the Plan's offices. Telework is not a universal employee benefit or entitlement, but an alternative method of meeting the work needs of the organization through an innovative and flexible work structure.~~

~~Telework is voluntary and may be terminated by either the teleworker employee or supervisor, with or without cause.~~

~~Teleworker Eligibility~~

~~During the mandated full-time remote work period resulting from the pandemic, all SFHP employees are eligible for telework. THIS IS WHERE WE MIGHT PUT LANGUAGE RE THE OFFICE BEING CLOSED, EMPLOYEES MUST GET PERMISSION TO GO IN, ETC. I'D ALSO CONSIDER SOMETHING TO THE EFFECT OF THIS SECTION BEING OVERRIDDEN DUE TO CHANGES IN THE PANDEMIC SITUATION, LEGISLATIONS, ETC. ETC. TROY PROBABLY HAS A RECOMMENDATION FOR THIS.~~
~~To participate in the telework program, an employee must meet certain eligibility and selection criteria. The primary factor will be whether both the employee and their position are suitable for telework based on specific work-related criteria, as determined by the Plan. Other factors may include, but are not limited to the following factors:~~

- ~~the employee's ability to work independently;~~

- ~~the absence of any performance issues or disciplinary actions within the past year and going forward;~~
- ~~the ability to measure productivity, performance;~~
- ~~successful measurement of results of remote work; and~~
- ~~the employee's tenure with the Plan.~~

~~Not every employee or job is appropriate for telework. However, The Plan will make a reasonable attempt to temporarily accommodate positions that normally would not be eligible for telecommuting due to the responsibilities of the position. , and the keys to successful telework are not in the job itself, but in the functions and tasks that the employee will be performing at the Remote Work Location / Home.~~

~~It is management's discretion to assign or remove this privilege at any time based on business needs, employee performance, or changes in the eligibility status of the teleworker.~~

Terms of Telecommuting Arrangement

Other than those additional duties and obligations expressly imposed on the employee under this policy, the duties, obligations, responsibilities and conditions of employee's employment with the Plan shall remain unchanged while teleworking from a Remote Work Location/Home. In addition, the employee's salary and benefits shall remain unchanged.

The teleworker's conditions of employment, such as employee salary, benefits and employer-sponsored insurance coverage, will remain the same as for non-telework employees.

~~For management, or non-production based staff, a teleworker will not work offsite more than two (2) days per week, unless approved by the department executive, Human Resources and the CEO.~~

The Plan's policies, rules and practices apply at the teleworker's Remote Work Location / Home, including those governing internal and external communications, employee rights and responsibilities, mandated breaks and meal periods, facilities and equipment management, financial management, information resource management, purchasing of property and services, and safety. Failure to follow policy, rules and procedures may result ~~in termination of the telework arrangement and/or~~in disciplinary action.

~~Termination of Telework Arrangement~~

~~The teleworker, management or Human Resources may initiate a request to terminate the teleworking arrangement. Requests to terminate the teleworking arrangement must go through the manager of the teleworker and be approved by the CEO and the CHRO.~~

~~In certain circumstances (for example, a promotion or transfer) a teleworker's job responsibilities may change. The teleworker's manager and Human Resources would need to re-evaluate such changes and determine if the teleworker is still eligible to participate in the telework program or if they have to return to the Plan's office.~~

~~At the termination of the telework agreement, the employee shall return all Plan equipment that was issued for the purposes of facilitating the telework arrangement.~~

Work Schedule and Accessibility

The teleworker's schedule must be approved by their supervisor and the department executive.

The supervisor will take into consideration the overall impact of the teleworker's total time outside of the Plan's offices. Considerations include, but are not limited to, flex time, meetings, consultations, presentations and conferences. The Plan shall also give consideration to the overall effect of the teleworker's and co-workers' schedules in maintaining adequate communication. The number of hours worked by the teleworker will not change because of telework.

A non-exempt (hourly) teleworker must receive their supervisor's written approval in advance before working overtime, consistent with current Human Resource policy. Failure to do so will be grounds for disciplinary action and/or termination of the telework arrangement unless reasonable cause can be shown why it was not possible to obtain prior approval. In addition, non-exempt employees who are approved to telework must adhere to all other policies, including recording all hours worked, and taking the meal and rest periods that the Plan provides.

~~The telework schedule shall allow adequate time at the Plan's offices for meetings, access to facilities and supplies and communication with other employees and customers.~~ Telework must not adversely affect service delivery, employee productivity, or the progress of an individual or team assignment.

The teleworker will attend job-related meetings, training sessions, and conferences, as requested by the supervisor. In addition, management may request the teleworker to attend meetings or to come into the offices for other Plan business-related purposes. The teleworker's supervisor will use telephone conference calling whenever possible as an alternative to requesting attendance at short notice meetings.

During telework hours, the teleworker must be ~~reachable~~ available via telephone, ~~facsimile,~~video chat and/or e-mail during agreed-upon work hours or specific core hours of accessibility. Non-exempt employees who telework are not required to respond to communications during any off-duty meal period, or rest break, and should instead, respond when their break finishes. The supervisor and teleworker will agree on how to handle telephone messages, including the feasibility of call forwarding and frequency of checking telephone messages. ~~Only the teleworker and the teleworker's supervisor will designate what persons will receive the teleworker's Remote Work Location / Home phone number.~~

~~If the Plan's office is closed due to an emergency, the teleworker's supervisor will contact the teleworker as soon as possible. The teleworker may continue to work at the Remote Work Location / Home.~~ If there is an emergency at the Remote Work Location / Home such as a power outage, the teleworker will notify their supervisor as soon as possible. ~~The Plan may assign the teleworker to the Plan offices or an alternate worksite.~~

Dependent Care

A teleworker will not act as a primary caregiver for dependent(s) during the agreed upon telework hours. This does not mean dependents must be absent from the home during telework hours. ~~It means that the dependents will not require the teleworker's attention during work hours.~~ A teleworker must make dependent care arrangements to permit concentration on work assignments to the same extent as if they were performing work at the Plan's offices.

Liability

The teleworker is responsible for ensuring the safety of their Remote Work Location / Home or alternative work environment. The teleworker will agree to a safety inspection and photographic documentation of the teleworker site to comply with workers' compensation liabilities at the Plan's discretion.

All ergonomic issues must be reported to Facilities. It is the responsibility of the teleworker to notify Facilities early of any potential ergonomic issues in the home office workspace in the Remote Work Location / Home. Because liability may arise from hazards in the Remote Work Location / Home that might cause serious harm or injury, the Plan reserves the right to periodically inspect the teleworker's Remote Work Location / Home workspace. The Plan will precede any such inspection by advanced notice and will schedule an appointment.

The Plan is not liable for any incident or accident that occurs outside of normal job related activities or hours. In the event of a job-related incident or accident during telework hours, the teleworker must immediately report the incident to their supervisor and Human Resources. The teleworker, supervisor, and the Plan must follow the policies regarding the reporting of injuries for employees injured while at work.

The Plan is not responsible for any injuries to family members, visitors, and others in the teleworker's Remote Work Location / Home workspace.

The Plan is not responsible for any loss or damage to:

1. The teleworker's property;
2. Personal property owned by the teleworker or any of the teleworker's family members; or
3. Property of others in custody of the teleworker.

The teleworker is responsible for contacting the teleworker's insurance agent and a tax consultant and consulting local ordinances for information regarding Remote Work Location / Home workplaces.

Compliance: Handling Protected Health Information (PHI) from a Remote Work Location / Home
The same precautions governing the use and disclosure of PHI at the Plan's offices (See ~~C&RA – 01~~IS-29, Permitted and Appropriate Use of Electronic Assets and IS-36, HIPAA and Working Remotely) shall apply to the Remote Work Location / Home.

- The teleworker shall protect all documents that contain Member PHI, both in electronic and hard copy form, from unauthorized use and disclosure.

- The teleworker shall not print at home, unless approved by the Security and Privacy Officers ~~limit printing hard copies of documents containing PHI to the minimum necessary for the task at hand~~.

- The teleworker shall not leave systems or documents containing PHI~~, including, but not limited to, assessment forms, prior authorization, or other data collection forms,~~ unlocked or unattended in areas accessible by persons unauthorized to use and disclose PHI.

- When the teleworker leaves the Remote Work Location / Home or workspace, all PHI shall be stowed in a locked drawer designated for such storage.

- PHI and equipment shall not be stored in automobiles.

- Upon their disposal, the teleworker shall shred a<u>ny</u>~~ll~~ document~~s~~ ~~or files~~ containing PHI.

- The teleworker shall immediately report any breaches of security or compromised PHI to the supervisor and the Plan's Compliance Officer, in accordance with SFHP policy, C&RA-08, PHI Breach Investigation and Reporting, and contractual requirements, applicable Federal and State statutes and regulations, and Plan policies.

PC/Laptop from Remote Work Location / Home

The Plan may provide the teleworker with access to personal computers (PC) <u>or company issued laptop</u> and grant access to the Plan's network. ~~Laptops may need to be shared and rotated among teleworkers.~~ The teleworker shall adhere to the following information security procedures:

- Maintain the confidentiality of their user sign-on identification code and password;

- Keep the PC/ laptop secure at all times, and locked when not in use;

- Log off the network when the PC/laptop will be left inactive or unattended; and

- Ensure that passwords or operating instructions are not stored with the computer.

The teleworker shall report any security breaches to the Plan Compliance Officer including <u>or Security Officer including</u>, but not limited to:

- Loss of a PC/laptop<u>, mobile phone, or other mobile device</u>;

- Software irregularities indicating possible virus infection; or

- Access by unauthorized persons.

Use of electronic mail with PHI

- Internal e-mail is defined as e-mail sent within the Plan's system that may contain PHI that is limited to the use and disclosure of the minimum necessary data to complete the required message.

- External e-mail is defined as e-mail that is sent external to the Plan via the open internet shall not contain PHI unless the e-mail is encrypted using the 'send secure' function.

Telework Site/Remote Work Location / Home

- The teleworker will maintain a designated workspace inside the teleworker's residence that is clean, safe, and free from distractions <u>to the extent possible</u>. Ideally, this workspace ~~will~~ <u>should</u> be a separate room that is designated as a home office. However, ~~at management discretion,~~ it is acceptable for a teleworker to have a designated workspace that consists of a desk that has at least four (4) linear feet of work space, four (4) feet of clearance for a desk chair, internet access, adequate access to power outlets, and is reasonably free of distractions.

- The teleworker will not hold in-person business meetings with providers, members, or professional colleagues at the Remote Work Location / Home. (Teleconferences and video conferences are permitted.)

Teleworkers are advised to consult with an insurance agent and/or tax consultant for information regarding their home office site. Individual tax implications, auto and homeowners insurance, and incidental residential utility costs are the responsibility of the teleworker.

Teleworker Performance Management

All Plan employees are subject to individual goals and metrics; additional metrics may be set for the teleworker. Depending on the job responsibilities and manager discretion, a work diary may be used to manage performance. A work diary is a document that the teleworker completes and tracks what is being accomplished during the course of the week. A work diary can be especially useful for positions where traditional work metrics are not relevant or practical.

- ~~The supervisor and teleworker will develop and agree upon any other relevant guidelines, as well as the frequency of performance discussions, and document them in the Plan Telework Agreement.~~

Establishing a Remote Work Location / Home (Home Office)

- ~~The Plan will supply a "Teleworker Equipment Checklist" including equipment, furniture, and services for the home office. Before initiating telework, it is the responsibility of the teleworker to complete the checklist and determine the suitability of the space and equipment for teleworking.~~

- The Plan will provide a teleworker with ~~the following:~~PC/Laptop and necessary software applications. SFHP may issue a stipend for new hires to be used for the purchase of office equipment and supplies.

~~1. PC/ Laptop and necessary software applications.~~
~~2. Limited office supplies from SFHP offices (paper, pens, pencils);~~
~~3. Keyboard and mouse;~~
~~4. Monitor for the Remote Work Location / Home (depending on job category).~~

- The teleworker will provide the following:
  1. Home office location (as described ~~in Section 10 of~~ in this policy)~~;~~
  2. A work desk that provides adequate space for a laptop/PC, ~~printer~~, and other work necessities~~;~~
  3. Secured wired/wireless internet access ~~DSL/Cable line~~ with a transfer speed of at least 1.5 MB per second. ~~or equivalent high-speed internet access;~~
  4. ~~Telephone,;~~
  ~~5. A printer if required; and~~
  ~~6. A shredder if the position requires handling of protected PHI.~~

- ~~The Plan's management must authorize any additional costs related to telework prior to purchase.~~

- Teleworkers that need additional office supplies, equipment or services to perform their work from a Remote Work Location / Home should speak with Plan management. The Plan's management must authorize any additional costs related to telework prior to an employee incurring the expense.

~~The Plan may will provide a stipend for limited office supplies (i.e., pens, paper, and pencils).Teleworkers that need additional office supplies, equipment or services to perform their work from a Remote Work Location / Home should speak with Plan management. The Plan's management must authorize any additional costs related to telework prior to an employee purchaseincurring the expense.~~

- ~~Teleworkers need to obtain supplies while at the Plan's offices. The Plan shall not reimburse out-of-pocket expenses for supplies normally available at the Plan's offices.~~

- The Plan may send employees and/or agents of the organization to help with the information technology or equipment set-up in the Remote Work Location / Home.

- ~~Prior to beginning the telework program,~~ Tthe teleworker may be required, at the Plan's discretion, to provide visual documentation of the workspace, in the form of a photograph, and shall submit it to Human Resources.

- The Plan's ~~Facilities and~~ ITS Department~~s~~ will maintain a central inventory of equipment and software located in Remote Work Location / Homes of teleworkers. The Plan shall document all equipment that is provided for use at the telework site ~~in the Telework Agreement~~.

Security of Plan Assets

- ~~**The Plan shall document assets installed in the teleworker's home office in the Telework Agreement.**~~

- Teleworkers must take reasonable precautions to secure and prevent damage to the Plan's equipment.

- Teleworkers must immediately report any device used for SFHP-related work that is lost or stolen to the Compliance Officer or Security Officer

- The Plan's equipment must only be used by the teleworker and may not be used by other family members for personal use. If property of the Plan is stolen or damaged in the teleworker's home, the Plan will repair or replace the property at the Plan's expense, provided there is no contributory negligence on the part of the teleworker.

- Upon termination of employment or the telework arrangement, voluntary or otherwise, the employee shall return all property of the Plan.

- The Plan may pursue recovery, from the teleworker, for organization property that is not returned at the conclusion of employment or is deliberately, or through negligence, damaged, destroyed, or lost while in the teleworker's control.

Inspection

In case of injury, theft, loss, or liability related to telework, the teleworker must allow employees and/or agents of the organization to investigate and/or inspect the telework site. Reasonable notice of inspection and/or investigation will be given to the teleworker.

Working from the Plan's Offices

At a future date, work spaces at the Plan's offices may change based on the number of teleworkers and the amount of time they are teleworking. Changes may include the creation of community work stations or the sharing of cubicle spaces.

Travel Reimbursement

The Plan will not reimburse mileage for days the teleworker drives into the Plan's offices. For work-related off-site visits from the teleworker's home, the Plan shall base reimbursement for use of privately owned vehicles on actual mileage, to the nearest mile, less the number of miles required to drive from the teleworker's residence to the Plan's offices, and back again, on a single day. Reimbursement shall be made at the mileage rate currently in effect for the Plan.

Program Reporting and Evaluation:
The teleworker will agree to reporting and analyses relating to their performance in order to evaluate the effectiveness of the telework program at the Plan.

Timekeeping

- All ~~non-exempt~~ employees will be required to complete their e-Timesheet on the ADP system.
- Meal periods and breaks for a teleworker will be consistent with those at the Plan's offices. It is the employee's responsibility to adhere to the Plan's policies with respect to meal and rest breaks and ensure that they take all meal and rest breaks the Plan ~~provides~~requires.

Exceptions to Policy

In certain cases, other arrangements than those defined in this policy may be negotiated between the Plan's management and the teleworker. All policy deviations must be approved by Human Resources and the CEO and shall be reviewed with the teleworker's executive.

Benefits

Employee Benefits

The Plan offers a benefits program to its regular full-time and regular part-time employees. Regular full-time employees who regularly work 30 or more hours per week are eligible to participate in the Plan's benefits program. Regular part-time employees who work 20 or more hours, but less than 30 hours are eligible for employee-only coverage under Kaiser HMO.

Benefit choices include options for medical (choosing one medical plan is required), dental, vision and life/AD&D, and long-term disability options for the employee and their dependents (including coverage for certified domestic partners and spouses), as well as flexible spending plans and pre-tax transit plans. New employees are eligible for coverage effective the first day of the month following 30 days of employment.

Employees should make their choices very carefully, whether they are made during Open Enrollment or upon commencement of employment with the Plan. Subject to some limited exceptions, changes cannot be made until the next Open Enrollment period (usually in May to be effective July 1). Some changes may be made during the year if the employee has a qualifying event such as a change in family status, or a change in the employment situation of a family member. Please check with Human Resources if you have any questions.

The Plan complies with the City and County of San Francisco's Health Care Accountability Ordinance. Accordingly, the Plan will make a reasonable effort to provide medical coverage only for employees who work 20 or more hours per week, but fewer than 30 hours per week. If an employee is unable to provide proof of credible coverage or does not wish to sign the SF HCAO Waiver form, the Plan will auto-enroll the employee into the Kaiser Employee Only HMO Plan at no charge. If an employee is working less than 20 hours per week, the Plan will make the required minimum payments to the City on behalf of the employee.

The Plan reserves the right to change, amend or discontinue the benefits it offers to its employees at any time. This includes changing carriers. The Plan's right to make these changes is not limited by your length of service, or by your reliance on the availability of these benefits in deciding whether to accept, continue, or retire from employment with the Plan.

A full summary plan description of employee benefits is available from Human Resources.

Domestic Partner/Spousal Certification for Benefits

The value, or premium equivalent, of employer provided Domestic Partner (DP) healthcare coverage generally must be included in the earned income of the employee for Federal Income tax purposes. The Plan is required to report the value of employer provided coverage to the employee as "imputed income" when a DP is not recognized as a dependent for tax purposes. This imputed income can be reported incrementally on employee paychecks or can be handled as a one-time entry on Form W-4.

Employer provided coverage includes both:

- Direct contributions made by the employer toward the cost of DP coverage; and
- Pre-tax contributions made by the employee for their DP.

The value of DP coverage may not be taxable for Federal Income tax purposes if the DP is recognized as a common-law spouse or is considered an IRS qualified dependent. To be an IRS qualified dependent, the DP must at a minimum meet the following criteria: 1) the domestic partner receives 50% of their support from the taxpayer, 2) the individual must reside with the employee for the tax year at issue and 3) the domestic partner is a member of the taxpayer's household, as defined by the IRS.

In California, if a domestic partnership has been properly registered with the Secretary of the State of California, the value of DP coverage is not taxable for California Personal Income Tax purposes. Although it is included in the employee's taxable wage base for purposes of Unemployment Insurance and California State Disability Insurance.

If a plan extends eligibility to the children of a Domestic Partner and those children are not otherwise dependents of the employee, the tax treatment will generally be the same as for coverage provided to the Domestic Partner.

Please see Finance for the forms needed to qualify for exemption from California Personal Income Taxes.

Retirement Benefits (CalPERS)

All regular Plan employees are automatically enrolled into the CalPERS pension system.

Employees hired on or before 12/31/12 are part of the CalPERS "2% at 55" Pension Plan and are considered "Classic" members. In this plan, employees contribute 7% of their gross income towards their retirement in lieu of paying into Social Security. The Plan also makes a contribution towards the employee pension accounts - the current amount is 10.48~~9.68~~% and generally increases every fiscal year depending on the financial health of the investments. Employees become vested in the plan after 5 years of service credit is earned. The earliest age at which a member of the plan can retire and start receiving pension payments is 50. If an employee leaves the Plan before becoming vested, the employee has 3 options:

1. Leave their contributions in the Pension Plan. This option allows the employee to stay active in the CalPERS retirement system in case they become employed by another agency that also participates with the CalPERS retirement system. In most cases, any vesting service time earned with the Plan will be transferable.

2. Leave their contributions in the Pension Plan until reaching age of 59 ½. The contribution amounts will earn interest income and can be withdrawn without penalty.

3. Contact CalPERS and submit a "Refund Election Form". This will allow the employee to be refunded of all of their individual contributions plus accrued interest. However, this action will be subject to a tax penalty (if initiated before reaching age 59 ½) and will also permanently remove the CalPERS membership status of the employee and if they joins another CalPERS participating organization, that employee's vesting service will start over at 0 years of vesting service.

Employees hired on or after 01/01/13 are part of the CalPERS "2% at 62" Pension Plan and are considered "New" members. In this plan, employees contribute 6.75% of their gross income towards their retirement in lieu of paying into Social Security. The Plan also makes a contribution towards the employee pension accounts - the current amount is 7~~6~~.~~985~~732%. Both Employee and Employer contribution amounts typically increase every fiscal year. Employees become vested in the plan after 5 years of service credit is earned. The earliest age at which a member of the plan can retire and start receiving pension payments is 52. If an employee leaves the Plan before becoming vested, the employee has 3 options:

1. Leave their contributions in the Pension Plan. This option allows the employee to stay active in the CalPERS retirement system in case they become employed by another agency that also participates with the CalPERS retirement system. In most cases, any vesting service time earned with the Plan will be transferable.

2. Leave their contributions in the Pension Plan until reaching age of 59 ½. The contribution amounts will earn interest income and can be withdrawn without penalty.

3. Contact CalPERS and submit a "Refund Election Form". This will allow the employee to be refunded of all of their individual contributions plus accrued interest. However, this action will be subject to a tax penalty (if initiated before reaching age 59 ½) and will also permanently remove the CalPERS membership status of the employee and if they joins another CalPERS participating organization, that employee's vesting service will start over at 0 years of vesting service.

CalPERS 457 Deferred Compensation Plan

The CalPERS 457 Deferred Compensation Plan is a voluntary plan which offers the opportunity to plan for a secure financial future. The Plan allows employees to automatically save a portion of their salary and invest it in a choice of 25 different investments. Employee's taxable income is reduced by the amount saved on a before-tax basis, lowering the taxable wage base. A Roth option is also available so that contributions can be made on an after-tax basis. Earnings are automatically reinvested before-taxes, which makes savings grow even faster.

401(a) Defined Contribution Plan

Plan employees are automatically enrolled into the 401(a) Defined Contribution Plan. The Plan will contribute 5% of your annual base salary into a 401(a) retirement savings account. However, this is a discretionary contribution on behalf of the Plan and is subject to change. Employees are responsible for selecting the funds in which they would like to invest the money. Vesting schedule is as follows:

- Less than one year of service: 0% vested.
- 1 year of service but less than 2 years: 33% vested.
- 2 years of service but less than 3 years: 66% vested.
- 3 years or more: 100% vested.

Vesting date is calculated from date of hire.

COBRA

Under terms of the Consolidated Omnibus Budget Reconciliation Act (**COBRA**), Plan employees participating in any of the health care plans (medical, dental or vision) may have a right to continue coverage of that plan(s) for a period of time when their coverage would otherwise end (e.g., upon termination of employment or after three (3) months on a leave of absence, applicable law permitting). The employee (and dependents if applicable) will be responsible for paying the monthly insurance premium plus an administrative surcharge.

Formal notice of COBRA rights will be given to eligible employees and their qualified dependents at the time insurance coverage begins and again when they become eligible for COBRA benefits.

Tuition Reimbursement

All regular full-time employees who are scheduled for at least 30 hours or more per week are eligible to participate in the Tuition Reimbursement Program. The maximum amount of reimbursement available under this program is $2,000 per Plan fiscal year (July 1 through June 30). An employee becomes eligible after 90 days of employment. Additionally, they need approval from their manager, department director and Human Resources. Employees must be employed by the Plan, and have their request approved 30 days prior to the start of the class for which they are seeking reimbursement. Employees must have received a “meets expectations” or better on their most recent performance appraisal to be considered. Additionally, employees must be currently employed by the Plan at time of payout to receive reimbursement. Employee must receive a passing grade in order to be reimbursed. Reimbursement will be received approximately one pay cycle from the date the completed form and copy of grade is received by Human Resources. The course(s) must be directly related to obtaining an Associate’s, Bachelor’s, Master’s or higher-level degree from an accredited college or university. Certificate courses are not eligible. Please note: If an employee is intending to use the tuition reimbursement for a post graduate degree (Master’s level or higher), it must be directly related to the furtherance of employee’s knowledge or skills in respect to their own job, or to the work of the department or Plan in general. The Plan reserves the right to make the final decision regarding eligibility. For more specific details, please contact Learning and Development in the Human Resources Department.

Professional Licensure or Membership Dues

The Plan will reimburse for professional licensure and membership dues, when the membership or licensure is a requirement to perform the job function of the position. Professional licensures are nurse licenses, physician board licenses, and pharmacist licenses. Professional licensure or memberships that are beneficial to the position may be reimbursed by the Plan at the supervisor’s sole discretion. The Plan reserves the right not to pay excessive dues if another option is available.

Licensed Health Professionals

If required for the employee’s Plan position, the license of a health professional must be in active status to maintain employment at the Plan. A suspended license may result in termination. The Plan recognizes that there may be time when a license is in a renewal process and the process may be delayed. A health professional’s license may be placed under “active renewal pending” disposition. "Active-Renewal Pending" does not mean that the license has lapsed, is inactive or invalid. Employee is required to notify their immediate manager when their licensure status changes.

Employee Recognition Programs

The Plan has established an employee recognition program. The purpose of the program is to recognize employees who support our Strategic Anchors: Universal Coverage, Quality Care & Access, Exemplary Service and Financial Viability. Eligible employees are Regular Full-Time or Regular Part-Time employees who demonstrate professional excellence and model our core values: Serve with Respect, Strive to Excel and Work as a Team. There are 3 components to the program: (1) $20 on-the-spot awards throughout the year where employees can immediately recognize each other’s accomplishments, (2) up to 3 quarterly team awards for cross-functional team initiatives ($25 per person toward lunch), and (3) up to 3 quarterly

$250 individual awards whereby managers recognize employee achievements. Employees nominated but not selected will also receive a $50 award. The awards program is evaluated on an ongoing basis, and the Plan reserves the right to amend or discontinue the plan at any time.

Employee Service Awards

The Plan also recognizes employees on their length of service on their employment anniversary dates. The rewards for eligible employees who have attained an anniversary date are as follows:

- 10 Years
  - $250 Service Award*
  - Plant
  - 10 Years of Service Plaque
- 15 Years
  - $500 Service Award*15 Years of Service Plaque
- 20 Years
  - $2,000 Service Award* payable on the earlier of the employee's anniversary date or All Staff Meeting
  - One-time award of 40 PTO hours, subject to PTO accrual maximum
  - 20 Years of Service Plaque

* Service award payments will be grossed up for taxes.

Time Off From Work

Paid Time Off

Paid time off (PTO) is a creative approach which gives our employees maximum flexibility to determine how they wish to use their time off. Rather than rigid vacation or sick leave, which can only be used for these purposes, PTO allows employees to best meet their own needs by electing how to use the time accrued. The Plan's PTO benefits for its employees exceed the benefit requirements of the San Francisco Sick Leave Ordinance and the California Paid Sick Leave statute.

PTO days or hours may be used for vacation, short-term illness, medical, dental, and preventive health appointments, illness of or preventative health appointments for immediate family members (defined as spouse, child, parent, sibling, registered domestic partner, legal guardian/ward, grandparent, grandchild, or designated person), family emergencies, religious observances, holidays not otherwise observed by the Plan, funeral attendance outside of immediate family members, safe time purposes (as described in Sections 230(c) and 230.1(a) of the California Labor Code), purposes related to bone marrow or organ donation, participation in children's school activities, and other excused elective absences. Parental leave, bereavement leave, jury duty, and certain other types of leave (except FMLA, CFRA, Pregnancy Disability and Personal leave) listed in the Employee Handbook are paid in addition to PTO and the employee's PTO account may not be charged for this time off.

PTO is calculated for regular full-time employees as follows:

Length of Employment	***Approximate Hours of Annual***	***Days of PTO Accrual***	***Maximum Accrued Hours***	***Maximum Accrued Days (annualized)***

	PTO Accrual	***(annualized)***		
Less than 3 years of continuous service	**3.54 hours per week (184 hours per year)**	**23 days per year**	**322 hours**	**40.25 days**
More than 3 years but less than 5 years of continuous service	**3.85 hours per week (200 hours per year)**	**25 days per year**	**392 hours**	**49 days**
5 or more years of continuous service to less than 10 years of continuous service	**4.31 hours per week (224 hours per year)**	**28 days per year**	**392 hours**	**49 days**
10 or more years of continuous service but less than 15 years of continuous service	**4.61 hours per week (240 hours per year)**	**30 days per year**	**392 hours**	**49 days**
15 or more years of continuous service	**4.77 hours per week (248 hours per year)**	**31 Days per year**	**392 hours**	**49 days**

All regular part-time employees scheduled to work a minimum of 20 hours per week are eligible for PTO on a pro-rated basis, based upon their regularly scheduled hours.

Employees must obtain advance approval from their supervisor for any requested PTO use. In the case of emergencies or illnesses, PTO can be taken without prior notice. However, in such a case, please notify your immediate supervisor or department head as quickly as possible on the first business day of your absence. Your supervisor may ask that you provide updates of your condition so they can plan for your absence and return. In all other cases, PTO must be requested in advance, and agreed to in advance by your immediate supervisor or department head. Any PTO request for three (3) weeks or more must be approved by the employee's manager, and if approved, must also be approved by the department executive. Requests for PTO will not be unreasonably denied.

Use of your PTO during your first 90 days is highly discouraged, unless it is needed for unforeseen or unavoidable illness. Your first 90 days should be reserved for learning and adapting to your new position.

Any available PTO time must be used before taking unpaid time off, whether for whole or partial days. If you wish to take PTO in the form of vacation, you must submit a request in writing at least 30 days in advance to your supervisor. Requests for lesser amounts of PTO should also be made with as much advance notice as possible. When possible, vacation periods will be assigned in accordance with employee requests, taking operating requirements into account.

PTO pay will not be granted in-lieu of taking the actual time off, except as described in the Cash Out Program policy set forth below. However, PTO time may be accrued up to the maximums designated above. Once you have reached the maximum accrual, PTO will not continue to accrue. Accrual will resume when your PTO drops below the maximum identified in the chart above. Eligible employees will be paid for any earned but unused PTO up to the maximum accrual in a lump sum upon termination.

~~If you have exhausted all available PTO time and find that you have a need for additional time off, you should follow the guidelines for "Personal Leave" as described below.~~ PTO cannot be used in advance of its accrual and you will not be allowed to accrue a negative balance. You begin accruing PTO on your first day of employment.

California enacted a Paid Sick Leave law in 2015 providing that employees accrue paid sick leave at a rate of one hour for every 30 hours worked. The Plan's PTO policy complies with this law, as well as San Francisco's local ordinance as well as the California Paid Sick Leave statute. PTO may be used for any reason specified above, including for any reason covered by AB 1522, California Paid Sick Leave Law.

If you have exhausted all available PTO time and find that you have a need for additional time off, you should refer to the guidelines for "Personal Leave" as described below.

Call - Out Policy

When an employee has been out sick for more than three (3) consecutive workdays, they are required to submit documentation from a health care provider certifying the medical necessity for the absence and the expected date of return to work. If the employee already has provided a certification and application for FMLA leave covering the same period, this shall suffice.

PTO Donation Program

The Plan has a PTO Donation Program which allows employees to donate accrued but unused PTO to benefit another employee experiencing a catastrophic event which requires the employee to be absent from work for an extended period of time. A catastrophic event is defined as a medical emergency, serious illness or the need to care for a family member or domestic partner with a serious health condition. Donating and receiving employees must meet eligibility requirements.

This is a voluntary program and the decision to participate or decline to participate will in no way affect your employment with the Plan. Employees who are considering participating in this program should contact their own tax consultant to determine if there are any tax consequences to making or receiving a donation.

Eligibility and Participation

Recipient: Employees benefitting from PTO donation must:

- Be a regular employee of the Plan; no consultants or contractors may participate;
- Be scheduled to work a minimum of 32 hours per week;
- Be placed on a leave for their own serious medical condition or to care for a family member with a serious medical condition, as certified by a physician;
- Have exhausted all of their accrued but unused PTO before utilizing donated PTO;
- Have exhausted all options (State and voluntary programs) before requesting PTO Donation;
- Accept only the number of donated PTO hours necessary to cover the period of time until s/he returns to work;
- Accept only the number of donated PTO hours which will carry employee until they qualify for the Plan's long term disability program, if absence is due to their own serious medical condition; and

- Accept no more than 480 hours of donated PTO.

Donor: Employees who wish to donate some of their accrued but unused PTO to an eligible fellow employee must:
- Be a regular employee of the Plan; no consultants or contractors may participate;
- Retain a minimum of 40 hours of PTO for their own use; employees with less than 40 hours of accrued but unused PTO may not donate until their balance exceeds 40 hours;
- Donate no more than 40 hours of PTO; and,
- Provide the Plan with a signed, written consent of the employee's spouse or registered domestic partner agreeing to the donation, if applicable.

Process

Recipient:
- The potential recipient should contact Human Resources for information on eligibility for the PTO donation program. Human Resources will work with the employee to properly document the request.
- Once approved as a recipient, Human Resources will solicit anonymous donations on their behalf. After the donation solicitation period has run, Human Resources will provide the recipient with detailed information on the PTO donation amount.

Donor:
- In response to the solicitation by Human Resources for donation of PTO, employees wishing to donate should notify Human Resources in writing of the number of hours they would like to donate.
- Donor employees can view their accrued but unused PTO balance by accessing ADP and clicking on the My Benefits tab, or employees can view their PTO balance on their most current pay stub.

Other
- No donor or recipient may solicit PTO donations.
- All donations will be anonymous.
- Holidays and floating holidays may not be donated.
- The hours of PTO from a donor will be re-calculated into hours for the recipient according to the actual cash value. For example, if Donor A contributes 8 hours of PTO priced at $40/hour and recipient's equivalent hourly rate is $20, recipient will receive 16 hours of PTO from Donor A.
- If more hours are donated than needed or allowed by recipient, hours will be returned to the donors in a pro-rated fashion, e.g., if Donor A contributed 8 hours of the total 80 hours donated (10%) and only 40 hours are needed, 4 hours (10%) will be returned to Donor A.

Paid Time-Off – Cash Out Program

All regular employees are eligible to participate in the Paid Time Off – Cash-Out Program. This program allows all employees to receive compensation (minus applicable taxes and withholdings) in lieu of taking time off from work. This program is designed to give employees flexibility in the use of their PTO benefit. The Plan encourages employees to take time off to maintain a healthy work/life balance.

However, in order to protect employees who choose not to elect to cash out all of their PTO that could be cashed out, from being taxed on the value of that PTO not cashed out by the application of the IRS doctrine of "constructive receipt," the cash received by an employee who elects to cash out will be equal to 94% of the value of the PTO that the employee elected to cash out during the annual cash out periods.

Employees are allowed to exchange PTO hours for cash twice per calendar year in November and May. Employees may choose to receive cash in exchange for PTO under the following conditions:

- The employee must keep a minimum of 40 hours of PTO;
- The employee may elect to exchange only as many hours as they have taken in PTO during the two eligibility periods. The November cash out eligibility period is 11/1 through 10/31 of the previous year. The May cash out eligibility period is 5/1 through 4/30 of the previous year;
- The employee may elect to exchange up to 100 hours of PTO in any of the cash out periods;
- The cash-out program is only available during a specified period in November and May;
- The PTO is paid out at the employee's existing rate of pay, minus any applicable taxes or other withholdings, including a six percent reduction in value;
- The employee must cash-out a minimum of 8 hours of PTO.

For more specific details, please contact Human Resources.

Holidays

The Plan observes twelve holidays during the year. A schedule of holidays will be approved and distributed annually.

If a holiday falls on Saturday, it normally will be observed on the preceding Friday. If a holiday falls on Sunday, it normally will be observed on the following Monday.

The holidays observed by the Plan are as follows:

Holiday	Holiday Observed Date
New Year's Day	January 1, ~~2020~~2021
Martin Luther King Jr. Day	January ~~20~~18, ~~2020~~2021
Presidents' Day	February 15~~7~~, ~~2020~~2021
Memorial Day	May ~~25~~31, ~~2020~~2021
Independence Day	July ~~3~~5, ~~2020~~2021
Labor Day	September ~~7~~6, ~~2020~~2021
Thanksgiving Day	November ~~26~~25, ~~2020~~2021
Day After Thanksgiving	November ~~27~~26, ~~2020~~2021
Christmas Eve	December 24, ~~2020~~2021
Christmas Day (observed)	December 27~~5~~, ~~2020~~2021
New Year's Eve Day	December 31, ~~2020~~2021
Birthday Month Floating Holiday	

All regular full time and part time employees are eligible for holiday pay on a pro-rated basis, based upon their regularly scheduled hours, immediately upon hire, with the exception of the Birthday Month Floating Holiday (see below). Temporary employees and Independent Contractors or temporary agency contractual workers are not eligible for holiday pay. Part-time regular employees are eligible for holiday pay in proportion to the number of hours they normally would be scheduled to work on the holiday. Employees will only be paid for holidays which fall (or are scheduled on) days they would normally be assigned to work. Employees who are on an unpaid leave of absence will not be eligible for Holiday pay.

Because the Plan must be accessible 365 days per year, employees designated by their supervisor may have to work on these recognized holidays.

- **Exempt** employees will receive their normal salary for that day plus an additional PTO day. Exempt employees are required to work a substantive day and have Executive preapproval before being eligible. Exempt employees that are working on an approved alternate work schedule (e.g., UM nurses and doctors) and are receiving holiday incentive pay will also be eligible for the additional PTO day.
- **Non-exempt** employees who are required to work a Plan observed holiday, will receive holiday pay and will be paid double time for the actual time worked on the observed holiday. Non-exempt employees who are required to be physically present at a Plan facility (50 Beale Street, 7 Spring Street, ITS data warehouse locations) on an observed holiday, will be paid a four (4) hour

minimum regardless if they actually work four (4) hours. The four (4) hour minimum will not apply to those who are required to work on an observed holiday and are able to telecommute.

All employees must have supervisor and Executive approval before they can work on a holiday or notify supervisor and Executive as soon as feasible for an emergency event.

To receive the Holiday Pay, the employee must be active and paid status. The employee must work the day before and after, or have PTO available to cover the day before and after. If one of the days before or after the observed holiday is unpaid, the employee will not qualify for the holiday pay.

Birthday Month Floating Holiday

During the calendar year, each employee working 30 hours or more per week will be allowed one (1) floating holiday to be used during the calendar month of their birthday. This has a "Use it or Lose it" policy and if unused, the floating holiday will expire and cannot be redeemed for cash compensation. This floating holiday must be requested in advance and agreed to in advance by your immediate supervisor or department head. New employees will be eligible for this benefit on the first day of the month following 30 days of employment. If the new employee's birthday occurs before they become eligible, they will have to wait until the following year. Employees who are on an unpaid leave of absence will not be eligible for this floating holiday pay. For more specific details, please contact Human Resources.

Other Time Off

Bereavement

Regular full-time and part-time employees who experience a death in their immediate family will be allowed to be absent with pay for three (3) days for each family member who dies. The days do not need to be consecutive, but do need to be within 2 weeks of the death. Part-time employees are compensated only for those days they were scheduled to work within their regular work week.

The employee's immediate family include the following: parents, spouse; registered domestic partner; biological, adopted, step or foster child; adopted, step or foster parent; legal guardian; brother; sister; grandparent; grandchild; parents in law; siblings in law; or child in law. Paid bereavement days are not deducted from your paid time off (PTO). If additional time is required, PTO may be used.

Employees who have less than 90 days of service may be allowed to take unpaid bereavement leave of up to three days with written approval by your supervisor.

Jury Duty

If you are a regular full-time employee and you receive a jury summons, you must provide your supervisor with a copy. If you are not excused from jury duty or your work schedule cannot be rearranged to avoid conflict you will receive your regular wages for four (4) weeks or 160 hours of jury duty served, whichever is greater. Thereafter, you will be granted an unpaid leave in order to serve, unless you have available PTO. However, the salary of exempt employees will not be reduced for any week in which they perform any work, even if they miss part of the week due to jury duty.

You must report to work on days or parts of days when you are not required to serve on a jury. Employees must obtain from the Court Clerk, and submit to their supervisor, a statement verifying days and hours of jury service performed. If you do not return to work immediately after approved time off for jury duty, the Plan may assume you voluntarily quit your job.

All employee benefits the employee is enrolled in will continue while the employee is on jury duty leave. However, the employee will be required to continue payment of any required contributions for insured benefits and retirement benefits during the jury duty leave if they choose to keep them in effect.

Compensation received from the Court during the first four (4) weeks or 160 hours of jury duty must be returned to the Plan (travel and subsistence may be retained).

Time Off to Vote in Statewide Elections

The Plan encourages voter participation and will adjust your work hours to allow you to meet polling schedules. If adjustment of work hours is not sufficient, you may be granted up to two paid hours of excused time in order to vote, to be taken either before work or at the end of your work day. This excused time will be made available if you provide notice of the need for voting time off at least two working days before the Election Day. Employees will not be given time off because personal commitments in their nonworking hours prevent them from voting.

Witness Leave; Leave for Victims of Domestic and Sexual Violence and Certain Crimes

Any employee required by law to appear in court as a witness or because they are a victim of a crime may take time off for such purpose provided they provide the Plan with reasonable advance notice. Time off is unpaid, although employees may elect to use PTO, if available. Exempt employees' pay will not be reduced for partial workdays missed.

An employee who is a victim of a felony crime or is an immediate family member of a victim (defined as a spouse, registered domestic partner, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather), a registered domestic partner of a victim, or the child of a registered domestic partner of a victim may also take time off to attend judicial proceedings related to the crime. Time off is unpaid, although employees may elect to use PTO, if available. Exempt employees' pay will not be reduced for partial workdays missed.

Prior to any absence for witness or crime victim leave, the employee shall provide the Plan with a copy of the official notice of the scheduled judicial proceeding, unless advance notice is not feasible. When an employee cannot provide advance notice of such an absence, the employee shall, within a reasonable time after the absence, provide the Plan with documentation evidencing the judicial proceeding.

The Plan also complies with applicable law in giving victims of domestic violence, sexual violence, and/or stalking time off to obtain medical, psychological and legal relief provided the employee provides the Plan with reasonable advance notice (except if notice is not feasible such as in cases of emergency or unscheduled court appearances) and supporting verification of such relief (when required). The Plan will also afford employees time off to address personal safety issues, such as residence relocation. Time off is unpaid, although employees may elect to use PTO, if available. Exempt employees' pay will not be reduced for partial workdays missed. It is the Plan's policy to be flexible regarding leaves of absence due to domestic violence, sexual assault, or stalking. The Plan will treat the employee's request with the utmost confidentiality. The Plan will not discriminate or retaliate against an employee due to their status as a victim of domestic violence, sexual assault, or stalking or who requests time off due to domestic violence, sexual assault, or stalking.

An employee called as a witness in a case arising out of and in the course of the employee's employment with the Plan is considered "on duty" and will not experience a loss of pay. In this case, any witness fee received by the employee shall be paid to the Plan together with any mileage allowed if the employee uses Plan-provided transportation.

New Parent Two Week Paid Leave Benefit

Under the Plan's New Parent Two Week Paid Leave Benefit, the Plan will provide two (2) weeks of paid leave to employees who have been with the Plan for at least one year. This Plan sponsored benefit is available to either parent upon the birth or adoption of a child, and should be used within 90 days of the event. The New Parent Two Week Paid Leave Benefit is a stand-alone benefit and is in addition to the Paid Family Leave benefit. However, if the Plan deems a sufficient business need impairs the ability of the employee to use the benefit within the 90 day period, special exceptions may be made at the Plan's discretion. This benefit addresses pay issues only, and does not extend the time provisions of the Family Medical Leave Act, California Family Rights Act, or Pregnancy Disability Leave law as outlined later in this handbook.

Paid Family Leave (PFL)

The State of California provides partial wage benefits to eligible employees that have a wage loss due to a statutory or approved leave of absence. ~~The State of California providess partial wage benefits to eligible wage replacement insurance for employees that have a wage loss due to a statutory or approved leave of absence.~~ Paid Family Leave Insurance ("PFL") does not provide any independent right to a leave of absence. Thus, only employees that are entitled to another statutory leave or are approved for leave by the Plan and suffer a wage loss are eligible for PFL benefits. Eligible California employees may file a claim and apply for up to eight (8) weeks of PFL benefits with the Employment Development Department ("EDD") within any 12-month period for the following reasons~~Eligible California employees may file a claim and apply for up to six~~ eight ~~(6~~8~~) weeks (this will extend to eight (8) weeks as of July 1, 2020) of PFL benefits with the Employment Development Department ("EDD") within any 12-month period for the following reasons~~:

- To care for a serious health condition of an employee's child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling or parent-in-law~~To care for a seriously ill child, spouse, parent, domestic partner~~, or
- To bond with a new child, or
- To bond with a new child in connection with adoption or foster care placement, or
- Qualifying exigencies related to a family member's military service.
- .

This wage supplement is a State-sponsored insurance program within the State Disability Insurance ("SDI") program, administered by the ~~Employment Development Department~~EDD, and is funded through mandatory employee contributions. Employees may not receive PFL benefits while receiving SDI, unemployment insurance, or workers' compensation insurance benefits.

Like SDI, PFL is a wage replacement program for current employees who take time off for any of the above-listed covered reasons. Any employee who is applying for PFL benefits must be entitled to leave under the Federal Family Medical Leave Act ("FMLA"), the California Family Rights Act, the Pregnancy Disability Leave law and/or any other approved leave of absence.

Employees are required to use up to two weeks of earned but unused paid time off ("PTO") before they are eligible to receive PFL benefits. ~~—~~An employee is not eligible for PFL for any day that another family member is able and available for the same period of time to provide the required care. Additionally, an employee is also ineligible for PFL if the employee has received or is entitled to receive unemployment compensation benefits, permanent disability insurance benefits, and/or disability insurance benefits.

Benefits received under the Plan's Parental Leave program are offset by any PFL benefits received by the employee (see above section entitled "Parental Leave").

A medical certification, in the form provided by the EDD, is required in order to be eligible for PFL benefits. The PFL certificate should be submitted directly to the EDD, not to the Plan. The certificate must include:

- A diagnosis and International Classification of Diseases code;
- The commencing date of the disability;
- The probable duration;
- The estimated time care is needed;
- A statement that the serious health condition warrants the participation of the employee to provide care; and
- An estimate of the amount of time necessary to provide care.

If the Paid Family Leave is taken for purposes of bonding, it must be taken within the first year after the birth, adoption, or foster care placement of the child. Documentation to support a claim for bonding with a minor child will also be required by the EDD. The certificate for PFL is distinct from those used by the Plan for FMLA, CFRA, or Pregnancy Disability Leave, which must be submitted to the Plan for purposes of those leaves regardless of certification submitted to the EDD.

Receipt of PFL benefits does not guarantee any greater right to reinstatement than if the employee had been continuously employed rather than on leave, except as provided by applicable law. If an employee is receiving PFL benefits and is not eligible for continued paid health benefit coverage under FMLA/CFRA, an employee will be offered the opportunity to elect COBRA benefits subject to the eligibility requirements of COBRA.

You are responsible for filing your claim for PFL with the EDD. All eligibility and benefit determinations are made by the EDD, not the Plan. Additional information is available on the EDD's website (www.edd.ca.gov). You may also contact the EDD at:

1-877-BE-THERE (English)
1-877-379-3819 (Espanol)
1-800-445-1312(TTY)
P.O. Box 997017, Sacramento, CA 95799-7107

Paid Parental Leave Ordinance

Under the San Francisco Paid Parental Leave Ordinance (PPLO), the Plan will provide ~~partial~~ supplemental wage replacement to eligible employees taking leave to bond with a new child under the California Paid Family Leave program (see above section entitled "Paid Family Leave"). This supplemental compensation is available only to employees who are eligible for and receive PFL benefits for new child bonding.

To qualify as a "Covered Employee" under the PPLO, an employee must have commenced employment with the Plan at least 180 days prior to the start of the leave period, perform at least eight hours of work per week for the Plan within the geographic boundaries of San Francisco, perform at least 40% of their total weekly hours worked within the geographic boundaries of San Francisco, and be eligible to receive PFL benefits for the purpose of bonding with a new child.

In order to receive supplemental compensation under the PPLO, an employee must complete and submit to the Plan the San Francisco Paid Parental Leave Form (PPL Form). The PPL form is available on the Office of Labor Standards Enforcement (OLSE) website at www.sfgov.org/pplo. The employee also must either: (1) provide the Plan with a copy of the Notice of Computation form(s) the employee receives from the Employment Development Department (EDD) and notify the Plan when the employee receives the first PFL payment from the EDD, or (2) provide the EDD with permission to share the employee's PFL weekly benefit amount with the Plan and notify the Plan that they have granted such permission to the EDD. Note: the election of the second option may result in delayed receipt of any supplemental compensation.

The Plan may require an employee to submit a copy of the Notice of Computation form the employee receives from the EDD to confirm the employee's eligibility for and actual receipt of PFL benefits. Employees should retain a copy of their Notice of Payment form as proof of their eligibility and actual receipt of PFL benefits.

In its discretion, the Plan may apply up to two weeks of an employee's accrued but unused PTO that is available at the start of the leave period to meet the Plan's obligation to provide supplemental compensation during the leave period. If the employee does not agree to allow the Plan to use such PTO, the Plan will not be required to provide supplemental compensation to the employee under the PPLO.

An employee who receives PFL benefits may not receive supplemental compensation under the PPLO that would result in the employee receiving total compensation during their leave that is greater than the employee's normal gross weekly wages. An employee who voluntarily separates from employment with the Plan within 90 days of the end of the employee's leave period may be required to reimburse the full amount of supplemental compensation received from the Plan.

The Plan strictly prohibits any discrimination or retaliation against any employee who exercises their rights to supplemental compensation under the PPLO.

Leaves of Absence

Sometimes you may need to take a leave of absence from employment. To the extent that your need to take leave is sufficiently foreseeable, you must give the Plan 30-days advance notice; otherwise, inform us as early as possible.

Regardless of the nature of the leave of absence, you should submit a completed Request for Leave of Absence form to Human Resources, as soon as possible.

In some situations, employees may be required to use any accrued PTO during their leave. Please consult with Human Resources if you have questions in this regard.

If you take actions during your leave that are inconsistent with the intention to return to your employment with the Plan (e.g., accepting full-time employment with another employer), you will be considered to have voluntarily terminated your employment. If your leave of absence expires and you do not contact your supervisor concerning a date to return to work, you will be considered to have voluntarily terminated your employment.

Described below are the leaves of absence permitted by the Plan:

Medical Disability, Family Care, Qualifying Exigency and Service Member Care Leave

The Plan provides unpaid family and medical leaves of absence to eligible employees in accordance with the Family and Medical Leave Act ("FMLA") and California Family Rights Act ("CFRA") as set forth below.

Eligible Employees

Employees who have been employed for an aggregate of at least twelve months' service with the Plan at any time *and* who have worked 1250 hours in the last twelve months may be eligible for leave under this policy.

Approved Reasons for Leave

Eligible employees may be granted up to twelve weeks of unpaid leave per year for:

- **Newborn or newly-adopted children.** To care for the employee's child after birth, or placement for adoption or foster care (FMLA/CFRA);
- **Pregnancy disability.** Disabilities due to pregnancy or pregnancy-related condition (FMLA only);
- **Illness of a family member.** To care for an employee's spouse, child (under 18, or over 18 and incapable of self-car because of a mental or physical disability) or parent who has a serious health condition (FMLA/CFRA), or an employee's registered domestic partner, adult child, domestic partner's child, grandparent, grandchild, or sibling who has a serious health condition (CFRA only);
- **Illness of an employee.** For a serious health condition that makes the employee unable to perform their job (FMLA/CFRA);
- **Qualifying Exigency.** Qualifying exigency arising out of the fact that an employee's spouse, son, daughter or parent (or domestic partner for purposes of the CFRA only) is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation (FMLA/CFRA).

The 12-month period is defined as the period measured forward from the date an employee's first family leave begins. Subsequent 12 month periods would begin the first time family leave is taken after completion of any previous 12-month period.
~~Medical Disability, Family Care, Qualifying Exigency and Service Member Care Leave~~

~~**Eligibility and Terms of the Leave**~~

~~The Plan provides unpaid family and medical leaves of absence to eligible employees in accordance with the Family and Medical Leave Act ("FMLA") and California Family Rights Act ("CFRA") as set forth below.~~

~~**Eligible Employees**~~

~~Employees who have been employed for an aggregate of at least twelve months' service with the Plan at any time *and* who have worked 1250 hours in the last twelve months may be eligible for leave under this policy.~~

~~**Eligibility and Terms of the LeaveApproved Reasons for Leave**~~

~~Eligible employees may be granted up to twelve weeks of unpaid leave per year for:~~

~~**Newborn or newly-adopted children.** To care for the employee's child after birth, or placement for adoption or foster care (FMLA/CFRA);~~

- ~~**Pregnancy disability.** Disabilities due to pregnancy or pregnancy-related condition (FMLA only);~~
- ~~**Illness of a family member.** To care for an employee's spouse, child (under 18, or over 18 and incapable of self-car because of a mental or physical disability) or parent who has a serious health condition (FMLA/CFRA), or an employee's registered domestic partner, adult child, domestic partner's child, grandparent, grandchild, or sibling who has a serious health condition (CFRA only);~~
- ~~**Illness of a family member. Illness of an employee.** For a serious health condition that makes the employee unable to perform their job (FMLA/CFRA);~~
- ~~**Qualifying Exigency.** Qualifying exigency arising out of the fact that an employee's spouse, son, daughter or parent (or domestic partner for purposes of the CFRA only) is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation (FMLA/CFRA).~~

~~Regular employees who have been employed for an aggregate of at least twelve months' service with the Plan at any time *and* who have worked 1250 hours in the last twelve (12) months are eligible to take an unpaid medical disability and/or Family Care Leave of Absence up to a *total* of twelve (12) or twenty-six (26) work weeks in a 12-month period, depending upon the reason for the leave. This 12-month period is defined as the period measured forward from the date an employee's first family leave begins. Subsequent 12 month periods would begin the first time family leave is taken after completion of any previous 12-month period. This policy is intended to meet the requirements of the Family and Medical Leave Act of 1993 ("FMLA") and the California Family Rights Act ("CFRA").~~

~~Eligible employees may be granted up to twelve weeks of unpaid leave per year for:~~

- ~~**Newborn or newly-adopted children.** Eligible employees may request a leave of absence to provide care for a child following the child's birth, adoption, or foster placement in the employee's home. This leave must be taken within a year after the child is born, adopted or placed in the employee's home.~~

- ~~**Illness of a family member.** Employees may request a leave of absence to provide care for a child, parent or spouse/registered domestic partner who has a **serious health condition**.~~

- ~~**Illness of an employee.** Employees may also request a leave of absence if they are unable to work due to their own **serious health condition.**~~

- ~~**Qualifying Exigency.** Eligible employees may request a leave of absence because of a qualifying exigency arising out of the fact that an employee's spouse, son, daughter or parent is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation.~~

~~The 12-month period is defined as the period measured forward from the date an employee's first family leave begins. Subsequent 12 month periods would begin the first time family leave is taken after completion of any previous 12-month period.~~

Notably, some extensions to the 12 week maximum may be granted when the leave is necessitated by an employee's pregnancy related disability, work related injury/illness or a "Disability" as defined under the Americans with Disabilities Act or California law.

Eligible employees may be granted up to 26 weeks of unpaid leave per year for:

- **Service member care.** Eligible employees may request a leave of absence to care for your husband, wife, child, parent or next of kin who is a member of the Armed Forces and who has incurred a serious injury or illness during active duty (referred to as "service member care leave") (FMLA only).

The Plan will also provide leave for any other reason required by law. Under most circumstances, leave under the FMLA and CFRA will run at the same time. Leave may not run concurrently for:

- Leave to care for a registered domestic partner (CFRA only).
- Disabilities due to pregnancy or pregnancy-related condition (FMLA only).
- Leave for a qualifying exigency related to a domestic partner's military service (CFRA only).
- Leave to care for an ill or injured service member (FMLA only). Note that if the service member is a CFRA-covered family member and if the service member has a qualifying serious health condition that warrants the participation of the employee, the first 12 weeks of care would qualify as a CFRA leave and run concurrently with FMLA. The last 14 weeks would be FMLA only.

~~The Plan will also provide leave for any other reason required by law.~~
~~Under most circumstances, leave under the FMLA and CFRA will run at the same time. Leave may not run concurrently for:~~

~~Leave to care for a registered domestic partner (CFRA only).~~
~~Disabilities due to pregnancy or pregnancy-related condition (FMLA only).~~
~~Leave for a qualifying exigency related to a domestic partner's military service (CFRA only).~~
~~Leave to care for an ill or injured service member (FMLA only). Note that if the service member is a CFRA-covered family member and if the service member has a qualifying serious health condition that warrants the participation of the employee, the first 12 weeks of care would qualify as a CFRA leave and run concurrently with FMLA. The last 14 weeks would be FMLA only.~~

Medical Disability and Family Care Leave Definitions

- **Child:** Anyone ~~under 18 years~~ who is the employee’s biological, adopted, or foster child, stepchild, or legal ward~~, or an adult legally dependent child~~. This may also include a child for whom the employee has day-to-day responsibility.
- **Parent:** Biological, foster or adoptive parents, stepparents, legal guardians, or someone who plays or has played the role of parent, but does not include parents-in-law.
- **Spouse:** A legal marital relationship or registered domestic partner (CFRA only).
- **Serious Health Condition:** An illness, injury, impairment, or physical or mental condition serious enough to involve hospitalization, in-patient care in a residential health care facility, continuing treatment or supervision by a health care provider. The Plan may require appropriate medical certification before a leave is granted. In some instances, a second or third medical opinion may also be required.

When it is medically necessary, you may take your leave on an intermittent basis for use on a reduced-time schedule i.e., work fewer hours per day or per week than your usual schedule requires.

If you request a leave of absence that is foreseeable because of a scheduled medical procedure, you must make a reasonable effort to schedule it so that it will not unduly disrupt Plan operations, subject to the approval of your health care provider.

If you are granted a leave of absence, you may be required to provide periodic reports, as requested, that describe your status and when you will return to work.

Applying for Medical Disability, Family Care or Service Member Care Leave

In addition to a Request for Leave Of Absence form, you must submit written certification from your health care provider containing the following information:

- The date on which the serious health condition began or will begin.
- The probable duration of the condition.
- *(If the purpose of the Leave is for your own serious illness):* A statement that, due to your serious health condition, you are (or will be) unable to perform the functions of your position.
- *(If the purpose of the Leave is for family care, including service member care):* The estimate of the amount of time that the physician believes you need to take in order to care for ~~the child, parent, spouse, or registered domestic partner,~~the family member and a statement that the serious health condition warrants your participation to provide care~~ during a period of treatment or supervision of the child, parent, spouse or domestic partner~~.

If you request intermittent leave or leave on a reduced-time schedule, you also must provide certification of the medical necessity for either kind of leave, its expected duration and, if applicable, the date on which your medical treatment is to be given and the duration of the treatment. Note: if you request an intermittent leave or reduced time leave, the Plan may require you to temporarily transfer to an available alternative position for which you are qualified, that has equivalent pay and benefits if, in the Plan's view, that position better accommodates the recurring periods of leave.

If you need additional leave after the time stated in your original certification, you must submit re-certification containing the information outlined above.

Applying for Qualifying Exigency Leave

In addition to a Request for Leave Of Absence form, you also are required to furnish a certification of qualifying exigency for Qualifying Exigency leave. Employees must make every practicable effort to provide the Plan with the certification within fifteen (15) days of the date of the request or an employee's leave may be delayed or denied.

Return to Work

When you are ready to return to work from medical disability leave, you must present certification from your physician that you are able to safely perform all of the essential functions of your position, or can do so with reasonable accommodation.

Employees on leave are asked to confirm their return date at least two weeks before they return to work.

If you take twelve (12) work weeks of leave or less in a 12-month period due to either your own serious health condition (not including pregnancy or work-related injury or illness), family care or a qualifying exigency, you are entitled, upon your return from leave, to be reinstated in the position you held before going on leave, or to be placed in an equivalent position with equivalent employment benefits, pay and other terms and conditions of employment. If you take 26 work weeks of leave or less in a 12-month period due to service member care, you are entitled, upon your return from leave, to be reinstated in the position you held before going on leave, or to be placed in an equivalent position with equivalent employment benefits, pay and other terms and conditions of employment.

If you have been on FMLA/CFRA-qualifying leave, you have no greater right to reinstatement than if you had remained continuously employed by the Plan. Thus, if you would have been laid off during your FMLA/CFRA-qualifying~~FMLA~~ leave period you are not entitled to reinstatement. ~~In addition, the Plan may refuse to reinstate you under the following circumstances: (i) you are a salaried employee and among the highest paid 10% of the Plan's employees; *and* (ii) the refusal to reinstate is necessary to prevent substantial and grievous economic injury to the operations of the Plan.~~

Integration with Other Benefits

Leave is unpaid unless an employee has accrued benefits under the PTO policy.

To the extent permitted by applicable law, except in the case of pregnancy-related disability or industrial injury, the Plan requires you to utilize your accrued PTO during leave. However, if you are taking medical disability leave for any reason, family care leave or service member care leave, and you are receiving any wage supplements (as described below), you may choose, at your option, whether to utilize PTO.

If the reason for the leave is the employee's pregnancy-related disability or industrial injury, then you may choose, at your option, whether to utilize your accrued PTO benefits during leave.

Any PTO utilized will count toward the employee's maximum allowable leave.

Wage Supplements

Employees may also be eligible to supplement wages through workers' compensation insurance, California State Disability Insurance and/or California Paid Family Leave. If the Employee receives workers' compensation insurance, State Disability Insurance or Paid Family Leave, the Plan will reduce the payment amount of any accrued PTO paid during the leave so that the total amount received by you shall not exceed 100% of your regular pay. You must immediately notify the Plan of workers' compensation or California benefit eligibility in order for payments to be coordinated.

Limited Continuity of Benefits – Medical Disability, Family Care, Qualifying Exigency and Service Member Care Leave

You will not accrue PTO, seniority, or other benefits, nor will you be paid for holidays that occur during your leave of absence (except as required by law). The Plan will maintain your group health benefits during the first twelve (12) work weeks of any leaves of absence you take during the relevant 12-month period for the purposes of non-occupational disability, family care, or a qualifying exigency, under the same terms and conditions of coverage that would prevail had you not gone on leave. The Plan will maintain your group health benefits during the first 26 work weeks of any leaves of absence you take during the relevant 12-month period for the purposes of qualifying exigency or service member care, under the same terms and conditions of coverage that would prevail had you not gone on leave.

While on a FMLA leave, you can participate in other employee benefit plans which may be available, such as group life insurance, if you pay the premium yourself. The Plan will not make payments to any pension and/or retirement plans for employees during the leave period nor count the leave period for purposes of time accrued under the plan(s). Upon return from leave, benefits will be resumed without a waiting period.

California Pregnancy Leave: Disability Because of Pregnancy, Childbirth or Related Medical Conditions

Eligibility and Terms of the Leave

If you are female, you are entitled to a leave of absence due to disability during the time that you are actually disabled on account of pregnancy, childbirth, or related medical conditions, up to a maximum period of four months. You may take this leave, as needed, for all disabilities related to each pregnancy. The decision as to whether a woman is "disabled by pregnancy" is left entirely to the woman's health care provider. The leave does not have to be taken in one continuous period of time.

Applying for the Leave

You should give notice of your need for a pregnancy-related disability leave of absence as soon as you know, with reasonable certainty, the expected date on which your leave will begin. You should submit a Request for Leave of Absence form, and you must present written certification from your health care provider stating your anticipated delivery date and the estimated duration of your absence, including any period of time before and after delivery that you are expected to be disabled, assuming a normal delivery.

Any request for a leave of absence after your disability has ended will be treated as a request for family care leave.

Return to Work from Medical Leave – Disability Due to Pregnancy, Childbirth or Related Medical Conditions

To return to work, you must present a written release from your health care provider certifying that you are able to perform safely all of the essential functions of your position, or can do so with reasonable accommodation.

The Plan will reinstate you to the position you held before your leave began, unless one of the following conditions exists:

- Your job has ceased to exist for legitimate business reasons;
- Your job could not be kept open or filled by a temporary employee without substantially undermining the Plan's ability to operate safely and efficiently;
- You have indicated your intention not to return to your job;
- You are no longer able to perform the essential functions of your job with or without reasonable accommodation; or
- You are no longer qualified for the job.

If the Plan cannot reinstate your job, you will be offered a substantially similar position provided that:

- A substantially similar position exists and is available,
- Filling the available position would not substantially undermine the Plan's ability to operate safely and efficiently, and
- You are qualified for the position.

Integration with Other Benefits

If eligible, the Plan will pay for the first two weeks of leave due to the birth of a child, under the "New Parent Two Week Paid Leave Benefit" policy described earlier in this handbook. The Plan will not pay you during the remainder of your leave of absence for pregnancy, childbirth or related medical conditions, but, if you choose, you may use your PTO during your leave. When you become disabled you should apply for State Disability Insurance. Any PTO you use or New Parent Two Week Paid Leave benefits you receive will be integrated with State Disability Insurance benefits so that you do not receive over 100 percent of your regular pay.

You will not accrue PTO during your leave absence, nor will you be paid for holidays that occur during your leave.

During Pregnancy Disability Leave, the Plan will maintain your group health benefits under the same terms and conditions as if you were actively working for the Plan for the period of pregnancy-related disability, up to 17 1/3 weeks.

State and Local Family and Medical Leave Laws

Where State or local family and medical leave laws offer more protection or benefits to employees, the protection or benefits provided by such laws will apply.

Integration with FMLA and CFRA

As allowed by law, Pregnancy Disability Leaves or portions of Pregnancy Disability Leaves which also fall under the FMLA will be integrated with the FMLA, and will run concurrently. Pregnancy Disability Leaves do not run concurrently with CFRA. After the employee stops being eligible for Pregnancy Disability Leave (either because the employee has recovered from the pregnancy/childbirth or the leave exceeds 17 1/3 weeks) the employee can take CFRA leave for up to 12 weeks, if they are eligible for it. If the employee has any FMLA leave remaining after the Pregnancy Disability leave, the FMLA leave will run concurrently with the CFRA leave. During this portion of the leave, the Plan maintains the employee's group health benefits under the same terms and conditions as if she were actively working for the Plan for the period of up to 12 weeks.

It is the Plan's policy to be fair and impartial in all its relations with employees or applicants. The Plan will not discriminate against employees or applicants as a result of the approved use of family and medical leaves or disability leaves or a proper request for such leaves.

Parental Leave for School Visits

Under certain circumstances, eligible employees may be entitled to take time off to participate in activities of their child's school. In order to be eligible for time off under this policy, an employee must be the parent, guardian, or grandparent of a child who is in kindergarten, a grade between one and 12, or a licensed child day care facility. In addition, the employee must provide reasonable notice of the planned absence to their supervisor before taking the time off. The employee may not take more than 40 hours off for this purpose in any year or more than eight hours off in any calendar month of the year. This policy covers nonexempt employees for any time missed and exempt employees for full days missed.

If both parents of a child are employed by the employer at the same work site, only one parent may take time off at a time under this policy. The parent who first gives appropriate notice of the need for time off under this policy will have preference for the time off. In some cases, the Plan may agree to provide both parents the opportunity to take time off at the same time. However, that may occur only with the advance written approval of the Plan.

Any employee who takes time off under this policy must utilize any existing PTO for the absence. If the employee does not have any accrued PTO available at the time the time off is taken, or does not have enough accrued PTO to cover the time taken off, the time off will be taken without pay. However, exempt employees need only use PTO for entire days missed and if no accrued time is available will only lose pay for entire days missed.

Any employee who takes time off under this policy must provide documentation from the child's school to substantiate the fact that the employee participated in a school activity. The documentation must verify that the employee participated in the activity on a specific date and at a particular time.

The Plan also complies with all applicable laws regarding time off for required appearances at school after a child is disciplined or suspended, time off for finding, enrolling, or reenrolling a child in a school or with a licensed child care provider, and time off to address a child care provider or school emergency.

San Francisco Administrative Code Chapter 12z (SFFFWO)

The San Francisco Family Friendly Work Ordinance may be available to employees in very limited circumstances. A flexible working arrangement means a change in an employee's terms and conditions of employment that provides flexibility to assist an employee with caregiving responsibilities. A flexible or predictable working arrangement may be requested by any employee who has completed six months of employment, works at least eight hours per week on a regular basis, and is the primary contributor to the ongoing care of: (1) a child or children under eighteen years old for whom the employee has assumed parental responsibility; (2) a parent age 65 or older; or (3) a family member with a serious health condition. An employee generally may make two requests for a flexible or predictable working arrangement within a twelve month period, but may make an additional request if the Plan revokes an existing flexible or predictable working arrangement or if the employee experiences a major life event within this time frame.

For purposes of this policy, a major life event is defined as the birth of the employee's child, the placement with an employee of a child through adoption or foster care, or an increase in an employee's caregiving duties for a person with a serious health condition who is in a family relationship with the employee. A serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves inpatient care or continuing treatment or continuing supervision by a health care provider. Family relationship is defined as a relationship in which a caregiver is related by blood, legal custody, marriage, or domestic partnership, to another person as a spouse, domestic partner, child, parent, sibling, grandchild, or grandparent.

An employee requesting a flexible or predictable working arrangement must do so in writing, and must specify the arrangement applied for, the date on which the arrangement becomes effective, the duration of the arrangement, and how the request is related to caregiving. A request may include accommodations in terms of the employee's hours, schedule, work location, work assignments, or predictability in work scheduling.

The Plan will meet with an employee making the request within 21 days of receiving it, and will provide a written response within 21 days after such meeting. The Plan may require verification of caregiving responsibilities as part of this process. The Plan may deny a flexible or predictable scheduling request for a bona fide business reason. The Plan will set forth its reason for denial in writing, and notify the employee of the right to request reconsideration. An employee whose request for a flexible or predictable working arrangement has been denied may submit a request for reconsideration to the Plan in writing within 30 days of the decision. If the employee submits such a request, the Plan will arrange to meet with the employee to discuss the request within 21 days after receiving the notice of the request. The Plan will inform the employee of the Plan's final decision in writing within 21 days after the meeting to discuss the request for reconsideration. If the request for reconsideration is denied, the Plan will explain the bona fide business reasons for the denial.

Either the Plan or the employee may revoke an applicable flexible or predictable working arrangement with 14 days written notice to the other party. If either party revokes an applicable flexible or predictable working arrangement, the employee may submit a request for a different flexible or predictable working arrangement. The employee may make an additional request for a flexible or predictable working arrangement each time the Plan revokes a flexible or predictable working arrangement. If the Plan grants a predictable working arrangement, and if there is insufficient work for the employee during the period of the predictable working arrangement, the employee may not be compensated during such period of insufficient work.

The Plan will not discriminate or retaliate against an employee who exercises their right to request a flexible or predictable working arrangement.

Personal Leave

A Personal Leave of Absence may be taken for compelling reasons, must be approved by the employee's supervisor, and are granted at the sole discretion of the CEO and the Plan. Sufficient notice must be given. Requests should be made in writing to your supervisor and should include the reason for requesting the leave, along with the dates of the requested leave. Whether to grant such a leave, and the terms of the leave (e.g. duration), remain solely within the discretion of the CEO. Personal leave is unpaid. Employees must exhaust all of their available PTO before taking an unpaid leave of absence.

In determining the feasibility of granting requests for Personal Leave, factors such as purpose of requested leave, availability of coverage for job responsibility during the requested leave, previous absences, length of employment, prior work record and performance, and similar considerations will be reviewed.

An employee's benefits will not be paid or accrued during a Personal Leave.

The Plan will attempt to return an employee to their former position or a comparable position upon return from a personal leave, at the Plan's discretion. However, given changing business needs, no guarantee of reinstatement can be made, and reinstatement is at the discretion of management.

Employees on leave are asked to confirm their return date at least two weeks before they return to work. Any requests for additional leave must be made as soon as possible. The employee should notify their supervisor.

Organ and Bone Marrow Donation Leave

The Plan complies with all applicable leave requirements for employees donating organs or bone marrow. Employees who plan to donate an organ or bone marrow should provide at least 15 days' notice to the Plan.   Employees should direct requests for leave to Human Resources. An employee who requests this leave will be required to provide written verification from a health care provider that they are an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

If an employee donates an organ, they may receive up to 30 work days of paid time off in one year plus an additional 30 unpaid days. For a donation of bone marrow, an employee may receive up to five (5) work days off in a one-year period.   The one-year period is calculated beginning with the date an employee uses this type of leave and rolls forward for 12 months. If the employee taking the leave has any accrued PTO, they must use up to five (5) days of that accrual for bone marrow leave or up to two (2) weeks of accrued time for organ donation leave.

During a leave for organ or bone marrow donation, the Plan will continue the employee on its group health plan under the same terms and conditions as if the employee were actively working for the Plan for the duration of the approved leave.

Taking time off for bone marrow or organ donation is not considered a break in service and will not affect an employee's seniority. Employees continue to accrue PTO during this leave, but do not get paid for any holidays that take place during the leave. A leave of absence for bone marrow or organ donation does not run concurrently with FMLA or CFRA leave.

Military Service

All regular employees may take leaves of absence to accommodate service in the Armed Forces, Military Reserves, and National Guard. The specific terms of the leave and of your rights to reinstatement, seniority, benefits, and compensation after a military leave are governed by law. If you have questions about military leaves of absence, please contact Human Resources.

Family Military Leave

Under certain circumstances, the Plan will grant an eligible employee a family military leave of absence of up to ten (10) days, when the employee's military spouse or registered domestic partner is on leave from deployment during a time of military conflict. Time off is unpaid unless the employee has available paid time off. To the extent permitted by law, this leave shall run concurrently with Qualifying Exigency and/or Service Member Care Leave, if the employee is eligible for both Military Family Leave and Qualifying Exigency or Service Member Care Leave.

To be eligible for family military leave, the employee must work for the Plan for an average of 20 or more hours per week and be the spouse/registered domestic partner of a "qualified member" of the United States Armed Forces, National Guard, or Reserves. A "qualified member" is a member of the United States Armed Forces who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States, or a member of the National Guard or Reserves who has been deployed during a period of military conflict. The employee may only take the leave of absence during the time that the spouse/registered domestic partner is actually on leave from deployment during a period of military conflict.

In order to be eligible for the leave, the employee must provide the Plan with: (1) notice of intention to take family military leave within two business days of receiving official notice that the employee's military spouse/registered domestic partner will be on leave from deployment, and (2) documentation certifying that the employee's military spouse/registered domestic partner will be on leave from deployment during the time that the employee requests leave.

The Plan will not discriminate or retaliate against any eligible employee who requests or takes a family military leave of the absence.

Workplace Environment and Conduct Policies

Compliance Hotline

Employees must report incidents of suspected fraud or HIPAA violations. The Plan's Compliance Hotline 1-800-461-9330), www.convercent.com/Report, is the vehicle to anonymously report such suspected violations. This service is available through a contracted vendor, 24-hours a day, seven (7) days a week. Employees may also report suspected fraud or HIPAA violations to their supervisor, or to the Plan's Compliance & Privacy Officer at (415) 615-4217, or the Security Officer, at (415) 615-4202.

Standards of Conduct

The Plan believes that a reputation for integrity and honesty is a highly valued asset -- one which must be constantly maintained and enhanced. Each of us has a personal responsibility to uphold the Plan's reputation above all other considerations. In every decision we make, that principle cannot be compromised.

The employees of the Plan are expected to demonstrate the highest standards of public trust by:

- Being honest and ethical;
- Adhering to all Federal, State and local laws and regulations;
- Protecting the Plan's reputation and assets;
- Maintaining complete confidentiality of health plan and health plan members' confidential information such as demographics, medical information, eligibility, etc.;
- Maintaining complete confidentiality of Plan and provider information, including rates, credentials, claims for services rendered, resolution of patient complaints, etc.

Each employee has an obligation to observe and follow the Plan's policies and to maintain proper standards of conduct at all times. It is not possible to provide employees with a complete list of every possible offense that will, like unsatisfactory job performance, result in discipline, including discharge. However, in order to give you some guidance, examples of unacceptable conduct are listed below. You should be aware that conduct that is not listed, but that is unprofessional or potentially embarrassing, adversely affects or is otherwise detrimental to the Plan's interests, or the interests of its employees, customers, providers, or the public at large, may also result in disciplinary action, up to and including immediate termination.

- Malicious or willful destruction or damage to Plan property or supplies, or to the property of another employee, a customer, a provider, or a visitor;
- Theft or unauthorized removal from Plan premises of any Plan property, or the property of another employee, a customer, a provider, or a visitor;
- Obtaining employment or employee benefits by giving false or misleading information; falsifying or omitting any material information on employment documents or records, including your or a co-worker's time records;
- Dishonesty of any kind in relations with the Plan, its employees, customers, or providers;
- Bringing or possessing firearms, weapons, or other hazardous or dangerous devices or substances on Plan property without proper authorization;

- Possession, use, sale, manufacture of or distribution of controlled substances on Plan property or while conducting Plan business, or reporting for work or working under the influence of alcohol or illegal drugs;
- Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor;
- Fighting on Plan property, or “horseplay” or any other action that is dangerous to others or to Plan property, or that disrupts work;
- Harassing, threatening, intimidating or coercing another employee, a customer, a provider, or members of the public who do business with the Plan, at any time, including off-duty periods;
- Pleading guilty to or being convicted of any crime other than a minor traffic violation (to the extent permitted by law);
- Unauthorized disclosure or use of any confidential information about the Plan, its customers, its providers, or its employees or any trade secrets that you have learned through your employment with the Plan;
- Failure to follow all safety rules, to cooperate in safety inspections, or to promptly report all unsafe conditions encountered during work to the appropriate person;
- Unsatisfactory attendance, chronic lateness, or unreported absence of three (3) consecutive scheduled workdays;
- Failure to observe the terms and conditions of all software agreements and licenses to which the Plan may be a party;
- Unauthorized use of Plan equipment; and
- Violation of any Plan policy, including any of the policies described in the handbook as revised from time to time.

Nothing in the above listing alters the at-will nature of employment with the Plan. Nothing in the above listing is intended to deter or punish lawful concerted protected activity protected under the National Labor Relations Act or any other law.

Discipline

Unsatisfactory performance may subject you to discipline. The nature of the discipline imposed will depend upon the seriousness of the problem and your record of prior performance, behavior problems or safety violations. The Plan has the right to determine what disciplinary action is appropriate based on the facts of each case. Not all available forms of discipline are appropriate to every disciplinary situation, and it is not required that the Plan treat each form of discipline as a step in a series to be followed with an employee before discharge. The Plan’s practice of employee discipline does not imply that “progressive” discipline is required. Employees on a formal disciplinary process will not be eligible for a bonus. Regardless of what disciplinary action is taken, the at-will status for all employees shall remain.

Regarding Performance:

The following bonus eligibility guidelines have been established for employees who are on a formal disciplinary process:

• An employee who has been in a formal disciplinary process will not be eligible for an annual bonus. A “formal disciplinary process” means the employee has been given a formal written warning or a performance improvement plan document that includes a specified period of time in which the employee is expected to correct their performance. These documents require signatures from the employee's Manager, Executive, and Human Resources. The dates that will be used to determine which performance year will be impacted are September 15 to September 14 of the following year.

- Employees who score below a 3.0 on their combined Key Expectation Score for two consecutive years will not be eligible for a bonus for the second year.
- Employees who score below a 2.5 (1.0-2.4) on their combined Key Expectation Score will not be bonus eligible for that annual performance review period.

Problem Resolution Process

The Plan encourages open and direct communication between all employees, especially between managers and those they supervise. Just as your manager is expected to treat you with dignity and respect, and to deal openly and directly with all work-related issues, as are you expected to respond and/or approach your manager in the same manner.

If something about your job is bothering you or if you feel that you have not been treated fairly or in accordance with Plan policy, you should talk with your immediate supervisor about your concerns. If you still have questions after this discussion, or if you feel strongly that you cannot discuss the matter with your supervisor, discuss the matter with your supervisor's supervisor. Issues can be taken up all the way to the CEO, whose decision will be final.

If your concern is about the CEO, you may complain about the CEO's actions to the Chair of the Plan's Governing Board.

Human Resources is available to counsel you or to help you talk to your manager.

If your employment has been terminated, you may still use our problem resolution process if you feel that your termination was unfair or handled improperly.

It may not always be possible to achieve the result you want, but if it is not, we will do our best to explain why. You will not be disciplined or otherwise penalized for raising a good faith concern. Nothing in this Problem Resolution Process alters the at-will status of employment.

Conflicts of Interest

Plan employees are expected to avoid situations that create an actual or potential conflict in which an employee's actions or loyalties are divided between personal and Plan interests or between Plan interests and those of another. For example, you may never steer Plan business to a relative or to any company in which you or your family has invested. If you have any question about whether you have a conflict of interest, please bring it to the attention of your supervisor. Any doubt should be resolved in favor of disclosure and a request for specific guidance. Licensed professional staff or staff holding the position of Director, or above, will be required to complete an annual disclosure of potential conflicts (Form 700), as well as other documents that may be needed to disclose or waive the conflict of interest.

In addition, an employee may, as a condition of employment, be required to complete a Disclosure for the Conflict of Interest Code as required under the California Fair Political Practices Commission. A designated employee is anyone who is at the Director level or above. Disclosure statements are due within 30 days of taking the position and every April 1st thereafter.

The Governing Board has the right to adopt a conflict of interest code, and when or if it does so, this code will be binding on all employees.

Additionally, all employees are not permitted to purchase or lease services, equipment, supplies, or real property from an entity in which you or any of your immediate family members have a substantial financial interest. If you have any question about whether you are in violation of this requirement, please bring it to the attention of your supervisor. Any doubt should be resolved in favor of disclosure and a request for specific guidance. All supervisors shall immediately communicate any potential violations to the Plan's Counsel, CHRO and Human Resources Director.

Gifts and Gratuities

In the course of the contacts you make with vendors, providers, or beneficiaries, you may find them offering you gifts or gratuities to thank you for services rendered. In order to maintain a high level of integrity and avoid potential conflicts of interest, individual employees are not permitted to accept gifts or gratuities offered to them by vendors, providers, or beneficiaries, with the following exceptions:

- Gifts of nominal value (under $25.00), such as an inexpensive or moderately-priced meal, modest items with logos attached, etc.;
- Complimentary passes to professional or educational conferences or seminars;
- Other gifts permitted by Board policy.

If you have any question about whether or not a gift or gratuity is permissible under this policy, discuss it with your supervisor. If it is not permissible, politely decline the offer, explaining the Plan policy.

Fees and Honoraria

When staff members consult, lecture, counsel, or advise outside individuals or organizations on behalf of the Plan, all fees, donations, or cash honoraria must be paid to the Plan.

Disclosure of Confidential Information

Within the limits of State and Federal law it is both a legal and ethical responsibility that the business and internal affairs of the Plan be kept confidential. Employees with access to information concerning procedures or other data records utilized/maintained by the Plan are forbidden to divulge this information to unauthorized persons, or to publish or otherwise make public any information regarding persons either receiving the services of the Plan or providing services to the Plan or that would make them identifiable to anyone outside the Plan.

Employees who use cell phones, cordless phones or other mobile communications devices should not use these methods for communicating confidential or sensitive information or any trade secrets.

Employees must exercise a greater degree of caution in transmitting the Plan confidential information by e-mail, instant message, text message or any other means of electronic communication than they take with other means of communicating information, (e.g., written memoranda, letters or phone calls) because of the reduced human effort required to redistribute such information. Plan confidential information should never be transmitted or forwarded to outside individuals or companies not authorized to receive that information and should not even be sent or forwarded to other employees inside the Plan who do not need to know the information. Always use care in addressing e-mail messages, instant messages, text messages or any other means of electronic communication to make sure that messages are not inadvertently sent to outsiders or the wrong person inside the Plan. In particular, exercise care when using distribution lists to make sure that all addresses are appropriate recipients of the information. Lists are not always kept current and individuals using lists should take measures to ensure that the lists are current. Refrain from routinely forwarding messages containing Plan confidential information to multiple parties unless there is a clear business need to do so.

Unauthorized release of confidential information may make you subject to civil and criminal sanctions pursuant to California statutory law and may result in disciplinary action up to and including termination.

Personal Blogs / Social Networks

This policy describes the Plan's guidelines with respect to publicly accessible communications via the Internet relating to the Plan. This includes blogs, discussion forums, newsgroups, e-mail distribution lists, social networking sites (including but not limited to: Twitter, Facebook, Snapchat, Instagram and LinkedIn) and any communications that may be publicly accessible. The Plan respects the individual privacy rights of its employees and encourages open communication; however, activities in or outside of work that affect adversely your job performance, the performance of others, or the Plan's business interests are a proper focus of Plan policy.

Communication concerning the Plan must not violate any guidelines set forth in this handbook, whether or not you specifically identify yourself as an employee of the Plan. Employees are prohibited from disclosing sensitive, proprietary, confidential, member/participant related or financial information about the Plan, personnel actions and/or other work-related occurrences in a blog or other Internet forum that may be publicly accessible. This provision shall be construed in accordance with applicable law.

If you identify yourself as a Plan employee or regularly or substantively discuss the Plan publicly on matters of public concern, you must make it clear that the views expressed are yours alone and do not necessarily represent the views of the Plan.

Failure to follow these guidelines may result in disciplinary action, up to and including discharge. All employees are expected to exercise good judgment and restraint in their personal participation in all internet activity, blogging activity, discussion forums, newsgroups, e-mail distribution lists and social networking sites and any other communications that may be publicly accessible. Employees are directed to ask their manager or Human Resources if they have any specific questions about what material is appropriate. Placing the Plan or its employees in a false or negative light may lead to discipline up to and including termination.

Nothing in this policy is intended to prohibit, deter or punish lawful protected concerted activities otherwise protected under the National Labor Relations Act or any other law.

Circumventing Computer Rights

Employees with access to the Plan's computer data resource banks must respect the system policies and thresholds. Any unauthorized attempts by an employee to circumvent their level of network security to access confidential data on the Plan's computer and/or telecommunications system or the unauthorized modification or reconfiguration of Plan-defined software programs and/or hardware configurations is strictly prohibited. This includes unauthorized installation or downloading of software programs, games, tools or other electronic devices or information, whether from the internet, privately purchased, or from any other non-authorized source. Such attempts may subject the employee to immediate termination.

~~Remote Access~~

~~Working from home is permitted under the Plan's Telecommuting policy, with appropriate approvals. For remote access from home, you must submit a RemedyForce ticket called Request VPN Access. All confidentiality and computer usage policies apply while accessing our intranet, internet, and database systems.~~

Customer and Public Relations

The Plan's reputation is built on excellent service and quality work. Building and maintaining this reputation requires the active participation of every employee.

The opinions and attitudes that customers have toward our organization may be determined for a long period of time by the actions of one employee. It is sometimes easy to take a customer for granted, but when we do, we run the risk of losing not only that customer, but their associates, friends or family who may also be current or prospective customers.

Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

Prevention of Fraud, Waste and Abuse

The Plan takes health care fraud, waste and abuse seriously. It is our policy to provide information to all employees, contractors and agents about the Federal and State False Claims Acts, remedies available under these acts and how employees and others can use them, and about employee protections available to those who claim a violation of the Federal or State False Claims Acts. We also inform our employees, providers, contractors and agents of the policy and procedures we have in place to detect health care fraud and abuse. The complete fraud and abuse Compliance Program is available on the Sharepoint under Compliance & Regulatory Affairs, Fraud, Waste & Abuse and a hard copy can be provided to you by your supervisor or the Compliance Officer upon request.

Federal False Claims Act (Section 1902 of the Social Securities Act)

What it does:

Allows a civil action to be brought against a health care entity who:

- Knowingly makes, uses or causes to be made or used a false record or statement to get a false or fraudulent claim paid; or
- Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval to any Federal employee;
- Conspires to defraud the government by getting a false of fraudulent claim allowed or paid (31USC sec. 3729(a)).

Examples of a false claim**:**

- Falsifying information in the medical record;
- Plan intentionally paying providers who did not provide services to its members;
- Billing for procedures not performed;

- Violation of another law, for example a claim was submitted appropriately but the service was the result of an illegal relationship between a physician and the hospital (physician received kick-backs for referrals).

Penalties

Health care entities that violate the False Claims Act can be subject to civil monetary penalties ranging from $5,500 to $11,000 for each false claim submitted. In addition to civil penalties, they can be required to pay three times the amount of damages sustained by the U.S. government. The Office of Inspector General may also seek to exclude the entity from participation in Federal health care programs, which includessd Medi-Cal~~, Healthy Workers or Healthy Kids for San Francisco Health Plan~~.

Employee Rights and Protections

To encourage individuals to come forward and report misconduct involving false claims, the False Claims Act includes a provision to allow any person with actual knowledge of alleged false claims file a lawsuit on behalf of the U.S. government. Federal law prohibits an employer from discriminating against an employee in the terms or conditions of their employment because the employee initiated or otherwise assisted in a false claims action. The employee is entitled to relief necessary to make the employee whole (31 USC 3730(h)). The employee with actual knowledge of a false claim files their lawsuit on behalf of the government in a Federal district court. The lawsuit will be kept confidential while the government reviews and investigates the allegations and determines how it will proceed. If the government decides to proceed with lawsuit, the prosecution of the lawsuit will be directed by the U.S. Department of Justice. If the government decides not to intervene, the employee may continue to pursue the lawsuit on their own. If the lawsuit is successful, and provided that certain requirements are met, the employee may receive an award from the government ranging from 15 to 30 percent of the amount received by the U.S. government, as well as reasonable expenses.

No Retaliation

In addition to the financial reward, the False Claims Act entitles employees that file a lawsuit with the government additional protection, including employment reinstatement, back pay, and any other compensation that may have arisen from retaliatory conduct against the employee for filing an action. San Francisco Health Plan strictly prohibits retaliation against employees for engaging in protected activity and strongly encourages employees to raise concerns about what they perceive to be false claims or false statements with their supervisor, another administrator or the San Francisco Health Plan Compliance Officer.

Statute of Limitations

A statute of limitations says how much time may pass before an action may no longer be brought for violation of the law. Under the False Claims Act, the statute of limitations is six years after the date of violation or three years after the date when material facts are known or should have been known by the government, but no later than ten years after the date on which the violation was committed.

California False Claims Act

The California False Claims Act was the first State statute passed after the Federal law. The California law prohibits the knowing presentation of a false claim for payment to a State government agency, including the Medi-Cal program. California's law is similar to the Federal law, except that the State law also requires a person who unknowingly submitted a false claim and then later discovers the claim was false, to report the false claim to the State, or face penalties. California also has other laws dealing with fraud, including Labor Code $1102.5, Health and Safety Code $1278.5, Insurance Code $1871.7, Penal Code $550 and Welfare and Institutions Code $14107. A copy of these laws along with any requested explanation can be provided to you by the Compliance Officer upon request.

What you should do if you think the Plan may have made a false claim:

An employee may report concerns about false claims or statements in the following ways:

- Report it to your supervisor or the Compliance Officer for further investigation.
- If you are not comfortable doing this or do not see action in response to your report, call the anonymous compliance hotline at 1(800) 461-9330 or report the incident online at http://www.convercent.com/Report.

You are not required to report a possible false claims act violation to the Plan first. You may report the incident directly to the Federal Department of Justice. The Plan will not retaliate against you if you inform the Plan or the Federal government of a possible false claims act violation.

Process for detecting fraud and abuse

Pursuant to applicable law and in accordance with the Plan's Fraud and Abuse Compliance Program, employees are encouraged to report suspected incidences to their supervisor or Compliance Officer. A ~~revised~~ copy of the ~~new Fraud~~ Program Integrity and Compliance Program are~~is~~ available on the Plan's Intranet and Plan wide education is given annually. Feel free to ask your supervisor or the Compliance Officer any questions you may have.

Suspected incidents of fraud will be investigated in an objective and timely manner by the Compliance Officer or other third party, if appropriate. The Compliance Officer will report the incident to the Compliance Committee, the CEO and the Board. You may obtain a copy of the ~~complete Fraud and Abuse Compliance~~ Program Integrity program from ~~your supervisor or~~ the Compliance Officer. If you have any questions whatsoever, you are strongly encouraged to contact your supervisor or the Compliance Officer at your convenience. We are here to meet your needs and we must all work together to provide services to our members in an ethical manner.

Dress Code and Personal Hygiene

Professional appearance is essential to job performance and customer relations. Every employee must practice good grooming and personal hygiene, and must dress in a professional manner appropriate for performing their job duties. Business casual dress is allowed, but please avoid overly casual attire, ~~and~~ clothing that is revealing, and clothing that contains offensive material and/or political messages. Jeans are permitted Monday through Thursday only when worn with a visible, approved Plan logo shirt. Jeans may be worn on Fridays without wearing an approved Plan logo shirt. Professional or business casual attire is required for meetings with any outside vendor or client. Managers have the discretion to determine whether attire is appropriate based on the employee's role in the organization. Even though most of our interaction is on video calls, it is still important to adhere to our dress code.

Employees who work in the office should be aware that many individuals, such as those with asthma or allergies, are extremely sensitive to fragrances such as cologne or perfume. Care should be taken to apply these fragrances lightly, if they are used at all.

Reasonable accommodations (including exceptions) for any of these rules will be considered when based upon any category listed in our Equal Employment Opportunity Policy. Requests for accommodations should be addressed to Human Resources.

Use of Equipment / Plan Property / Computers

You are expected to use proper care when using the Plan’s property and equipment. No property may be removed from the premises without the proper authorization of management. If you lose, break or damage any property, report it to your supervisor at once.

You are expected to use the Plan’s property, systems and supplies for Plan purposes only. Use of any equipment or supplies for personal use must be kept to an absolute minimum, must not interfere with the performance of your job, and may not be used to promote personal or outside interests. This means that personal phone calls, emails, instant messages, text messages, other electronic or digital communications and the use of the fax machine should be kept to a minimum, and you should discourage friends and relatives from calling, emailing, text messaging, instant messaging or otherwise communicating with you during business hours unless there is an emergency. Personal long distance calls are prohibited. Any such calls which must be made during your work day must be charged to your home or mobile phone, phone calling card, or made collect. The (800) number must be kept free for Plan business purposes at all times, and is never to be used for incoming calls of a personal nature.

There are many tools that may aid you in your role here at the Plan. If the Plan does not have a specific tool you need (i.e. cell phone, laptop computer), you may request the item. The requirements are:

- The tool is a business need
- You must receive approval to purchase that item.
- The Systems Administrator will purchase the unit for you,
- The tool will need to be purchased using funds from your department’s budget.
- You are required to return this item as you would any of the Plan’s equipment/property.

Phone lines, e-mail, voicemail, internet access, computer network systems and any other Plan provided communications systems or devices are for conducting Plan business and are subject to monitoring by the Plan. Therefore, the use of such equipment must be limited to Plan business. You should not expect that any phone calls, emails, instant messages, text messages, voicemails, internet usage or other uses of Plan property or Plan systems are private. The Plan may monitor phone calls emails, instant messages, text messages, voicemails, or other uses of Plan property and systems at any time, including without any cause. The Plan has the capability to access, review, copy and delete any messages sent, received or stored on the systems. The Plan reserves the right to access, review, copy or delete all such messages for any purpose and to disclose them to any party (inside or outside the Plan) as it deems appropriate. Back-up copies of electronic mail messages, instant messages, text messages, voice mail messages, computer files and other electronic and digital communications are maintained and referenced for business and legal reasons.

Employees should not install personal software on Plan computer systems. Use of e-mail, instant messages, text messages, the Internet, or any other electronic device/medium to copy and/or transmit any documents, software or other information protected by copyright laws is prohibited.

When you leave the Plan’s employ, or at any other time the Plan requests, you must return all keys, documents, equipment, manuals, and any other property belonging to the Plan. You must also relinquish any and all passwords used by you in performing your job.

Use of Plan Meeting Rooms or Offices for External Business

During your employment with the Plan, there may be times where another organization may request the use of our conference rooms for meetings or discussions. If you or a group you are in contact with requests to use the Plan's space (meeting room, etc.), you must receive explicit written approval from the CEO prior to the meeting taking place. Additionally, these meetings must not interfere with any Plan business. Additionally, there must be a Plan representative at all times during such meetings.

Endpoint Protection Policy

The Plan has developed the following policy and procedures to ensure electronic Protected Health Information (ePHI) and sensitive Plan data are not disclosed or transported outside of the network without authorization and proper encryption. The policy affects all departments.

PROCEDURE

1. All Plan ePHI and sensitive Plan data are subject to data encryption when intended to be transported outside of the Plan's network.
2. To protect Plan data and systems, employees are prohibited from copying electronic folders and files onto mobile devices, external hard drives, flash drives, DVDs, CDs, or any form of removable or portable storage.
3. All CD/DVD writers, USB ports, and any output interfaces to removable storage will be disabled by Production Services staff to prevent the ability copy electronic folders and files.
4. Specified employees ~~are~~ may be exempt from this policy to allow the ability to perform their routine activities. These activities are defined under the responsibilities of the given role. Employees who are exempt include:
    a. Executive Team (ET) members
    b. Staff designated by the ET; and
    c. Information Technology Services (ITS) staff, as authorized by the CIO.
5. ITS Production Services will maintain the list of exempted employees; requests to amend the list will be through Remedy Force.
6. For copying files or folders that contain ePHI, only ITS has the capability to copy the data with encryption.
    a. Staff is prohibited from copying ePHI onto a storage device.
    b. If ePHI must be copied onto a storage device, the requesting staff must submit the request to ITS.
    c. Staff is encouraged to use alternatives to providing ePHI, e.g., secure FTP site, rather than storing ePHI onto a portable device.
7. If an employee requires data, files or folders to be copied onto removable storage, they must follow the procedure below:
    a. Follow their department's procedures for requesting designated staff's assistance with copying files or folders.
    b. Use ONLY Plan ITS-issued removable storage devices. Copying onto other storage devices is not allowed.
    c. Any lost or stolen storage devices must be reported immediately to the employee's supervisor, Compliance Officer and/or Security Officer.
    d. If not using designated department staff, open a Remedy Force request.
    e. Include the following specific requirements of the request:
        i. Data needed to be copied

ii. Location data is to be copied to
iii. Number of copies are needed
8. Assign Remedy Force ticket to "Production Services."
9. The Remedy Force ticket will be completed per details of the request.
10. Production Services will create the removable media per the request, encrypt the data if necessary, and provide the copy to the requestor.

DEFINITIONS

Encryption puts data into a coded form that is obfuscated from the original format

Decryption is a process that takes encrypted data and converts the data into a readable format

Removable Storage is a device or media where data can be stored

Cell Phone Policy

Acquiring a Plan Cell Phone

The Plan will provide company-paid cell phones to individuals having a justifiable need. Generally, to be eligible for a Plan cell phone, you must be:

- An executive of the Plan (e.g., CEO, CFO, CIO, COO, CHRO, CMO, Compliance/Regulatory Affairs Officer, Officer, Policy and Coverage Programs, ~~Medical Director, General Counsel~~)

- An employee with 24/7 on-call responsibilities (certain ITS staff members, Facilities Manager, Human Resources Director); or

- A staff member working a significant amount of time outside the office with approval from your supervisor.

Employees must have a compelling written business justification for requesting a Plan cell phone and will be required to obtain Executive level approval or higher. All final decisions on Plan cell phone acquisitions for employees are subject to CEO approval.

Prior to requesting a Plan cell phone, employees should consider whether the use of a personal cell phone could meet the needs of work-related cell phone use. In addition to offering a Plan cell phone when appropriate, the Plan also offers employees reimbursement for any calls made for work use on a personal cell phone. To obtain a copy of the Plan reimbursement form for work-related personal cell phone use, visit Sharepoint. The Expense Reimbursement Form can be found on Sharepoint under Finance Forms.

Employees who are interested in acquiring a cell phone for business use must create a Remedy Force ticket.

Use of Personal Cell Phones

The Plan's system infrastructure is able to support a variety of cellular phones. An employee who volunteers the use of their personal cellular phone to access Plan services must adhere to the following policy. Services included are email, calendar, and contacts. A signed agreement will allow the employee

native access to their email, contacts, and calendar information through their windows credentials. In return, the Plan reserves the right to perform a remote reset/wipe of their device at any time.
If a Plan phone is misplaced or lost, the user has a responsibility to immediately notify the ITS Production Services department at production_services@sfhp.org or call (415) 615-4411 If the loss of the phone also involves a HIPAA breach (breach of confidentiality or security of a member's PHI), the user must also immediately notify the Plan's Compliance Officer, Nina Maruyama, at nmaruyama@sfhp.org or call (415) 615-4217. The breach may also be reported to the Plan's Compliance Hotline at (415) 547-7835.

Prohibited Use of Plan Cell Phone While Driving

An employee who uses a Plan supplied cell phone is prohibited from using the device while driving unless a legally-acceptable hands free device is used. Text messaging, reading or responding to email while driving is strictly prohibited. The Plan recommends that employees using a personal cell phone or device when driving follow these same guidelines.

The Plan recognizes that other distractions occur during driving; however, eliminating the use of cell phones while driving is one way to minimize the risk of accidents for our employees. Therefore, should you need to use your Plan cell phone while in your car; you are required to stop your vehicle in a safe location so that you can safely use your cell phone unless it is equipped with a legally acceptable hands free device.

Permitted and Appropriate Use of Electronic Assets

Plan employees who use either a company-paid cell phone, or a personal cell phone for Plan use or other electronics must adhere to SFHP P&P, ~~C&RA-01~~ IS-29: *Permitted and Appropriate Use of Electronic Assets* which can be found on Sharepoint under Square1. All communications made from the Plan's electronic devices should be appropriate to a business environment. The Plan's Management team retains the right to access any communications made utilizing the Plan's Electronic Assets.
Appropriate Use and Disclosure of Protected Health Information (PHI)

- Employees are prohibited from storing any member protected health information (PHI) onto the hardware of either a company-paid or personal cell phone.
- All e-mails that are sent to external contracts from Plan information systems (including cell phones and any other electronic devices) that include PHI must be sent in an encrypted method.
- The Plan's cell phone or personal cell phone used must also be password-protected.
- Users are responsible for the physical security of all mobile devices in their possession. The Plan reserves the right to hold the user responsible for the loss of Plan owned mobile devices. Mobile devices include laptops, tablet computers and smart phones.

Non-Retaliation for Reporting Incidents or Potential Breaches
Retaliation for reporting any incidents or potential breaches is strictly prohibited.

Any report of retaliation will also be promptly and thoroughly investigated in accordance with the Plan's investigation procedures of allegations of retaliation. If a complaint of retaliation is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken.

Personal Property

The Plan is not responsible for replacement or repair of any personal articles, items or equipment that employees choose to bring on the premises if they are damaged, lost or stolen.

Solicitation and Distribution

The Plan's business objectives require that certain types of solicitation and distribution of literature be prohibited.

The following rules apply to non-employees: (i) no solicitation on Plan property at any time; and (ii) no distribution of literature on Plan property at any time.

The following rules apply to employees: (i) no distribution of literature within working areas; and (ii) no solicitation of or distribution of literature to any employees when either the employee who is soliciting/distributing or the employee being solicited is on working time. As used herein, the term "working time" does not include meal periods, rest periods or other specified periods during the workday when employees are properly non-engaged in performing their work tasks.

Political Activity, Speech and Signage

The Plan respects the rights of its employees as citizens to hold their private political and social views, and strongly encourages each employee to use their right to vote. (Please reference the Time Off to Vote policy in the *Other Time Off from Work* section.) As employees of a public agency, however, compliance with the following guidelines is required:

- Domestic or International political signs may not be displayed at employee workstations, on clothing or displayed in any other visible manner. Examples of prohibited political signs or slogans include, but are limited to, references to any political party or organizations such as Republican, Democratic, Independent, Libertarian, Green parties or candidates. Additionally, signs that promote a political cause are also prohibited.
- Employees may not engage in the promotion of or opposition to any political organization or cause or any candidate for public office while working during regular business hours at the Plan. Further, employees may not engage in any political activity that is disruptive to the workplace or the Plan's operations.
- Hate or other offensive speech is prohibited at all times. All workplace speech, whether political or otherwise, should be respectful and tolerant of others' views.
- Small signs, attire and decorations that are non-controversial and promote inclusivity and support of our local community or a part of a cultural heritage are acceptable (i.e. "Pride Flags", country of heritage flags, etc.)

Exceptions to prohibition on political activity include communications and activities protected by the NLRA or applicable state laws.

The Plan is committed to a safe and comfortable workplace environment free of discrimination and harassment and that embraces the diversity of our workforce. Employees are encouraged to review our policy prohibiting discrimination, harassment and retaliation, which includes procedures for reporting any such behaviors, found in the Employee Handbook, and Human Resources is always available to discuss any employee's concerns. Additionally, the Plan reserves the right to review all items displayed in the workplace and visible to co-workers and determine if they are appropriate.

Bulletin Boards and Cubicle/Office Etiquette

The Plan has bulletin boards for the purpose of communications with its employees. Posting on these boards are limited to Plan-related materials including statutory and legal notices, safety and disciplinary roles, Plan policies, and memos of general interest relating to the Plan. All postings require approval from Human Resources.

The following spaces must be free of all decoration, signs or postings:

- All glass (inside and outside)
- All outside cube walls
- All pedestals / filing cabinets
- Hallway walls and office doors

Those seeking to put up **company logoed** material on walls will need to seek approval from the Executive Team. The lone exception will be during the annual "Winter Wonderland" celebration for which Facilities will provide all decorations.

Safety: Each Employee's Responsibility

Workplace Safety and Health

The Plan has adopted an Injury and Illness Prevention Program (the "Safety Program"), which is administered by the Safety Program Administrator. Each employee receives training in this program, and employees receive appropriate training upon a change in job assignment, when the introduction of new substances, process, procedures or equipment presents a new hazard, or when the Plan receives notification of a new or previously unrecognized hazard.

The responsibility for safety extends to every individual working for the Plan. The Plan has established its program to maintain the safety and health of its employees, and strongly encourages every employee to report any unsafe condition, accident (no matter how minor) and near miss, so that the Plan can take corrective action as soon as possible.

The Plan requires that all equipment and machinery be in proper working order and safe to work with at all times. If any equipment or machinery breaks down, do not use it until a qualified technician certifies that it is repaired and safe.

Business Continuity Plan

We value our employees' safety and the quality of services we provide to our members, participants and providers. We have developed a Business Continuity Plan to provide a framework so that we will be prepared for different levels and types of emergencies or other events that would disrupt operations at the Plan. This way we can ensure we are able to respond effectively to and recover from an emergency or other disruption as quickly as possible and continue with essential services during an emergency.

As part of this plan, we involve our employees in quarterly tests of the communication system that will be used in an emergency or other event. As an employee, you will:

- Be notified when we will conduct the quarterly test of the communication system.
- Participate in the quarterly communication test and will receive an automated call on your personal phones, with an option to receive texts, and an email on your personal email account.
- Be prompted to confirm receipt of the call and email.
- Be required to keep your contact information up-to-date, with accurate phone numbers and email addresses.

With everyone's cooperation with these tests throughout the year, we can ensure we are prepared to account for our employees, keep employees informed and continue to serve our members, participants and providers in the event of a true emergency or other event that would disrupt our normal operations. To update your personal contact information, please log onto the ADP website and follow the instructions. For questions regarding the ADP site, please contact Human Resources.

Threats of Violence

Employees who overhear a coworker, member or anyone on Plan property making a threat of violence, or otherwise learn of any threat of harm to themselves, to other employees, or to guests on our property, have an obligation to immediately report the matter to their supervisor or Human Resources. Employees should report all threats, even those that appear to have been in jest. All threats of harm should be reported so that the Plan will have the opportunity to investigate and respond to the truly volatile situations. All reports made to the Plan will be thoroughly and promptly investigated.

Reporting On-The-Job Injuries or Illnesses

If you or another employee are injured on the job, you should seek medical treatment immediately. If necessary, call an ambulance. If the injury is less serious, contact your supervisor and make arrangements to get medical help. The Plan's employees are covered by a Worker's Compensation insurance policy, and Human Resources will take appropriate steps towards initiating a claim if necessary.

Under the terms of our Worker's Compensation policy, if you are injured, you may be sent to one of the Plan's physicians for medical treatment, unless you have previously notified the Plan in writing that you wish to see your own physician. In emergency situations, a particular referral may not be possible or practical.

You are responsible for reporting any on-the-job accident, injury, or illness in which you are involved, no matter how minor. The report is to be made to your immediate supervisor or to Human Resources within 24 hours of the time of occurrence, using the appropriate forms provided by Human Resources.

Workers Compensation Coverage

The Plan is covered by Worker's Compensation insurance for the protection of employees who may be injured on the job. This insurance may provide coverage to an employee for hospital or doctor bills and lost earnings. If you are injured at work and you require more than incidental time off, you will be placed on a leave of absence until

- a medical professional certifies that you are able, with or without accommodation, to resume all of the essential duties of your former position;
- you are unable to come back to work in your position (i.e., your condition is permanent and stationary and cannot be accommodated); or
- you resign or otherwise indicate that you are not going to return to your former position.

Smoking in the Workplace

The Plan is committed to providing a safe and healthy environment for employees and visitors. Therefore, smoking is not permitted in any indoor office area. Smoking is permitted in designated outside areas only. Please be considerate of those entering the building and do not smoke directly in the path to the building entrance.

Alcohol Consumption While On Duty/On Property

The Plan strictly prohibits drinking alcohol while on ~~duty or on~~ property or during work hours. Exemptions from this policy would include:

- While on a business trip, but not during your work hours.

Life Threatening Illnesses

The Plan is committed to keeping your work environment healthy and safe of all employees, and has established the following guidelines if you or one of your co-workers has or contracts a life-threatening illness.

The Plan will treat life-threatening illnesses the same as other illnesses in terms of all our employee policies and benefits. If you have or contract a life-threatening illness, you will be allowed to keep working, as long as:

- You can meet the Plan's performance standards,
- Your illness does not actually endanger the health or safety of employees, beneficiaries, providers or visitors, and
- You provide the Plan with any Fitness for Duty Certifications from your health care providers that the Plan requests, in accordance with applicable law.

You may not refuse to work because you are afraid of contracting a non-contagious life-threatening illness from a co-worker, as long as that illness is non-contagious within normal work activities. You may not harass or otherwise discriminate against a co-worker who has a life-threatening illness. Employees who refuse to work with or who harass or discriminate against any employee with a life-threatening illness will be disciplined, up to and including discharge. In this Handbook, "life-threatening illness" includes cancer, heart disease, Lou Gehrig's disease, AIDS, and other illnesses of a severely degenerative nature.

Drug Free Workplace/ Substance Abuse

No employee shall work, report to work, be present in Plan vehicles, or engage in Plan activities while under the influence of alcohol, marijuana, or any controlled substance, which significantly affects job safety or performance. The unlawful or unauthorized manufacture, distribution, dispensation, possession, sale or use of alcohol or controlled substances on Plan premises, in Plan vehicles or while engaged in Plan activities is also strictly prohibited. Any violation of this substance abuse policy may result in disciplinary action, up to and including discharge.

An employee's conviction on a charge of illegal sale or possession of any controlled substance while off Plan property will not be tolerated because such conduct, even though off duty, reflects adversely on the Plan.

The Plan further reserves the right to take any and all appropriate and lawful actions necessary to enforce this substance abuse policy including, but not limited to, the inspection of the employees' personal property in certain circumstances, as well as Plan issued lockers, desks or other suspected areas of concealment. Full compliance with this substance abuse policy is a condition of employment and continued employment.

In order to protect yourself and other employees, we require that you be able to perform your job safely and unimpaired. If a supervisor believes that you are not working safely and unimpaired, you will be reassigned or laid off for the remainder of the day pending an investigation. If there is any violation of this policy, the violator will be subject to discipline up to and including discharge. Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting or resuming work.

Consistent with our fair employment policy, our organization maintains a policy of non-discrimination and reasonable accommodation with respect to recovering addicts or alcoholics, those who are perceived as having a dependency and those having a medical history reflecting treatment for this condition.

The Plan will encourage and reasonably accommodate employees with chemical dependencies to seek treatment and/or rehabilitation. To this end, employees desiring such assistance should request a treatment or rehabilitation leave. The Plan is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the Plan obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency.

This policy on treatment and rehabilitation is not intended to affect the Plan's treatment of employees who violate the regulations described above. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

Plan Procedures

Employee File

The information in your employee file is confidential and can be reviewed only by authorized managers. Any request for information from personnel files must be directed to Human Resources.

You have the right to review your employee file at reasonable times and at reasonable intervals. If you wish to do so, provide a request in writing to Human Resources. A manager or Human Resources must be present while you review its contents. Please note, during this time of remote working for all employees, access to certain employee files may be difficult to obtain and HR will do their best to accommodate requests.

Only Human Resources is authorized to release information about current or former employees. Please consult with Human Resources if you receive any requests to provide references on current or former Plan employees. The Plan shall have no obligation to release information other than job title, dates of employment and hours worked. Disclosure of salary information will only be provided with prior written authorization.

Each employee is responsible for keeping Human Resources informed of any change of address, telephone number, person to be notified in case of emergency, beneficiary, and current professional licenses. Changes to family status (births, marriage, domestic partnership registration, death, divorce, legal separation, etc.) must also be reported immediately to Human Resources, as an employee's income tax status and group insurance may be affected by these changes.

Travel/ Expense Accounts

The Plan will reimburse employees for reasonable expenses incurred through business travel and for reasonable business expenses. Expense reports must be submitted *as soon as possible* after you incur the expense; reimbursement will be included in your next paycheck. Expenses should be submitted within 30 days of their occurrence. All reports must state the reason the expense was incurred and have receipts attached. If you are going to incur a large expense, talk to your supervisor and/or Finance to see if we can pay some of the costs directly.

Local Expenses:

1. **Travel**: The Plan reimburses for the cost of travel.
    a. **Taxis**: Luxor taxi vouchers may be used, when appropriate, for Plan business use only. Vouchers are obtained on an as-needed basis from the accounting department. Each taxi voucher must be fully complete and include a brief description of the business purpose.
    b. **Public Transit**: We will reimburse you for the cost of public transit. The City of San Francisco has a "transit first" policy, so please consider using public transit where feasible. Do be aware, however, that if public transit will take much longer than other forms of travel, you should probably take a faster method.
    c. **Driving**: The Plan reimburses for driving in your own automobile at the IRS's reimbursement rate (see Accounting for updated rate), plus parking and bridge tolls. We do not reimburse you for travel to/from your home to the Plan's offices.
2. **Meals**: For some positions, there are occasions when you will need to pay for a meal for someone with whom we are doing business to foster a good working relationship. But there is a potential downside to this if our providers or vendors get the erroneous perception that we have lots of money to spend on such items. Accordingly, you and your supervisor should discuss under what circumstances you should pay for meals for other people. As a general rule, unless prior approval from your supervisor is approved, meals should be limited to no more than $25 per person for lunch or $30 per person for dinner. The Plan never reimburses for alcoholic beverages. To be reimbursed, you must submit the receipt for the meal with an indication of every person at the meal and the purpose of the meal. As a general rule, the Plan does not pay for meals when the staff eats together, unless a supervisor is taking their supervisee(s) to a meal for a business reason.
3. **Other expenses**: We ask that you use good judgment in incurring other expenses. If you have questions, talk to your supervisor BEFORE you incur an expense.

Out of Town Travel:

All out of town travel on the Plan's business must be approved in advance by your supervisor.

1. **Airfare**: Please obtain the lowest price airfare that is consistent with your travel needs. You must weigh the lower costs of non-refundable tickets against the likelihood that the travel will be canceled. Talk to your supervisor BEFORE you make a decision if you have any question. To be reimbursed, we need the receipt for the airfare, plus the stubs from your boarding pass(es).
2. **Lodging**: The cost of overnight lodging (room rate and tax only) will be reimbursed to the traveler if the authorized travel is 80 miles or more from the traveler's home or primary worksite. Exceptions to this restriction may be approved in writing by the Chief Financial Officer. The Plan will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate. Only single room rates are authorized for payment or reimbursement unless the second party is representing the agency in an authorized capacity. If you take a relative or friend with you, the Plan can only pay that portion of the lodging cost attributable to your stay. Talk to your supervisor BEFORE you make a decision if you have any question.
3. **Meals/incidentals**: As a general rule, the Plan will reimburse for meals and other expenses incurred during out of town travel up to a maximum of $60/day. You still need to submit receipts. The Plan never reimburses for alcoholic beverages. If you are taking others out for a meal, please see the rules for meals under LOCAL TRAVEL.

Employees who use their own automobiles on Plan business are expected to comply with California laws regarding insurance, vehicular and operational safety.

****

End

Acknowledgement of Receipt of San Francisco Health Plan Employee Handbook version January [6]~~8~~, ~~2020~~2021

All new employees of the San Francisco Health Plan (the "Plan") will receive a copy of this Handbook from their supervisor or Human Resources early in their employment with the Plan. All persons employed by the Plan when this version of the Handbook was issued received a copy of it. Every employee receiving a handbook must read and sign the form below acknowledging receipt. This form will be retained in the employee's personnel file.

This is to acknowledge that I have received and agree to read a copy of the Plan Employee Handbook, version January [6#], 2021 ~~January 8, 2020~~. I understand that it sets forth the terms and conditions of my employment as well as the rights, duties, responsibilities, and obligations of employment with the San Francisco Health Plan. I understand and agree that it is my responsibility to familiarize myself with the provisions of this handbook. I further acknowledge that I have received, read, and understand the Plan's discrimination, harassment, and retaliation prevention and reporting policies.

I understand that my employment is "at-will," and that there is no guarantee of any minimum length of employment. I further understand that the at-will status of my employment can only be changed by written agreement signed by the CEO or the Chair of the Governing Board.

I also agree to protect the confidentiality of all protected health information ~~patients~~ and provider information, as well as other confidential information received in the course of my employment at the Plan.

I also understand and agree that I do not possess a right to privacy with respect to my use of any Plan information systems and supplies (including, but not limited to phone, voicemail, email, text messages, instant messages, internet access and other electronic or digital communications) and that my usage of any such resources may be monitored at any time without prior notice and without cause.

Employee's Signature: ______________________________

Employee's Name (*Please Print*): ______________________________

Date: ______________________________

This Acknowledgment of Receipt should be retained in employee's personnel file

Agenda Item 3
Action Item

- Review and Approval of Year-to-Date Unaudited Financial Statements and Investment Reports

SAN FRANCISCO HEALTH PLAN
Here for you

FINANCIAL RESULTS – NOVEMBER 2020

1. November 2020 reported a margin of $508,000 versus a budgeted margin of $298,000. After removing Strategic Use of Reserves (SUR) activity, the actual margin from operations would remain $508,000 versus a budgeted margin of $714,000.

   On a year-to-date basis, we have a loss of ($1,323,000) versus a budgeted loss of ($3,815,000). After removing SUR activity, the actual loss from operations is ($1,311,000) versus a budgeted loss ($1,586,000).

2. Variances between November actual results and the budget include:

   a. A net increase in revenue of $193,000 due to:
      i. $155,000 more in premium revenue. Member months were 1,358 less than budget projections, however the mix of overall membership resulted in net additional revenue. Adult, Child and Seniors and Persons with Disabilities (SPD) member months were 5,919 less than budget, however Adult Expansion member months were 4,842 more than budget. The more favorable Adult Expansion premium rate helped to offset less premium in the other categories of aid. Membership continues to be on an upward trend with new members coming in along with members not placed on hold. Due to the public health emergency (PHE) created by the COVID-19 pandemic, the Department of Health Care Services (DHCS) has discontinued negative actions, e.g., holds and disenrollments for Medi-Cal beneficiaries.
      ii. $88,000 more in Maternity revenue as the result of 10 more maternity events.
      iii. $50,000 less in Hepatitis C revenue as the result of 16 fewer treatment weeks.

   b. A net increase in medical expense of $891,000 due to:
      i. $445,000 more in capitation expense due to changes in membership mix. Although we saw fewer members months in November, the capitation associated with the growth in Adult Expansion members exceeded the capitation expected in the Adult and Child categories of aid. The additional revenue generated by increasing membership offset the additional capitation expense.
      ii. $403,000 more in fee-for-service claims. The two areas where costs exceeded the budget were Community-Based Adult Services claims and supplemental payments for qualifying Proposition 56 services.
      iii. $54,000 more in Healthy Workers pharmacy expense. The actual cost was $69 pmpm while the budgeted cost was $65 pmpm. It is important to note that SFHP receives only $58 pmpm in the Healthy Workers rate. SFHP is working with the San Francisco Department of Public Health (SF DPH) and the Human Services Agency (HSA) to secure a rate increase for the pharmacy benefit.

iv. $122,000 more in Medi-Cal non-Hepatitis C pharmacy expense. This increase is due to slightly higher utilization.
v. $347,000 more in Non-Specialty Mental Health claims. This increase is due to a lag in claims submission. Total claims for October were $137,000 less than budget. When combining both October and November, the average per month cost is in line with FY 20-21 trending.
vi. $480,000 less in health education expenses. An invoice from Milliman Care Guidelines (MCG) for $255,000 was reclassified from medical expense to prepaid expense. SFHP made a one-year commitment to use MCG technology for utilization management decision-making. The remaining difference is due to timing. Actual costs are expected to align with the budget in the upcoming months.

c. A net decrease in administrative expenses of $888,000 due to:
   i. $200,000 reduction in monthly administrative costs as the result of discontinuing the bonus accrual. As no bonus was paid for FY 19-20, the bonus accrual is fully funded for FY 20-21.
   ii. $159,000 less in areas such as telecommunications, software licensing, software support and maintenance as well as other infrastructure costs.
   iii. $70,000 less in costs related to seminars and education, meetings and travel.
   iv. Anticipated external costs related to major projects such as CalAIM and CMS Interoperability have yet to be incurred.

Below is a chart highlighting the key income statement categories for November with adjustments for SUR activity in order to show margin or loss from ongoing operations.

	---NOV 2020---				---FYTD 20-21 THRU NOV---			
CATEGORY	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)	ACTUAL	BUDGET	FAV (UNFAV)	% FAV (UNFAV)
MEMBER MONTHS	149,315	150,673	(1,358)	-0.9%	738,790	726,996	11,794	1.6%
REVENUE	$ 50,752,000	$ 50,559,000	$ 193,000	0.4%	$ 385,472,000	$ 367,410,000	$ 18,062,000	4.9%
MEDICAL EXPENSE	$ 46,428,000	$ 45,537,000	$ (891,000)	-2.0%	$ 367,353,000	$ 348,123,000	$ (19,230,000)	-5.5%
MLR	92.7%	91.3%			96.1%	95.6%		
ADMINISTRATIVE EXPENSE	$ 3,878,000	$ 4,766,000	$ 888,000	18.6%	$ 19,670,000	$ 23,310,000	$ 3,640,000	15.6%
ADMINISTRATIVE RATIO	6.4%	8.2%			4.3%	5.5%		
INVESTMENT INCOME	$ 62,000	$ 42,000	$ 20,000	47.6%	$ 228,000	$ 208,000	$ 20,000	9.6%
MARGIN (LOSS)	$ 508,000	$ 298,000	$ 210,000		$ (1,323,000)	$ (3,815,000)	$ 2,492,000	
ADD BACK: SUR ACTIVITY	$ -	$ 416,000			$ 12,000	$ 2,229,000		
MARGIN (LOSS) FROM OPERATIONS	$ 508,000	$ 714,000	$ (206,000)	-28.9%	$ (1,311,000)	$ (1,586,000)	$ 275,000	

On a year-to-date basis through November and after the removal of SUR activity, SFHP is $275,000 ahead versus budget expectations. Although a margin is reported for November, we remain cautious due to the uncertainty around membership and rates for CY 2021.

- After removing the Directed Payments funding, premium revenue is above budget by $4.7 million. This is due to a net increase of 11,794 member months. Adult Expansion member months are 24,140 above budget which is a positive development due to the fact that the premium rate for this category of aid is $381 pmpm compared to $257 pmpm for the Adult 19 category and $113 pmpm for the Child 18 category.

- After removing SUR activity and Directed Payments funding, medical expense is above budget by $8.1 million. This increase can be accounted for as follows:
  - Capitation expenses are up $4,559,000
  - Medi-Cal non-Hep C pharmacy costs are up $1,445,000
  - Prop 56 supplemental payments are up $1,284,000
  - Healthy Workers pharmacy costs are up $ 872,000
  - CBAS expenses are up $ 772,000
  - Health Education costs are down ($ 832,000)
- Overall administrative expense is below budget by $3.6 million. The majority of this decrease is due to the elimination of the monthly bonus accrual and lower costs in the areas of professional services and information technology services. In addition, the budget included dollars for major projects which have not been incurred yet, i.e., CalAIM and CMS Interoperability.

PROJECTIONS

Financial projections through May 2021:

1. Due to the impact of the COVID-19 pandemic, SFHP anticipates continued increases in Medi-Cal membership over the next six months. We project an increase of approximately 22,000 new members during FY 20-21. Through November, we have added 10,000 new members. These new members have been spread across the Adult, Child and Adult Expansion categories of aid. We will continue to watch membership growth very closely as we begin to develop projections for FY21-22.

2. In response to the COVID-19 pandemic and the effect it is having on the finances of the State of California, the State Legislature approved the implementation of a 1.5% rate reduction retroactive to July 2019. This rate reduction is effective for the entire Bridge Period, which runs through December 2020. The rate reduction applies to all categories of aid except dual eligible members. SFHP estimates the impact of this rate reduction to be $3.3 million for the period of July through December 2020. This revenue loss was built into the FY 20-21 budget.

3. The pharmacy benefit carve-out scheduled for January 2021 has been delayed until April 2021. The State will take on this benefit and has selected Magellan as its Pharmacy Benefits Manager (PBM). For the period of April through June 2021, SFHP will see a revenue reduction of $22 million and an expense reduction of $21 million. This carve-out of the pharmacy benefit was projected to happen on January 1, 2021 and the impact was built into the FY 20-21 budget.
4. In September, SFHP received preliminary rates for CY 2021. Although these rates look promising, the rates do not include risk adjustment and the population acuity adjustment. These adjustments will reduce the preliminary rates. Our actuary believes that after these adjustments are incorporated into the rate-setting process, we may see an overall 3.2% increase, however this is only an estimate. SFHP does not expect to see final rates until late December.
5. Proposition 56 – This program will continue for FY 20-21 and will provide enhanced payments to medical groups for qualifying physician services, supplemental payments for developmental

screenings, adverse childhood experiences screenings, trauma screenings, family planning services and value-based payments related to a variety of health care quality measures.

6. See income statement charts on subsequent pages. Due to the impact that pass-through funding and the disbursement of Strategic Use of Reserves have on projections, we have included graphs with and without this activity. It is important to note the anticipated decline in revenue and medical expense effective April 2021. This reflects the impact of carving out the pharmacy benefit.

HIGHLIGHTED IMPACTS TO THE HEALTH PLAN AND/OR PROVIDERS

Future Medi-Cal Rates

Beginning with calendar year 2021, DHCS has transitioned its Medi-Cal rate-setting cycle from a fiscal year basis to a calendar year basis. New rates will be effective on January 1, 2021. Although the preliminary rates shared with SFHP appear to be favorable, DHCS still needs to apply a risk adjustment as well as a population acuity adjustment which will decrease the rates. DHCS has stated it will release final CY 2021 rates at the end of December.

Due to the COVID-19 pandemic and its impact on the State of California finances, the Administration and State Legislature passed a budget that included a 1.5% retroactive rate reduction for the Bridge Period of July 2019 through December 2020. This retroactive rate reduction decreased SFHP's Medi-Cal revenue by $9.3 million.

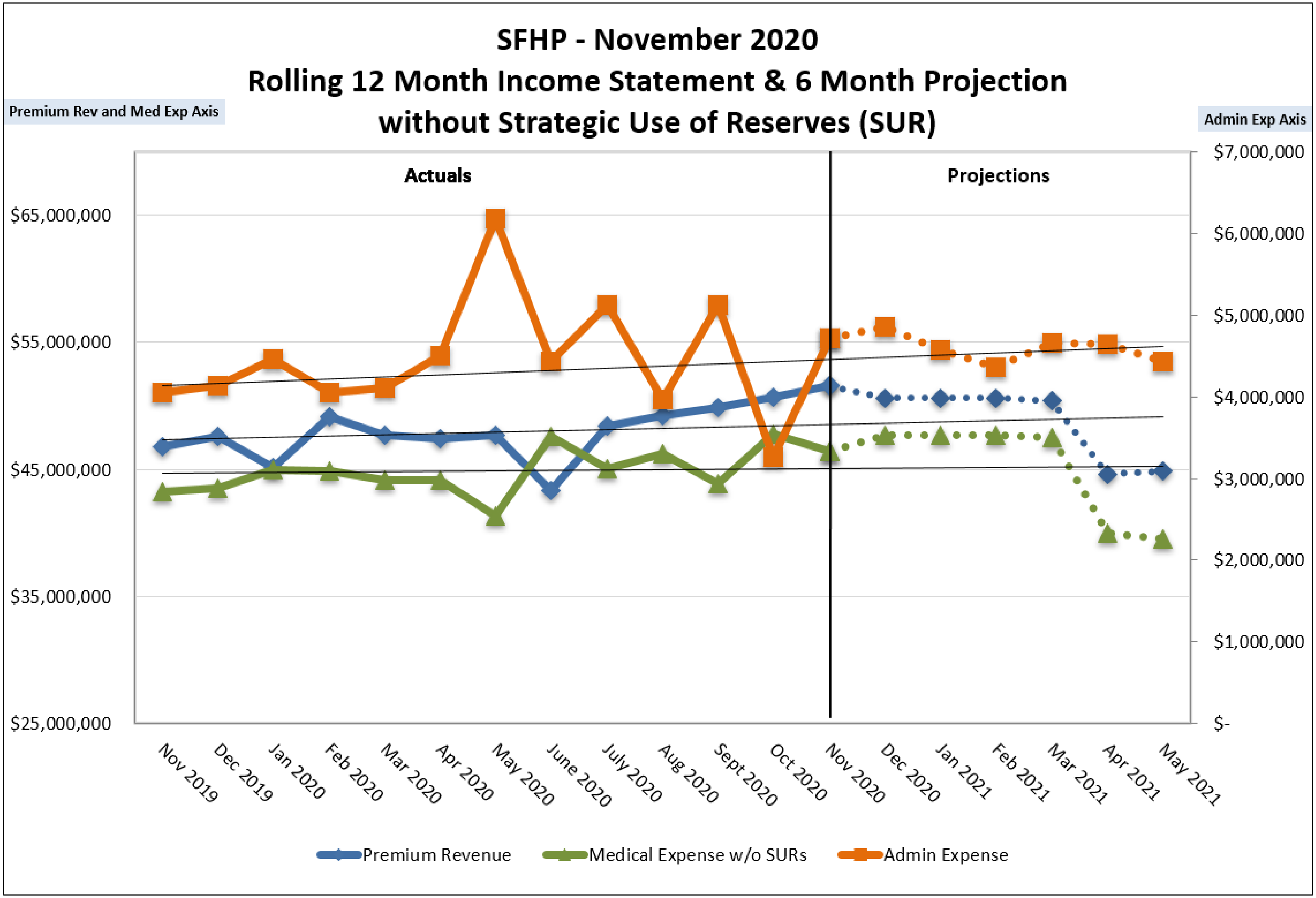
Given that there is the possibility for another retroactive rate reduction in the FY 21-22 state budget, we will propose to the Finance Committee and Governing Board at the March 2021 meeting to set aside 1.5% of the potential rate increase and place this amount into a reserve to cover the potential claw back by DHCS. If State finances improve and DHCS does not implement a 1.5% rate reduction, SFHP will release the reserve into income by June 30, 2021.

As SFHP looks ahead to future changes coming to Medi-Cal Managed Care, we recognize the need for the health plan to rebuild its reserves that have been reduced by retroactive adjustments implemented by DHCS. In recent years, SFHP has absorbed the following:

• 1.5% rate reduction (July 2019 through December 2020)	$9.3 million
• Adult Expansion Duals take-back (May 2018)	$2.4 million
• Deceased members take-back (March 2020)	$1.0 million
	$12.7 million

As you will recall, in each of these three circumstances SFHP recommended and the Finance Committee and Governing Board approved not to make retroactive recoveries from providers. The table on the next page shows how providers would have been impacted had SFHP not absorbed these take-backs by DHCS.

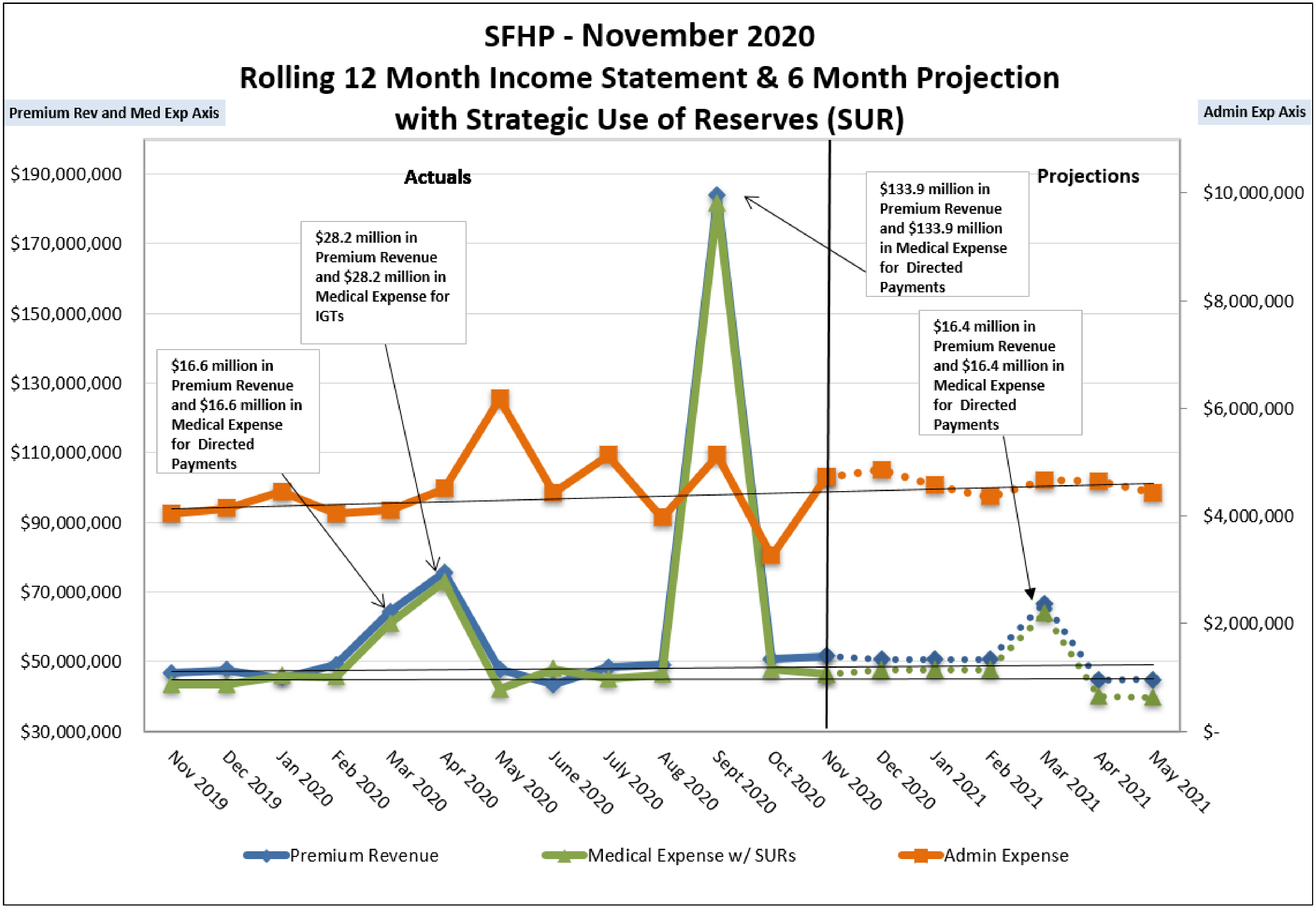
PROVIDER	1.5% RATE REDUCTION JUL 2019 - DEC 2020	DECEASED MEMBER AUDIT MAR 2020	ADULT EXPANSION DUALS TAKE-BACK MAY 2018	TOTAL
HOSPITALS				
ZUCKERBERG SAN FRANCISCO GENERAL	$ 1,991,442	$ 418,055	$ 173,122	$ 2,582,619
UCSF MEDICAL CENTER	$ 757,563	$ -	$ -	$ 757,563
CPMC	$ 679,370	$ 34,014	$ 19,852	$ 733,236
CHINESE HOSPITAL	$ 221,421	$ 12,200	$ 13,878	$ 247,499
CPMC MISSION BERNAL	$ 195,700	$ -	$ -	$ 195,700
	$ 3,845,496	$ 464,269	$ 206,852	$ 4,516,617
MEDICAL GROUPS				
NORTH EAST MEDICAL SERVICES	$ 1,106,095	$ 23,431	$ 33,108	$ 1,162,634
CLINICAL PRACTICE GROUP	$ 847,700	$ 83,885	$ 75,896	$ 1,007,481
UCSF MEDICAL GROUP	$ 298,756	$ 32,260	$ -	$ 331,016
CHINESE COMMUNITY HEALTHCARE ASSOCIATION	$ 97,984	$ 10,850	$ 10,604	$ 119,438
JADE MEDICAL GROUP	$ 76,363	$ -	$ -	$ 76,363
BROWN & TOLAND MEDICAL GROUP	$ 31,756	$ 8,468	$ 4,973	$ 45,197
HILL PHYSICIANS	$ 29,717	$ 1,798	$ 5,386	$ 36,901
	$ 2,488,370	$ 160,692	$ 129,967	$ 2,779,029
SFCCC				
MISSION NEIGHBORHOOD HEALTH CENTER	$ 61,118	$ 2,284	$ 2,450	$ 65,852
HEALTHRIGHT 360	$ 41,445	$ 3,121	$ 4,480	$ 49,046
SOUTH OF MARKET HEALTH CENTER	$ 26,290	$ 4,018	$ 1,236	$ 31,544
ST. ANTHONY MEDICAL CLINIC	$ 7,476	$ 717	$ 309	$ 8,502
SAN FRANCISCO COMMUNITY HEALTH CENTER	$ 7,256	$ -	$ 222	$ 7,478
NATIVE AMERICAN HEALTH CENTER	$ 5,797	$ 356	$ 444	$ 6,597
BAART	$ 3,115	$ 40	$ 239	$ 3,394
	$ 152,498	$ 10,536	$ 9,380	$ 172,414
UNAFFILIATED				
DR. TRAN	$ 3,502	$ 132	$ 194	$ 3,828
DR. KHONG	$ -	$ 496	$ 71	$ 567
MARIN CITY HEALTH AND WELLNESS	$ 3,439	$ -	$ -	$ 3,439
	$ 6,941	$ 628	$ 265	$ 7,834
TOTAL	$ 6,493,305	$ 636,125	$ 346,464	$ 7,475,894



1) Medical Expense **without** Strategic Use of Reserves (SUR)

2) Dual axis chart

3) Trend line **without** impact of Strategic Use of Reserves (SUR) or pass-throughs



1) Medical Expense **with** Strategic Use of Reserves (SUR) and pass-throughs

2) Dual axis chart

3) Trend line **without** impact of Strategic Use of Reserves (SUR) or pass-throughs

San Francisco Health Plan

Finance Big Picture Dashboard - November 2020

	Nov-20			Nov-19	Fiscal Year to Date (20/21)			FY 19/20
	MTD	MTD	MTD	MTD	FYTD	FYTD	FYTD	FYTD
	Actual	Budget	Fav (Unfav)	Actual	Actual	Budget	Fav (Unfav)	Actual
FINANCIAL POSITION:								
Net Profit/Loss w/o HSF ($)	507,904	297,799	210,105	211,669	(1,323,633)	(3,815,125)	2,491,492	1,652,335
Total Medical Loss Ratio_All LOB	92.7%	91.3%	-1.4%	93.4%	96.1%	95.6%	-0.5%	95.1%
Admin Expense Ratio	6.4%	8.2%	1.8%	6.4%	4.3%	5.5%	1.2%	4.7%
Number of FTE's	350			339				
Premium Revenue ($)	50,086,967	49,866,208	220,759	46,813,001	382,128,551	364,009,424	18,119,128	357,452,832
Medical Expenses ($)	46,428,480	45,537,030	(891,450)	43,710,966	367,352,678	348,123,381	(19,229,297)	340,058,593
Administration Expenses w/o HSF ($)	3,878,414	4,766,140	887,726	3,683,735	19,670,429	23,310,286	3,639,858	20,644,145
Member Months	149,315	150,673	(1,358)	137,328	738,790	726,996	11,794	696,567
Cash on Hand (Days)	7			44				

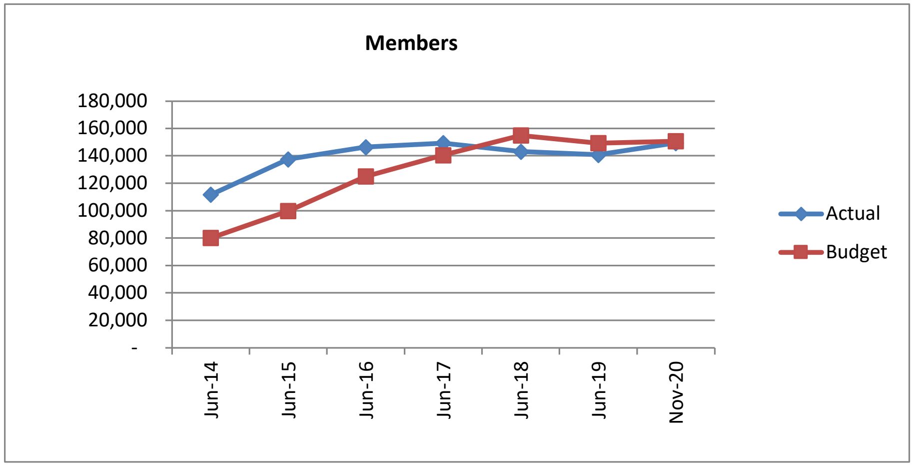
RESERVES:	November-2020	Budget @ 6/30/21	June-2020	June-2019	June-2018	June-2017	June-2016	June-2015
Reserves ($)	89,435,704	86,253,212	91,960,120	97,935,725	108,542,472	120,761,132	112,637,840	82,714,329
SUR carry-over balance from prior years	(3,957,978)	(1,800,000)	(4,145,463)	(6,046,189)	(15,567,350)			
FY18-19 SUR for Medical Groups and Targeted Interv.	(2,945,000)	-	(2,945,000)	(6,558,333)	0			
Adjusted Reserve Balance	82,532,726	84,453,212	84,869,657	85,331,203	92,975,122			
Reserve Policy 2x Premium Rev (Rolling 12 month avg)	100,173,935	90,000,000	86,669,751	93,747,256	93,684,010	94,325,464	100,027,410	51,400,000
Reserves Over (Under) 2 x Premium Revenue	(17,641,208)	(5,546,788)	(1,800,095)	(8,416,053)	(708,888)			
DMHC Required TNE	12,879,907	13,500,000	13,951,203	12,597,375	11,960,363	11,818,641	10,744,461	8,673,851
TNE Multiple	6.4	6.4	6.1	6.8	7.8	10.2	10.5	10.1

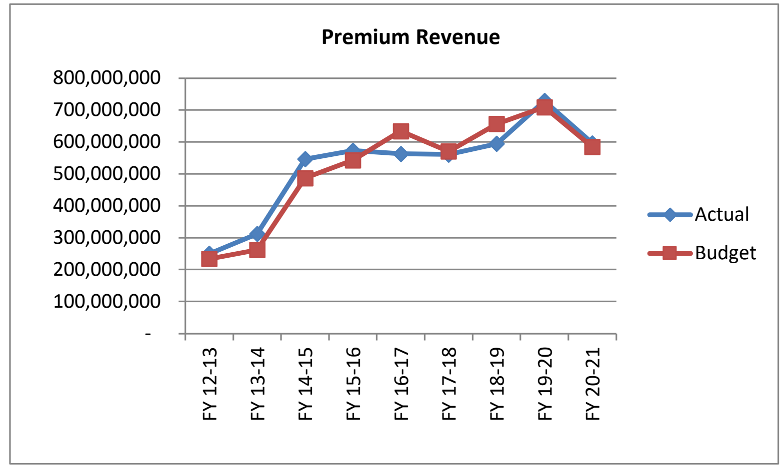
FINANCIAL TREND:	FY 20/21 Original Budget	Change
Premium Revenue ($)	364,009,424	18,119,128
Medical Expenses ($)	348,123,381	(19,229,297)
Administration Expenses w/o HSF ($)	23,310,286	3,639,858

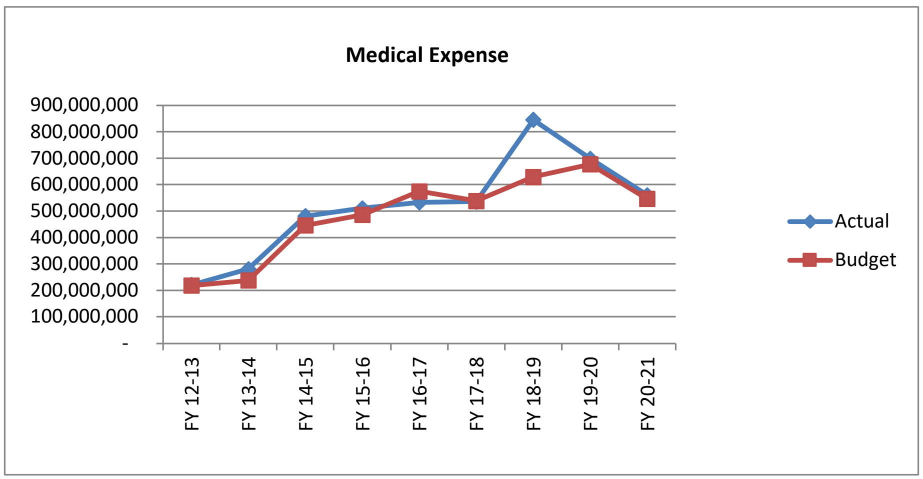
	November-2020	June-2019	June-2018	June-2017	June-2016	June-2015	June-2014	
Member Months	149,315	140,765	143,096	149,348	146,289	137,427	111,590	Membership for the Month
Average Monthly Enrollment	142,408	142,038	146,847	148,354	144,347	130,240	91,587	Rolling 12 Month Average

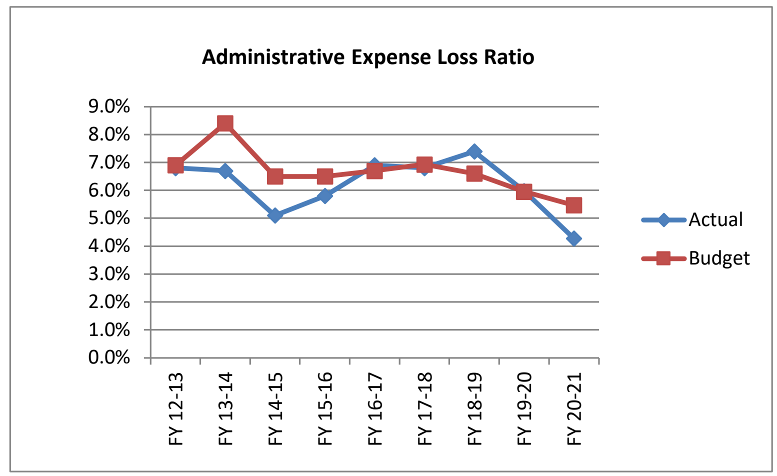
San Francisco Health Plan
Finance Big Picture Dashboard - November 2020

FINANCIAL TREND:
(Rolling 12 months)









San Francisco Health Plan

Finance Dashboard Metrics - November 2020

	Nov-20			Nov-19	Fiscal Year to Date (20/21)			FY 19/20
	Actual	Budget	Fav (Unfav)	Actual	Actual	Budget	Fav (Unfav)	Actual
Member Months	149,315	150,673	(1,358)	137,328	738,790	726,996	11,794	696,567
			-0.9%				1.6%	
Premium Revenue ($)	50,086,967	49,866,208	220,759	46,813,001	382,128,551	364,009,424	18,119,128	357,452,832
			0.4%				5.0%	
Administration Expenses w/o HSF ($)	3,878,414	4,766,140	887,726	3,683,735	19,670,429	23,310,286	3,639,858	20,644,145
Admin Expense Ratio	6.4%	8.2%		6.4%	4.3%	5.5%		4.7%
Medical Expenses ($)	46,428,480	45,537,030	(891,450)	43,710,966	367,352,678	348,123,381	(19,229,297)	340,058,593
Total Medical Loss Ratio	92.7%	91.3%		93.4%	96.1%	95.6%		95.1%
MC Medical Loss Ratio	95.5%	82.2%		88.5%	91.3%	89.1%		91.5%
MC SPD Medical Loss Ratio	83.3%	96.1%		97.3%	96.9%	99.1%		96.4%
MC Expansion	94.4%	92.5%		92.5%	97.3%	96.7%		96.1%
HW Medical Loss Ratio	100.0%	99.3%		97.6%	101.4%	99.5%		98.7%
								95.4%
HSF + SFCMRA - TPA Fee ($)	836,727	1,104,288	(267,561)	738,989	4,397,129	5,315,342	(918,212)	3,586,141
			-24.2%				-17.3%	
Cash on Hand (Days)	7			44				
Maternity Reimb. Performance ($)	871,125	783,132	87,992	695,140	4,162,022	3,915,662	246,360	3,921,735
(per case pymt, actual vs. budget)			11.2%				6.3%	
Number of Births	99	89	10	79	473	445	28	451
Hep-C Revenue ($)	506,132	555,907	(49,775)	418,284	1,982,582	2,779,535	(796,953)	3,035,935
Hep-C Expense w/rebates (FFS + Cap) ($)	516,217	555,907	(39,690)	391,576	1,997,597	2,779,535	(781,938)	2,950,300
Net Margin ($)	(10,085)	0	(10,085)	26,708	(15,015)	0	(15,015)	85,635
Total Hep-C Treatments	204	220	(16)	166	795	1,100	(305)	1,203
Total reimbursable Hep-C weeks (exclude Daklinza)	204	220	(16)	166	795	1,100	(305)	1,203
Net Profit/Loss w/o HSF ($)	507,904	297,799	210,105	211,669	(1,323,633)	(3,815,125)	2,491,492	1,652,335

San Francisco Health Plan
Consolidated Balance Sheet for SFHA and SFCHA
As of November 30, 2020

		SFHA	HSF	11/30/2020 Total	11/30/2019 Total	Variance
	ASSETS					
	CURRENT ASSETS					
(1)	SFHP Cash and Cash Equivalents	3,531,781		3,531,781	4,204,884	(673,103)
(1)	Short Term Investments	38,958,490		38,958,490	85,654,650	(46,696,160)
	HSF Cash and Cash Equivalents		629,533,210	629,533,210	530,755,262	98,777,948
	Petty Cash	1,000		1,000	1,000	-
	Other Receivables	7,558,889		7,558,889	2,850,138	4,708,751
	Interest Receivable	175,649		175,649	242,472	(66,823)
	Grant Funds Receivable	-		-	1,953,295	(1,953,295)
(2)	Capitation Receivable	105,331,521		105,331,521	54,536,841	50,794,680
	HSF Operation Receivable	4,430,578		4,430,578	7,759,992	(3,329,414)
	HSF Provider Payment & Advance		1,082,122	1,082,122	1,029,383	52,739
(3)	HSF Receivables		15,563,477	15,563,477	644,439	14,919,038
	Prepaid Insurance	73,053		73,053	107,267	(34,214)
	HSF Prepaid Insurance	11,784		11,784	10,664	1,120
	Prepaid Rent	338,636		338,636	328,996	9,640
	Prepaid Expenses	3,251,218		3,251,218	2,793,930	457,288
	HSF Prepaid Expenses	13,688		13,688	13,688	-
	CalPERS Unfunded Pension	208,691		208,691	1,279,513	(1,070,822)
	CalPERS Deferred Outflow Fund	7,887,320		7,887,320	7,479,745	407,575
	Deposits	79,874		79,874	79,874	-
	Total Current Assets	171,852,171	646,178,809	818,030,980	701,726,032	116,304,949
	OTHER ASSETS					
	Long Term Investments	23,716,847		23,716,847	22,294,365	1,422,482
	Restricted Funds Required by DMHC	300,000		300,000	300,000	-
	Total Other Assets	24,016,847	-	24,016,847	22,594,365	1,422,482
	FIXED ASSETS					
	Furniture & Equipment	15,071,270		15,071,270	14,645,212	426,058
	Accumulated Depreciation	(11,520,390)		(11,520,390)	(9,926,718)	(1,593,671)
	Net Fixed Assets	3,550,880	-	3,550,880	4,718,493	(1,167,613)
	TOTAL ASSETS	**199,419,898**	**646,178,809**	**845,598,707**	**729,038,890**	**116,559,817**

San Francisco Health Plan
Consolidated Balance Sheet for SFHA and SFCHA
As of November 30, 2020

		SFHA	HSF	11/30/2020 Total	11/30/2019 Total	Variance
	LIABILITIES & FUND BALANCE					
	CURRENT LIABILITIES					
	Accounts Payable	15,499,215		15,499,215	15,518,128	(18,912)
	HSF Accounts Payable		717,469	717,469	695,218	22,251
	Deferred Rent	1,909,990		1,909,990	2,015,826	(105,836)
	Salaries/Benefits/PERS Payable	8,217,595		8,217,595	5,198,589	3,019,006
	CalPERS Pension Deferred Inflow	180,387		180,387	227,213	(46,826)
	Notes Payable - Lease Equipment	69,899		69,899	158,384	(88,485)
	Unearned Premium Revenue	-		-	1,771,518	(1,771,518)
(4)	DHCS, MCO, IGT, AB-85, SB-335, SB-208 and ACA Payable	25,325,026		25,325,026	10,678,428	14,646,598
	HSF Earned Premium - Due to DPH		59,283,387	59,283,387	61,253,367	(1,969,979)
	Waiver, Discount, and Account Write-off		(325,801)	(325,801)	(392,442)	66,641
	HSF Unearned Participant Fees		1,322,113	1,322,113	2,008,328	(686,215)
	ESR due to DPH		423,187,616	423,187,616	329,134,621	94,052,995
	HSF MRA Fund Payable (Claim & Fee)		161,994,025	161,994,025	139,729,993	22,264,032
	Capitation Payable	53,864,409		53,864,409	52,091,549	1,772,860
	Claims Payable	1,292,928		1,292,928	988,817	304,111
	Claims IBNR	2,837,667		2,837,667	5,805,829	(2,968,162)
	TOTAL LIABILITIES	109,197,117	646,178,809	755,375,926	626,883,365	128,492,562
	FUND BALANCE					
	Contributed Capital	1,516,840		1,516,840	1,516,840	-
	Accumulated Surplus Revenue	90,029,573		90,029,573	98,986,350	(8,956,777)
	Current Year Surplus / Deficit	(1,323,633)		(1,323,633)	1,652,335	(2,975,968)
	Fund Balance	90,222,781	-	90,222,781	102,155,525	(11,932,744)
	TOTAL LIABILITIES & FUND BALANCE	**199,419,898**	**646,178,809**	**845,598,707**	**729,038,890**	**116,559,817**

San Francisco Health Plan
Consolidated Balance Sheet for SFHA and SFCHA
As of November 30, 2020

Notes:

(1) SFHP Cash and Cash Equivalents and Short Term Investments had a combined balance of $42.5 million at 11/30/20 as compared to $89.9 million at 11/30/19. The November Medi-Cal premium payment was not received until 12/1/20.

The days cash on hand as of 11/30/20 was 7 days compared to 31 days at 9/30/20. This decrease was due to the timing of receiving the November Medi-Cal premium payment. SFHP has a $40 million line of credit with City National Bank to cover unexpected delays in payments from DHCS.

(2) Capitation Receivable is a combination of Medi-Cal premiums totaling $102.2 million along with $3.1 million of receivables for the Healthy Workers program. The payment for the November Medi-Cal premium was received 12/1/20. SFHP and the SF Department of Human Resources are engaged in a weekly dialogue on the payment of the HW receivable. We have a verbal confirmation that this amount will be paid as soon as the new contract is executed. SFHP is currently reviewing a draft of the new contract.

(3) The majority of this increase is related to the $500 grants disbursed to SF City Option MRA holders. These funds will come back into the HSF SF City Option program at a later date.

(4) The additional $14.6 million is Proposition 56 money that is expected to be paid to providers. SFHP must achieve a 95% MLR for Proposition 56 funding, otherwise funds will have to be returned to DHCS.

All other asset and liability account balances appear to be reasonable.

San Francisco Health Plan
Income Statement w/o HSF
Consolidated Statement for SFHA and SFCHA
For the Month Ending November 30, 2020

	Current Month Actual	Current Month Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %		Year to Date Actual	Year to Date Budget	Fav (Unfav) ($)	Fav (Unfav) %
					Member Month				
(1)	69,624	75,065	(5,441)	(7.2%)	Medi-Cal	342,453	355,685	(13,232)	(3.7%)
	13,502	13,980	(478)	(3.4%)	Medi-Cal SPD	67,180	69,620	(2,440)	(3.5%)
	54,679	49,837	4,842	9.7%	Medi-Cal Expansion	266,986	242,846	24,140	9.9%
	11,510	11,791	(281)	(2.4%)	Healthy Workers	62,171	58,845	3,326	5.7%
	149,315	150,673	(1,358)	(0.9%)	TOTAL MEMBER MONTH	738,790	726,996	11,794	1.6%
					REVENUE				
(2)	12,281,184	13,168,409	(887,226)	(6.7%)	Medi-Cal	83,559,404	88,229,575	(4,670,171)	(5.3%)
	11,406,701	11,820,425	(413,724)	(3.5%)	Medi-Cal SPD	98,378,693	93,164,190	5,214,503	5.6%
	21,027,840	19,372,207	1,655,633	8.5%	Medi-Cal Expansion	170,908,187	155,140,102	15,768,085	10.2%
	114,000	116,090	(2,090)	(1.8%)	MC Health Homes	885,404	580,450	304,954	52.5%
	5,257,243	5,389,077	(131,834)	(2.4%)	Healthy Workers	28,396,864	26,895,107	1,501,756	5.6%
	50,086,967	49,866,208	220,759	0.4%	Total Capitation Revenue	382,128,551	364,009,424	18,119,128	5.0%
	665,559	693,094	(27,534)	(4.0%)	Other Income - Admin Svc & TPL	3,343,387	3,400,785	(57,399)	(1.7%)
	665,559	693,094	(27,534)	(4.0%)	Total Other Income	3,343,387	3,400,785	(57,399)	(1.7%)
	50,752,527	**50,559,302**	**193,225**	**0.4%**	**TOTAL REVENUE**	**385,471,938**	**367,410,209**	**18,061,729**	**4.9%**

San Francisco Health Plan
Income Statement w/o HSF
Consolidated Statement for SFHA and SFCHA
For the Month Ending November 30, 2020

	Current Month Actual	Current Month Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %		Year to Date Actual	Year to Date Budget	Fav (Unfav) ($)	Fav (Unfav) %
					EXPENSES				
					Medical Expenses				
(3)	16,137,271	16,060,175	(77,095)	(0.5%)	Professional	79,891,864	79,044,138	(847,726)	(1.1%)
	20,460,804	19,674,641	(786,163)	(4.0%)	Hospital	102,234,454	98,083,264	(4,151,190)	(4.2%)
	7,667,678	7,531,048	(136,630)	(1.8%)	Pharmacy	40,454,601	38,919,082	(1,535,519)	(3.9%)
	33,233	41,391	8,158	19.7%	Immunizations	152,452	214,839	62,387	29.0%
	1,049,532	670,253	(379,280)	(56.6%)	Vision and Mental Health	3,802,754	3,553,714	(249,039)	(7.0%)
(4)	1,079,962	1,559,522	479,560	30.8%	Health Ed & Stop Loss & Other	140,816,553	128,308,344	(12,508,209)	(9.7%)
	46,428,480	**45,537,030**	**(891,450)**	**(2.0%)**	**Total Medical Expenses**	**367,352,678**	**348,123,381**	**(19,229,297)**	**(5.5%)**
	92.7%	91.3%			Medical Cost Ratio %	96.1%	95.6%		
					Operating Expenses				
(5)	2,132,758	2,338,304	205,546	8.8%	Compensation & Benefits	11,052,363	11,689,980	637,617	5.5%
	(29,818)	57,980	87,798	151.4%	GASB-68 CalPERS Contribution	(70,537)	307,711	378,248	122.9%
	437,405	473,706	36,301	7.7%	Lease, Insurance, D & A	2,207,480	2,310,413	102,932	4.5%
	89,234	117,242	28,008	23.9%	Marketing & Outreach	354,415	473,286	118,871	25.1%
	336,707	282,825	(53,882)	(19.1%)	PBM and Mental Health TPA Fees	1,601,369	1,426,101	(175,268)	(12.3%)
(5)	167,271	412,126	244,855	59.4%	Professional Fees & Consulting	944,082	2,090,631	1,146,549	54.8%
	744,857	1,083,956	339,099	31.3%	Other Expenses	3,581,256	5,012,165	1,430,909	28.5%
	3,878,414	4,766,140	887,726	18.6%	Total Operating Expenses	19,670,429	23,310,286	3,639,858	15.6%
	6.4%	8.2%			Administrative Cost Ratio %	4.3%	5.5%		
					(Op Exp-Other Inc/Premium)				
	50,306,895	**50,303,170**	**(3,724)**	**(0.0%)**	**TOTAL EXPENSES**	**387,023,106**	**371,433,667**	**(15,589,439)**	**(4.2%)**
	445,632	**256,132**	**189,500**	**74.0%**	**Operating Surplus / Deficit**	**(1,551,168)**	**(4,023,458)**	**2,472,290**	**(61.4%)**
	78,859	41,667	37,192	89.3%	Interest Income & Realized G/L on Investment	369,272	208,333	160,939	77.3%
	(16,587)	-	(16,587)		Unrealized Gain / Loss on Investment	(141,737)	-	(141,737)	
	-	-	-		Realized Gain / Loss on Lease Equipment	-	-	-	
	62,272	41,667	20,605	49.5%	Total Interest Income & Realized G/L on Investmer	227,535	208,333	19,202	9.2%
	507,904	**297,799**	**210,105**	**70.6%**	**SURPLUS / DEFICIT**	**(1,323,633)**	**(3,815,125)**	**2,491,492**	**(65.3%)**

San Francisco Health Plan
Income Statement w/o HSF
Consolidated Statement for SFHA and SFCHA
For the Month Ending November 30, 2020

Notes:

Following are key points that impacted our financial performance during November 2020. For a more detailed discussion of each of these points, please refer to the attached FINANCIAL RESULTS-NOVEMBER 2020 memo.

(1) November member months were slightly below budget. Although Adult and Child member months were short of budget projections, Adult Expansion member months came in 4,842 ahead of budget which helped drive additional revenue for SFHP and additional capitation for providers. SFHP expects continued growth in membership due to the impacts of the COVID-19 pandemic.

(2) Year-to-date revenue included $133.9 million in Directed Payments funding related to FY18-19. The FY20-21 budget projected $120.6 million. This funding is a direct pass-through to hospital providers. DHCS and DMHC allow health plans to treat this funding as revenue and medical expense.

(3) Additional professional and hospital expense was driven by increased capitation due to more membership. SFHP has also seen increases in CBAS and Prop 56 claims expense. Healthy Workers pharmacy expense was $69 pmpm versus a budget of $65 pmpm. SFHP receives $57 pmpm for the Healthy Workers pharmacy benefit.

(4) The Health Education, Stop Loss and Other Medical Expenses line item includes Directed Payment funding. SFHP received $133.9 million versus a projected amount of $120.6 million.

(5) The Compensation and Benefits line item is lower than budget due to discontinuing the monthly bonus accrual. As no bonus was paid for FY19-20, the bonus accrual is fully funded for FY20-21. Professional Fees and Consulting expense is lower than the budget as anticipated spending for major projects such as CalAIM and CMS Interoperability has not occurred yet. Other Expenses such as telecommunications, systems maintenance and systems support costs have come in lower than expected. This is related to timing issues as it is expected that actual spending and budget projections will align more closely in future months.

San Francisco Health Plan
Income Statement w/o HSF
Consolidated Statement for SFHA and SFCHA
For the Month Ending November 30, 2020
($ PMPM)

Current Month Actual	Current Month Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %		Year to Date Actual	Year to Date Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %
				REVENUE				
176.39	175.43	0.97	0.6%	Medi-Cal	244.00	248.06	(4.05)	(1.6%)
844.82	845.52	(0.71)	(0.1%)	Medi-Cal SPD	1,464.40	1,338.18	126.22	9.4%
384.57	388.71	(4.14)	(1.1%)	Medi-Cal Expansion	640.14	638.84	1.30	0.2%
456.75	457.05	(0.30)	(0.1%)	Healthy Workers	456.75	457.05	(0.30)	(0.1%)
334.68	**330.96**	**3.72**	**1.1%**	**Total Capitation Revenue**	**516.04**	**500.70**	**15.33**	**3.1%**
4.46	4.60	(0.14)	(3.1%)	Other Income - Admin Svc & TPL	4.53	4.68	(0.15)	(3.3%)
4.46	**4.60**	**(0.14)**	**(3.1%)**	**Total Other Income**	**4.53**	**4.68**	**(0.15)**	**(3.3%)**
339.14	**335.56**	**3.58**	**1.1%**	**TOTAL REVENUE**	**520.56**	**505.38**	**15.18**	**3.0%**

San Francisco Health Plan
Income Statement w/o HSF
Consolidated Statement for SFHA and SFCHA
For the Month Ending November 30, 2020
($ PMPM)

Current Month Actual	Current Month Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %		Year to Date Actual	Year to Date Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %
				EXPENSES				
				Medical Expenses				
108.08	101.16	(6.92)	(6.8%)	Professional	108.14	102.53	(5.61)	(5.5%)
137.03	136.01	(1.02)	(0.7%)	Hospital	138.38	141.11	2.73	1.9%
51.35	49.98	(1.37)	(2.7%)	Pharmacy	54.76	53.53	(1.22)	(2.3%)
0.22	0.27	0.05	19.0%	Immunizations	0.21	0.30	0.09	30.2%
-	-	-		Dental	-	-	-	
7.03	4.45	(2.58)	(58.0%)	Vision and Mental Health	5.15	4.89	(0.26)	(5.3%)
7.23	10.35	3.12	30.1%	Health Ed & Stop Loss & Other	190.60	176.49	(14.11)	(8.0%)
310.94	**302.22**	**(8.72)**	**(2.9%)**	**Total Medical Expenses**	**497.24**	**478.85**	**(18.38)**	**(3.8%)**
92.9%	91.3%			Medical Cost Ratio %	96.4%	95.6%		
				Operating Expenses				
14.28	15.52	1.24	8.0%	Compensation & Benefits	14.96	16.08	1.12	7.0%
(0.20)	0.38	0.58	151.9%	GASB-68 CalPERS Contribution	(0.10)	0.42	0.52	122.6%
2.93	3.14	0.21	6.8%	Lease, Depreciation & Amortization	2.99	3.18	0.19	6.0%
0.60	0.78	0.18	23.2%	Marketing & Outreach	0.48	0.65	0.17	26.3%
2.26	1.88	(0.38)	(20.1%)	PBM and Mental Health TPA Fees	2.17	1.96	(0.21)	(10.5%)
1.12	2.74	1.61	59.0%	Professional Fees & Consulting	1.28	2.88	1.60	55.6%
4.99	7.19	2.21	30.7%	Other Expenses	4.85	6.89	2.05	29.7%
25.97	**31.63**	**5.66**	**17.9%**	**Total Operating Expenses**	**26.63**	**32.06**	**5.44**	**17.0%**
6.4%	8.2%			Administrative Cost Ratio %	4.3%	5.5%		
336.92	**333.86**	**(3.06)**	**(0.9%)**	**TOTAL EXPENSES**	**523.86**	**510.92**	**(12.95)**	**(2.5%)**
2.22	**1.70**	**0.52**	**30.7%**	**Operating Surplus / Deficit**	**(3.30)**	**(5.53)**	**2.24**	**-40.4%**
0.53	0.28	0.25	91.0%	Interest Income & Realized G/(L) on Investmer	0.50	0.29	0.21	74.4%
(0.11)	-	(0.11)	-	Unrealized Gain / (Loss) on Investment	(0.19)	-	(0.19)	-
-	-	-	-	Realized Gain / (Loss) on Lease Equipments	-	-	-	-
0.42	0.28	0.14			0.31	0.29	0.02	
2.64	**1.98**	**0.66**	**33.5%**	**SURPLUS / DEFICIT**	**(2.99)**	**(5.25)**	**2.26**	**-43.0%**

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San Francisco Health Plan
Income Statement
Healthy San Francisco & SF Covered MRA
For the Month Ending November 30, 2020

Current Month Actual	Current Month Budget	Fav (Unfav) Amount ($)	Fav (Unfav) %		Year to Date Actual	Year to Date Budget	Fav (Unfav) ($)	Fav (Unfav) %
				REVENUE				
836,727	**1,104,288**	**(267,561)**	**-24.2%**	**TPA Fee - HSF + SFCMRA**	**4,397,129**	**5,315,342**	**(918,213)**	**(17.3%)**
				EXPENSES				
704,500	781,896	77,396	9.9%	Compensation & Benefits	3,465,151	3,703,381	238,230	6.4%
88,581	121,564	32,982	27.1%	Lease, Insurance, D & A	442,906	607,818	164,912	27.1%
1,969	36,921	34,952	94.7%	Marketing & Outreach	50,485	184,607	134,121	72.7%
4,614	69,250	64,636	93.3%	Professional Fees & Consulting	212,945	346,250	133,305	38.5%
37,063	94,657	57,594	60.8%	Other Expenses	225,642	473,285	247,643	52.3%
836,727	**1,104,288**	**267,561**	**24.2%**	**TOTAL EXPENSES**	**4,397,129**	**5,315,342**	**918,212**	**17.3%**
100.0%	100.0%			Administrative Cost Ratio %	100.0%	100.0%		
-	**-**	**-**		**SURPLUS / DEFICIT**	**-**	**-**	**-**	

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San Francisco Health Plan
Investment Performance
(excludes balances in SFHA operating accounts)
November 30, 2020

Fixed Income Securities	Purchase Date	Quantity	Purchase Price	11/30/20 Price	Market Value 11/30/20	Amortized Prem / Disc	Remaining Cost	Unrealized Gain (Loss)	Estimated Annual Income
Local Agency Investment Fund (LAIF) - rate @ .685%			$ 1,210,597		**$ 1,210,597**	$ -	$ 1,210,597	$ -	$ 8,293
Principle Cash									
Principal Cash		-	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CNB Deposit Sweep (TBSCNBM) - Variable Rate 0.03%		52,103	$ 52,103	$ 1.000	$ 52,103	$ -	$ 52,103	$ -	$ 10
Total Cash and Cash Equivalents		**$ 52,103**	**$ 52,103**		**$ 52,103**	**$ -**	**$ 52,103**	**$ -**	**$ 10**
U.S. Govt Bonds, Notes, & U.S. Agencies									
US Treasury Note - 2.625% - 12/15/2021	6/1/20	660,000	$ 684,698	$102.59	$ 677,094	$ (6,480)	$ 678,219	$ (1,125)	$ 17,325
US Treasury Note - 1.875% - Mat 02/28/2022	10/30/19	595,000	$ 598,114	$102.18	$ 607,947	$ (1,339)	$ 596,776	$ 11,172	$ 11,156
US Treasury Note - 2.375% - Mat 03/15/2022	6/8/20	690,000	$ 716,441	$102.89	$ 709,948	$ (6,066)	$ 710,375	$ (427)	$ 16,388
US Treasury Note - 1.75% - Mat 04/30/2022	10/5/18	825,000	$ 790,453	$102.31	$ 844,082	$ (2,283)	$ 788,170	$ 55,912	$ 14,438
US Treasury Note - 1.875% - Mat 05/31/2022	6/23/17	915,000	$ 919,646	$102.63	$ 939,019	$ (3,687)	$ 915,959	$ 23,059	$ 17,156
US Treasury Note - 2.000% - Mat 11/30/2022	6/17/19	715,000	$ 720,019	$103.68	$ 741,283	$ (1,578)	$ 718,441	$ 22,843	$ 14,300
US Treasury Note - 1.500% - Mat 01/15/2023	5/7/20	600,000	$ 620,273	$102.84	$ 617,040	$ (619)	$ 619,655	$ (2,615)	$ 9,000
US Treasury Note - 2.750% - Mat 04/30/2023	10/30/19	575,000	$ 596,428	$106.23	$ 610,805	$ (1,207)	$ 595,221	$ 15,584	$ 15,813
US Treasury Note - 2.750% - Mat 11/15/2023	5/7/20	680,000	$ 738,517	$107.57	$ 731,476	$ (632)	$ 737,885	$ (6,409)	$ 18,700
US Treasury Note - 2.125% - Mat 03/31/2024	6/8/20	585,000	$ 624,945	$106.34	$ 622,066	$ (5,235)	$ 619,709	$ 2,356	$ 12,431
US Treasury Note - 2.375% - Mat 08/15/2024	5/7/20	570,000	$ 619,229	$107.86	$ 614,796	$ (646)	$ 618,583	$ (3,787)	$ 13,538
US Treasury Note - 2.250% - Mat 12/31/2024	6/2/20	685,000	$ 745,553	$107.99	$ 739,718	$ (6,608)	$ 738,945	$ 773	$ 15,413
US Treasury Note - 0.375% - Mat 04/30/2025	6/2/20	625,000	$ 626,904	$100.28	$ 626,731	$ (194)	$ 626,711	$ 21	$ 2,344
US Treasury Note - 2.875% - Mat 05/31/2025	6/2/20	670,000	$ 754,430	$111.41	$ 746,420	$ (8,445)	$ 745,985	$ 435	$ 19,263
US Treasury Note - 2..750% - Mat 06/30/2025	7/17/20	225,000	$ 252,211	$111.01	$ 249,777	$ (2,750)	$ 249,461	$ 316	$ 6,188
US Treasure Note - 0.250% Mat 07/31/2025	11/3/20	520,000	$ 516,913	$99.62	$ 518,008	$ (94)	$ 516,819	$ 1,190	$ 1,300
US Treasury Note - 2.00% - Mat 08/15/2025	9/10/20	150,000	$ 162,604	$107.77	$ 161,649	$ (570)	$ 162,034	$ (385)	$ 3,000
Federal Home Loan Bank- 3% Mat 10/12/2021	11/9/18	325,000	$ 323,970	$102.49	$ 333,080	$ 1,524	$ 325,494	$ 7,586	$ 9,750
Federal National Mortgage Assn- 2% Mat 01/05/2022	7/23/18	945,000	$ 920,940	$102.06	$ 964,439	$ 16,082	$ 937,023	$ 27,416	$ 18,900
Federal National Mortgage Assn-1.875% Mat 04/05/2022	7/25/19	835,000	$ 835,921	$102.33	$ 854,430	$ (449)	$ 835,472	$ 18,959	$ 15,656
Federal National Mortgage Assn - 2.375% Mat - 01/19/2023	4/5/18	815,000	$ 803,016	$104.63	$ 852,694	$ 6,656	$ 809,672	$ 43,022	$ 19,356
Federal National Mortgage Assn - 2.75% Mat - 06/19/2023	7/11/18	575,000	$ 572,033	$106.44	$ 612,024	$ 1,426	$ 573,459	$ 38,566	$ 15,813
Federal National Mortgage Assn - 2.875% Mat - 09/12/2023	1/18/19	685,000	$ 695,533	$107.37	$ 735,457	$ (4,414)	$ 691,119	$ 44,338	$ 19,694
Federal Farm Credit Bank - 0.200% Mat - 10/02/2023	10/2/20	750,000	$ 749,123	$99.86	$ 748,965	$ (242)	$ 748,881	$ 84	$ 1,500
Federal National Mortgage Assn- 2.5% Mat 02/05/2024	3/5/19	695,000	$ 695,078	$107.14	$ 744,644	$ 123	$ 695,201	$ 49,443	$ 17,375
Federal National Mortgage Assn-2.625% Mat 09/06/2024	10/30/19	790,000	$ 824,357	$108.85	$ 859,891	$ (8,125)	$ 816,232	$ 43,659	$ 20,738
Total U.S. Govt Bonds, Notes, & U.S. Agencies		**$ 16,700,000**	**$ 17,107,350**		**$ 17,463,484**	**$ (35,851)**	**$ 17,071,499**	**$ 391,985**	**$ 346,531**
Corporate Bonds									
Goldman Sachs Group - 3.625% Mat 01/22/2023	7/25/19	705,000	$ 733,188	$106.61	$ 751,593	$ (11,933)	$ 721,255	$ 30,339	$ 25,556
Amex - 3.4% - Mat 02/27/2023	2/27/18	465,000	$ 464,577	$106.42	$ 494,830	$ 230	$ 464,807	$ 30,023	$ 15,810
Wells Fargo & Company - 3.750% Mat - 01/24/2024	4/22/19	685,000	$ 701,050	$108.64	$ 744,163	$ (5,406)	$ 695,644	$ 48,520	$ 25,688
Morgan Stanley - Variable rate 3.737% Mat 04/24/2024	7/25/19	575,000	$ 599,121	$107.49	$ 618,050	$ (6,839)	$ 592,282	$ 25,768	$ 21,488
Paccar Financial Corp - 1.80% Mat - 02/06/2025	5/18/20	375,000	$ 380,438	$105.00	$ 393,746	$ (608)	$ 379,830	$ 13,916	$ 6,750
Bank of America Corp - Variable rate 3.458% Mat 03/15/2025	5/12/20	695,000	$ 742,031	$108.45	$ 753,734	$ (5,303)	$ 736,728	$ 17,006	$ 24,033
3M Company -2.650% Mat 04/15/2025	5/19/20	360,000	$ 382,644	$108.37	$ 390,132	$ (2,434)	$ 380,210	$ 9,922	$ 9,540
Citigroup Inc - Variable Rate 3.352% Mat 04/24/2025	5/19/20	480,000	$ 505,618	$108.31	$ 519,893	$ (2,754)	$ 502,864	$ 17,029	$ 16,090
Total Corporate Bonds		**4,340,000**	**4,508,665**		**4,666,142**	**(35,045)**	**4,473,620**	**192,523**	**144,954**
Foreign Bonds									
Credit Suisse 3.00% Mat - 10/29/2021	6/2/2020	610,000	$ 629,544	$102.44	$ 624,890	$ (6,772)	$ 622,773	$ 2,117	$ 18,300
BK Montreal Mtn. 3.3% Mat - 02/05/2024	3/29/19	700,000	$ 709,618	$108.33	$ 758,275	$ (3,271)	$ 706,347	$ 51,928	$ 23,100
Santander UK PLC. 4% Mat - 03/13/2024	10/31/19	565,000	$ 603,606	$110.01	$ 621,562	$ (9,487)	$ 594,119	$ 27,443	$ 22,600
Total Foreign Bonds		**1,875,000**	**$ 1,942,769**		**$ 2,004,727**	**$ (19,530)**	**$ 1,923,239**	**$ 81,488**	**$ 64,000**
Municipal Bonds									
New York State - 2.790% Mat-03/15/2021	3/22/16	440,000	$ 455,972	$100.58	$ 442,565	$ (15,015)	$ 440,957	$ 1,608	$ 12,276
Florida State Brd Admin - 1.258% Mat-07/01/2025	9/16/20	530,000	$ 530,000	$101.97	$ 540,462	$ -	$ 530,000	$ 10,462	$ 6,667
Total Municipal Bonds		**440,000**	**455,972**		**983,027**	**(15,015)**	**970,957**	**12,070**	**18,943**
Total of City National Investments		**23,355,000**	**24,014,756**		**25,117,381**	**(105,441)**	**24,439,315**	**678,066**	**574,429**
Total City National Holdings		**23,407,103**	**$ 24,066,859**		**$ 25,169,485**	**$ (105,441)**	**$ 24,491,418**	**$ 678,066**	**$ 574,439**
Estimated Accrued Income					$ 131,254.15				
Total of City National Investments					**$ 25,300,738.75**				
				Unrealized G/L of Market Value				**$ 1,102,625**	$ 530,000
Mandatory 3 CDs - Assigned to DMHC									
Banc of California - # 3030018015 - Mat 08/3/2020 - 1.40%	8/3/19	1	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -	$ 1,400
City National Bank - # 432928519 - Mat - 10/16/2020- 0.10%	10/16/19	1	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -	$ 100
Beacon Business Bank # 1507765 - Mat 09/21/20 - 0.30%	9/22/19	1	$ 100,000	$ 100,000	$ 100,000	$ -	$ -	$ -	$ 300
Total of Time Deposits			**$ 300,000**		**$ 300,000**			**$ -**	**$ 1,800**
Total of Investments			**$ 25,577,456**		**$ 26,680,081**			**$ 678,066**	**$ 584,532**

SFHA – Short Intermediate Portfolio Review Snapshot as of 11/30/2020

Estimated MV + Accrued as of: 10/31/2020	11/30/2020	Change
$25,268,679	$25,300,739	$32,060

Portfolio Structure

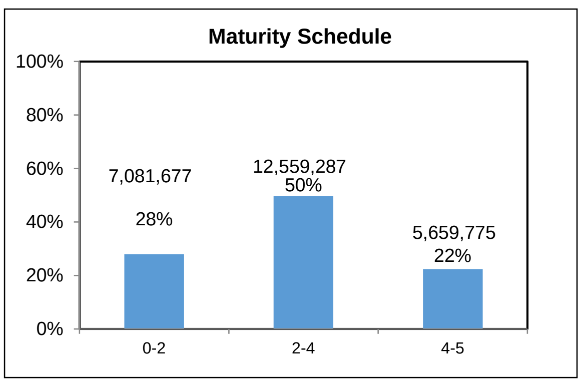
Yield to Maturity	0.35%
Yield to Cost	1.61%
Average Maturity	2.72 Years
Average Credit Quality	AA+

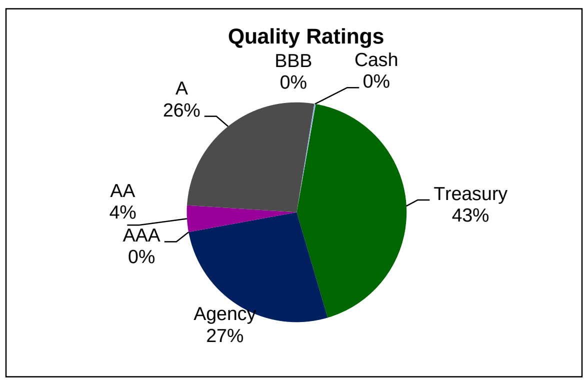
Fiscal Year Accounting Estimates 6/30/2020 through 11/30/2020:

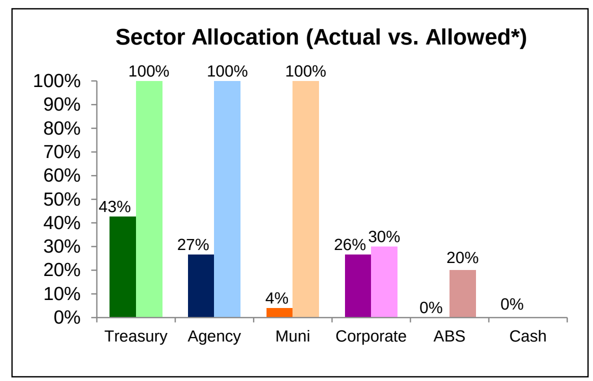
Beginning Balance (6/30/2020)	**$25,063,094**
Contributions	$0
Withdrawals	-$0
Interest & Dividends Received	$265,214
Accrued Interest Sold	$17,933
Accrued Interest Purchased	-$837
Accrued Interest	$131,254
Fees	-$33,858
Value Before Market Changes	**$25,442,800**
Change in Market Value	-$142,061
Ending Balance (11/30/2020)	**$25,300,379**

Historical Total Return Performance as of 11/30/2020:

Time Period	Portfolio	Barclays 1-5 Year Gov't/Credit
Fiscal YTD (6/30/20 – 11/30/2020)	0.43%	0.54%
November 2020	0.15%	0.21%
Inception to Date (5/31/12 – 11/30/2020)	2.51%	2.06%







*At time of purchase

Credit Issues

There were no credit issues for the month of November.

Definition of Terminology

Portfolio Structure Terms

a) **Yield to Maturity**: The annual return that an investor earns on a bond, if the investor purchases the bond today and holds it until maturity. It takes into account the cash flow the investor receives as well as the adjustment of a bond's premium or discount.

Definitions are cited from the CFA Institute's Program Curriculum.

SFHA – Liquidity Portfolio Review Snapshot as of 11/30/2020

Estimated MV + Accrued as of: 10/31/2020	11/30/2020	Change
$93,303,436	$36,302,381	-$57,001,055

Portfolio Structure

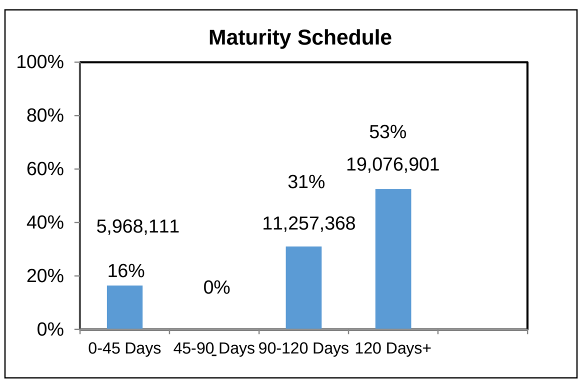
Yield to Maturity	0.22%
Yield to Cost	0.28%
Average Maturity	123 Days
Average Credit Quality	AA+

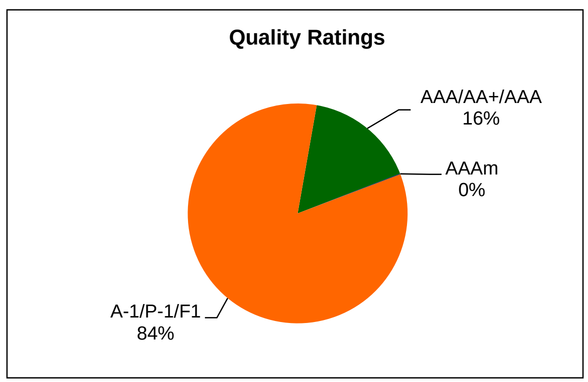
Fiscal Year Accounting Estimates 6/30/2020 through 11/30/2020:

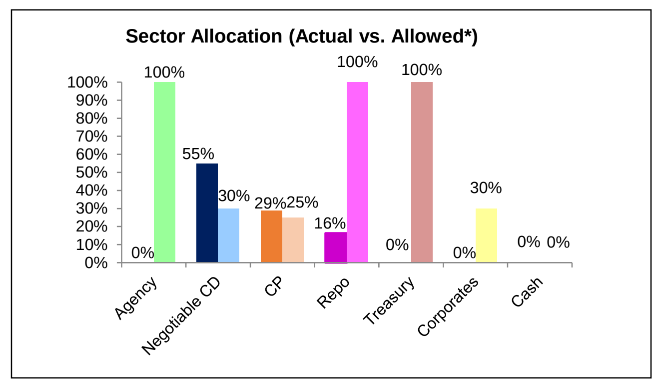
Beginning Balance (6/30/2020)	**$73,249,685**
Contributions	$298,000,000
Withdrawals	-$335,000,000
Interest & Dividends Received	$86,113
Accrued Interest Sold	$0
Accrued Interest Purchased	-$319
Accrued Interest	$14,356
Fees	-$39,824
Value Before Market Changes	**$36,317,248**
Change in Market Value	-$14,867
Ending Balance (11/30/2020)	**$36,302,381**

Historical Total Return Performance as of 11/30/2020:

Time Period	Portfolio	Citigroup 3m T-Bill
Fiscal YTD (6/30/20 – 10/31/2020)	0.09%	0.07%
November 2020	0.02%	0.01%
Inception to Date (7/3/17 –10/31/2020)	1.63%	1.53%







*At time of purchase

Credit Issues

There were no credit issues for the month of November. Strategy remains focused on improving yield while meeting cash flow estimates.

Definition of Terminology

Portfolio Structure Terms

a) **Yield to Maturity**: The annual return that an investor earns on a bond, if the investor purchases the bond today and holds it until maturity. It takes into account the cash flow the investor receives as well as the adjustment of a bond's premium or discount.

Definitions are cited from the CFA Institute's Program Curriculum.

Agenda Item 4
Action Item

- Review and Approval of $150,000 Grant to San Francisco Community Clinic Consortium (SFCCC) to Purchase Personal Protective Equipment for SFCCC Provider Network

SAN FRANCISCO HEALTH PLAN
Here for you

P.O. Box 194247
San Francisco, CA 94119
1(415) 547-7800
1(415) 547-7821 FAX
www.sfhp.org

MEMO

Date: December 22, 2020

To	**Finance Committee and Governing Board**
From	**John F. Grgurina, Jr., CEO**
Regarding	**Funding for the San Francisco Community Clinic Consortium (SFCCC) to Purchase Personal Protect Equipment and other Related Needs During the COVID-19 Public Health Emergency**

Recommendation: San Francisco Health Plan (SFHP) recommends the approval of a $150,000 grant to the San Francisco Community Clinic Consortium (SFCCC) to purchase Personal Protect Equipment (PPE) and other related needs during the COVID-19 public health emergency for the SFCCC providers.

Background

To provide ongoing support to the SFHP provider network as the public health emergency continues, SFHP recommends an additional $150,000 grant to the SFCCC. SFCCC would be responsible for purchasing and distributing the items to the SFCCC network and other SFHP providers. Of the grant funds, SFCCC would be allowed up to $30,000 for administrative expenses.

Earlier this year, the Governing Board approved two grants of $300,000 to SFCCC to assist with the purchase PPE for SFCCC clinics, as well as other SFHP providers outside of SFCCC. The PPE purchased and distribute by SFCCC included over 300,000 gloves of various sizes and 50,000 N95 masks that were distributed to all SFCCC clinics and other SFHP providers including Chinese Community Health Care Association, Jade Medical Group, Brown and Toland, Hill Physicians and Chinese Hospital.

In addition to PPE, the proposed grant to SFCCC would give SFCCC the discretion to purchase the items below to enhance the providers' clinical management of COVID-19 suspected and COVID-19 infected patients:

1) Purchase of point-of-care rapid COVID tests that can be administered in a physician's office or at home; and

2) Purchase of home pulse-oximeters to give to selected patients diagnosed with COVID to enhance self-monitoring and communication to providers of potential clinical deterioration.

   See attached reference documents for additional information on these two items.

SFHP recognizes the COVID-19 pandemic has caused financial and other resource constraints throughout our network and recommends approval of the $150,000 grant and allow SFCCC the flexibility to purchase PPE and the other COVID-19 tests and pulse-oximeters needed by SFCCC providers to serve SFHP members during the public health emergency.

Purchase of point-of-care rapid COVID tests that can be administered in a physician's office or at home:

https://www.cdc.gov/coronavirus/2019-ncov/lab/point-of-care-testing.html

Coronavirus (COVID-19) Update: FDA Authorizes First COVID-19 Test for Self-

For Immediate Release:

November 17, 2020

Español

Today, the U.S. Food and Drug Administration issued an emergency use authorization (EUA) for the first COVID-19 diagnostic test for self-testing at home and that provides rapid results. The Lucira COVID-19 All-In-One Test Kit is a molecular (real-time loop mediated amplification reaction) single use test that is intended to detect the novel coronavirus SARS-CoV-2 that causes COVID-19.

"The FDA continues to demonstrate its unprecedented speed in response to the pandemic. While COVID-19 diagnostic tests have been authorized for at-home collection, this is the first that can be fully self-administered and provide results at home. This new testing option is an important diagnostic advancement to address the pandemic and reduce the public burden of disease transmission," said FDA Commissioner Stephen M. Hahn, M.D. "Today's action underscores the FDA's ongoing commitment to expand access to COVID-19 testing."

The Lucira COVID-19 All-In-One Test Kit test has been authorized for home use with self-collected nasal swab samples in individuals age 14 and older who are suspected of COVID-19 by their health care provider. It is also authorized for use in point-of-care (POC) settings (e.g., doctor's offices, hospitals, urgent care centers and emergency rooms) for all ages but samples must be collected by a healthcare provider when the test is used at the POC to test individuals younger than 14 years old. The test is currently authorized for prescription use only.

The test works by swirling the self-collected sample swab in a vial that is then placed in the test unit. In 30 minutes or less, the results can be read directly from the test unit's light-up display that shows whether a person is positive or negative for the SARS-CoV-2 virus. Positive results indicate the presence of SARS-CoV-2. Individuals with positive results should self-isolate and seek additional care from their health care provider. Individuals who test negative and experience COVID-like symptoms should follow up with their health care provider as negative results do not preclude an individual from SARS-CoV-2 infection.

"Today's authorization for a complete at-home test is a significant step toward FDA's nationwide response to COVID-19. A test that can be fully administered entirely outside of a lab or healthcare setting has always been a major priority for the FDA to address the pandemic. Now, more Americans who may have COVID-19

will be able to take immediate action, based on their results, to protect themselves and those around them," said Jeff Shuren, M.D., J.D., director of FDA's Center for Devices and Radiological Health. "We look forward to proactively working with test developers to support the availability of more at-home test options."

An important component to successful at-home testing is the ability to efficiently track and monitor results. As noted in this EUA, prescribing health care providers are required to report all test results they receive from individuals who use the test to their relevant public health authorities in accordance with local, state and federal requirements. Lucira Health, the test manufacturer, has also developed box labeling, quick reference instructions and health care provider instructions to assist with reporting.

Diagnostic testing remains one of the pillars of our nation's response to COVID-19. The FDA continues its public health commitment to pursue new approaches that help make critical tests available to more Americans through EUA authority.

The FDA, an agency within the U.S. Department of Health and Human Services, protects the public health by assuring the safety, effectiveness, and security of human and veterinary drugs, vaccines and other biological products for human use, and medical devices. The agency also is responsible for the safety and security of our nation's food supply, cosmetics, dietary supplements, products that give off electronic radiation, and for regulating tobacco products.

UCSF Health COVID-19 Algorithm for On-site Respiratory Evaluation in Adult Respiratory Screening Clinics

Last Modified: Apr 19, 2020 5:00 PM

Authors: Susan Smith, MD & Bryn Boslett, MD

Guidelines cannot replace personalized evaluation and management decisions based on individual patient factors

Target Audience: Respiratory Screening Clinics (RSC)

Environmental risks[1]
-High-risk travel or known COVID exposure within 14 days
-Health care workers
-Institutional home setting (nursing home, dormitory, shelter, prison, etc), outpatient dialysis center patient
-Living with immunocompromised person(s)
Patient-related risks[2]
-Age > 60
-Immunocompromised (oncology, transplant, immunosuppressive meds, HIV, other known immunodeficiency)
-Pregnancy
-Chronic lung disease
-Cirrhosis
-Cardiovascular disease
-End stage renal disease
-Diabetes
-Hypertension
-Smoking/vaping

Respiratory complaints plus any of the following: Has any of the following **new acute** symptoms:
1. Fever (objective or subjective)?
2. Unexplained muscle aches
3. Respiratory symptoms (dyspnea or cough)
4. URI symptoms (headache, rhinorrhea, sore throat)
5. GI symptoms (diarrhea, nausea, vomiting)
6. ENT symtpoms (loss of taste or smell)
7. Eye symptoms (conjunctivitis)
8. Age >80: Altered mentation (confused, dizzy, falls)

No → Standard work flow

Yes
If not already masked, give patient surgical mask

1. Place in single room with door closed. Patient escort wears surgical mask, eye shield, gown, and gloves if there is direct patient contact.
2. Place **Contact/Droplet Isolation** sign on door.
3. HCW entering room to use gloves, gown, surgical mask and eye protection
4. Triage acuity of patient (vitals, brief history and risk assessment, exam)

Exclusion Criteria → Known or strongly suspected alternative diagnosis (COPD, asthma, underlying CHF, etc)

Stable for clinic assessment →

Evaluate patient and consider:
1. COVID-19 RNA qualitative
2. Rapid flu/RSV PCR
3. CBC w diff, CMP, CRP, CXR
Viral tests can be done using the same swab. Order both tests, and submit one sample to the lab
See Yellow Box - prioritize COVID tests for high risk due to environment exposures1 or patient-related risks2

Don PAPR or N95 with eye protection plus gown/gloves while obtaining NP swabs. If not available, use surgical mask with eye protection, gown, gloves.

For nebulized medications or other discrete aerosol-generating procedures wear PAPR or N95 with eye protection plus gown/gloves during
procedure and when entering room 1 hour after.

Unstable for clinic assessment →

1.Notify EMS and ED of intention to transport and concern for COVID-19
2.Patient wears surgical mask
3.PPE for transporters: gloves and gowns and surgical mask with eye protection.

Tests sent as indicated

Stable and suitable for discharge home →

Pulse Oximeter

Provide Ambulatory Pulse Ox for any of the following:
-Active cancer
-Immunosuppressed
-Chronic lung disease
-POx < 95%
-Pulse > 90
-Chest xray positive
Can consider for the following: -
-Lymphopenia or leukopenia
-Age >60
-Cardiovascular disease
-Hypertension
-Active smoker

1. Provide 'COVID-19 discharge instructions via smartphrases.
2. COVID-19 positive: Video Visit (ideal) or phone call to ensure patient knows result.
3. COVID-19 negative: MyChart message or phone call to patient. Patient instructed to call their PCP if they need further guidance.
***Steps 2 & 3 above likely to change early next week*

Patient homeless or in shelter: Contact DPH for guidance

Patient in nursing home, LTAC, SNF: contact the facility

Patient hemodialysis: contact the dialysis clinic

Patient lives in dormitory: ask for room isolation pending test result

Discharge → (to discharge instructions above)

Admission → At the time of admission please notify transfer center and ED about concern for COVID-19.

Requires Admission → At the time of admission please notify transfer center and ED about concern for COVID-19.

Agenda Item 5

Action Item

- Review and Approval of Reinsurance Vendor Contract

MEMO

Date: December 22, 2020

To	**SFHP Finance Committee and Governing Board**
From	**Skip Bishop, CFO**
Regarding	**Contract with Reinsurance Vendor**

Recommendation:
San Francisco Health Plan (SFHP) will bring a recommendation to the Finance Committee and Governing Board meetings regarding the contract with a reinsurance vendor for calendar year 2021.

SFHP will bring the proposed rate or rate range to the Finance Committee and Governing Board for approval. Analysis of the contract and rate were not yet available at the time the Board materials were prepared.

Background:
SFHP purchases reinsurance to protect from losses due to high-cost professional, hospital and pharmacy claims and encounters.

Our current broker has requested quotes from several carriers offering reinsurance coverage. We have been with our current broker and reinsurance carrier since CY 2015.

The delay in receiving a renewal proposal for CY 2021 is due to the late decision by the Department of Health Care Services (DHCS) to postpone the Medi-Cal pharmacy carve-out until April 1, 2021. Reinsurance carriers now must decide how to structure reinsurance rates to cover SFHP's pharmacy risk for only the first three months of CY 2021.

The total CY 2020 premiums are estimated to be approximately $5.9 million. The final recovery percentages for CY 2018 and CY 2019 will be in the range of 80-85%. For CY 2020, the final recovery percentage is expected to be in the range of 75-80%. Reinsurance companies target their premiums to achieve a 70% to 75% loss ratio.

Based on the historical recovery percentages, we expect that the main coverage terms for CY 2021 will remain very similar to CY 2020, although we are anticipating a reduction in the Professional reinsurance premium rate due to the Medi-Cal pharmacy carve-out effective April 1, 2021.

Agenda Item 6

Discussion Item

- Federal and State Updates

Federal and State Updates

Sumi Sousa

Federal COVID-19 Stimulus Update

- Long delayed federal stimulus package to pass by Christmas
- Total package: ~$900 billion (B) includes:
  - One time $600/person payments to individuals with 2019 incomes up to $75,000 and families with incomes up to $150,000
  - Unemployment Insurance (UI) Extension: extra 11 weeks of benefits <u>and</u> $300 supplemental payment on top of state UI benefit
  - $275B for Paycheck Protection Program for small businesses relief
  - $25B in rental assistance and 1 month extension for eviction moratorium
  - $13B in food stamp funding; $82B for schools, $20B for vaccine distribution
- No additional state or local aid; gives localities one more year to spend any unspent CARES Act money

Key President-Elect Biden Appointment to Health and Human Services

- California Attorney General (AG) Xavier Becerra nominated for U.S. Secretary of Health and Human Services (HHS)
- Governor Newsom has at least two appointments:
  - U.S. Senate seat vacated by Vice-President-Elect Kamala Harris
    - Will be done prior to January 20 when Vice-President-Elect Harris will be sworn into office
  - Replacement for AG Becerra if he is confirmed by the U.S. Senate

CA v. Texas Update

- Oral arguments for *CA v. Texas* were heard on November 10
  - Arguments appeared encouraging that US Supreme Court justices may be willing to leave the Affordable Care Act (ACA) mostly intact, even if the individual mandate is found unconstitutional
  - But impossible to predict
- Multiple potential scenarios, ranging from rulings with no impact to the ACA to full repeal of the ACA
- US Supreme Court will issue its decision by June 10, 2021

State Updates

- Medi-Cal Rx implementation delayed until April 2021
- Department of Health Care Services (DHCS) announces that COVID-19 vaccine administration will be carved out of Medi-Cal managed care
- New Legislature sworn in on December 7, 2020, will return January 11 (delay of one week due to COVID-19 concerns)
- Governor's proposed FY 21-22 State budget to be released by January 10
  - State revenues significantly higher than projected; Legislative Analyst projects a one-time $26 billion windfall due to lower caseloads levels and higher income tax receipts
  - Governor likely to revive the ambitious DHCS CalAIM proposal that would significantly integrate and coordinate more benefits through Medi-Cal managed care

Agenda Item 7
Discussion Item

- City National Bank Presentation on the Market and Economic Landscape in 2021

City National Rochdale®
AN RBC/CITY NATIONAL COMPANY

January 6, 2021

Market & Economic Update

Prepared for:

San Francisco Health Authority

Presented by:

Robert Harder
Director
Senior Portfolio Manager
City National Rochdale

City National Rochdale®
AN RBC/CITY NATIONAL COMPANY

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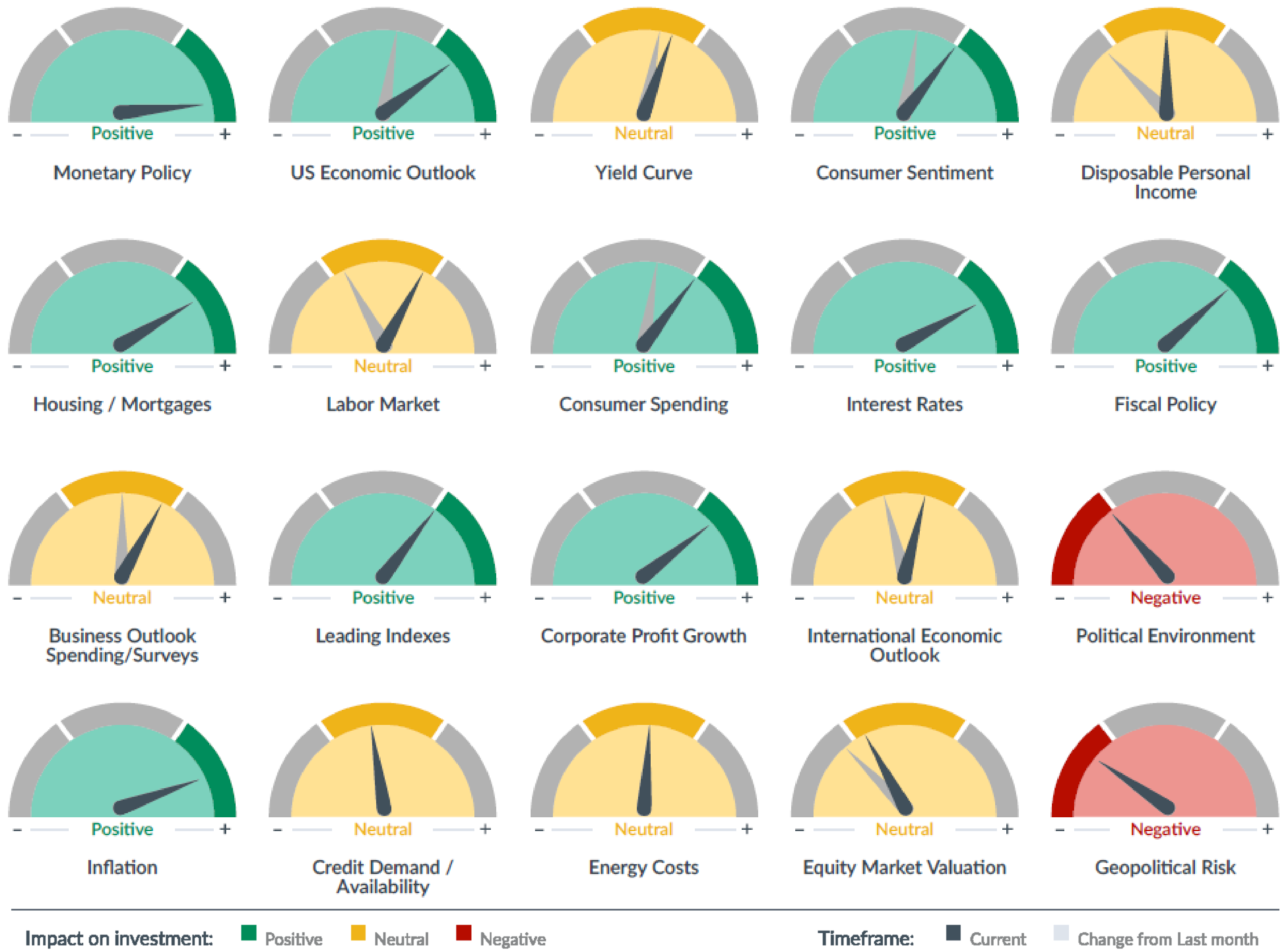
December 2020

Economic Outlook and Investment Strategy

Economic and Financial Indicators

Indicators Are Forward-Looking Three to Six Months

Indicators are signaling an entrenched and sustainable recovery from the COVID-19 crisis is underway.



Source: City National Rochdale. As of December 2020.

Recovery Underway, but Full Recovery Will Take Time

- Phased reopening driven by states. Expect sizable initial GDP gains in 2H 2020 before growth moderates.
- Recovery in demand expected to be constrained until virus fears fade and social distancing rules are reduced.
- Full normalcy not expected until 2021. Better therapeutic treatments and/or vaccine creation will be essential.
- Resurgence in infections is the leading downside risk, but a return to widespread lockdowns is unlikely.
- Policy responses from Washington/Fed have been massive and well targeted, but more are needed.

	Q2 2020	Q3 2020	Q4 2020	Q1 2021	2020 Full Year	2021 Full Year
Potential Range of GDP Growth	-31%	+33%	+4%	+3%	-3.6%	5.5%
			+2%	0%	-3.7%	3.5%

Percent Change From Preceding Period, Seasonally Adjusted at Annual Rates

City National Rochdale Forecasts		2018	2019	2020e	2021e
GDP Growth		2.9%	2.3%	(3.6%) - (3.7%)	3.5%-5.5%
Corporate Profit Growth		22%	1%	(15%) - (20%)	20%-30%
Interest Rates	Fed Funds Rate	2.375%	1.625%	0%	0%
	Treasury Note, 10-Yr.	2.69%	1.50%-2.00%	0.70%-1.20%	0.80%-1.30%

Source: Bureau of Economic Analysis, Standard & Poor's, Bloomberg. As of November 2020.

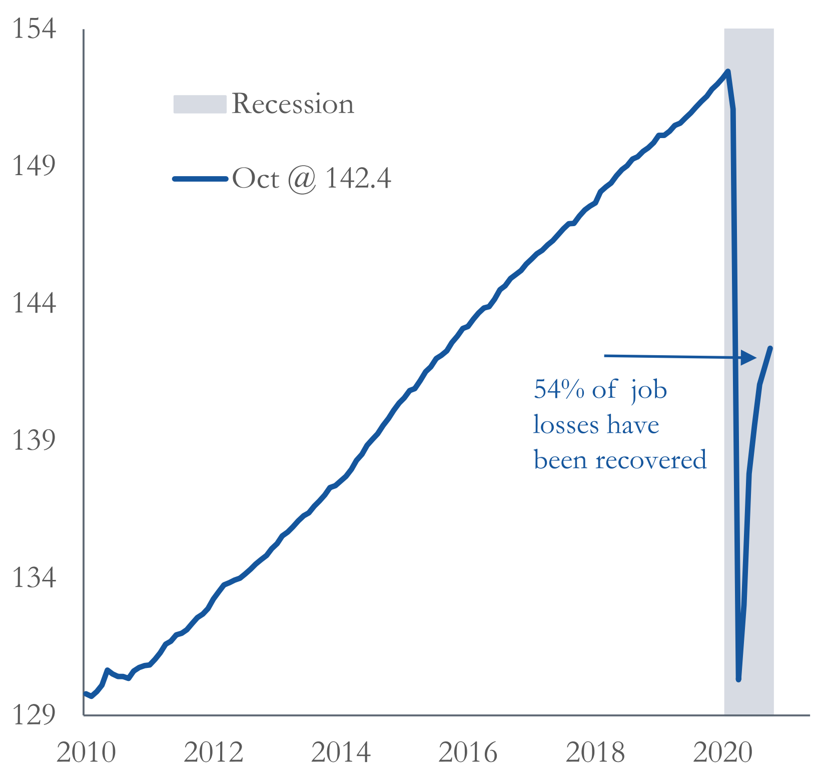
Potential Policy Impact: Biden Presidency/Split Congress

Policy	Economic Impact
Personal Taxes	
Corporate Taxes	
Fiscal Spending/Infrastructure	
Regulations	
Trade Policy	
Energy	
Healthcare	
The Fed	
Total Economic Impact	

Source: CNR Research.

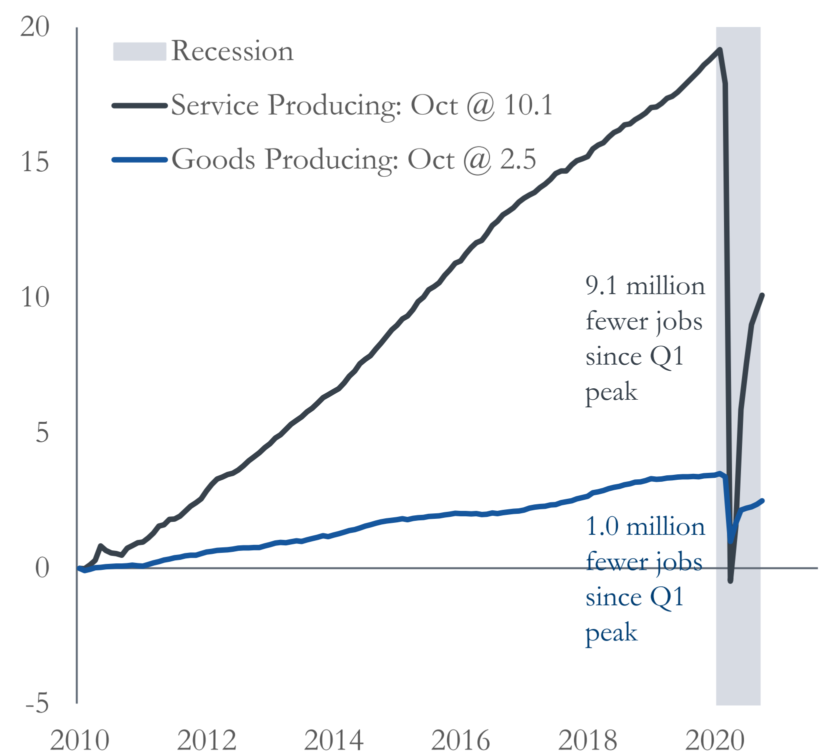
The Recovery in Labor Continues, but at a Slower Pace

Nonfarm Payrolls
millions, seasonally adjusted



Source: Bureau of Labor Statistics as of October 2020.

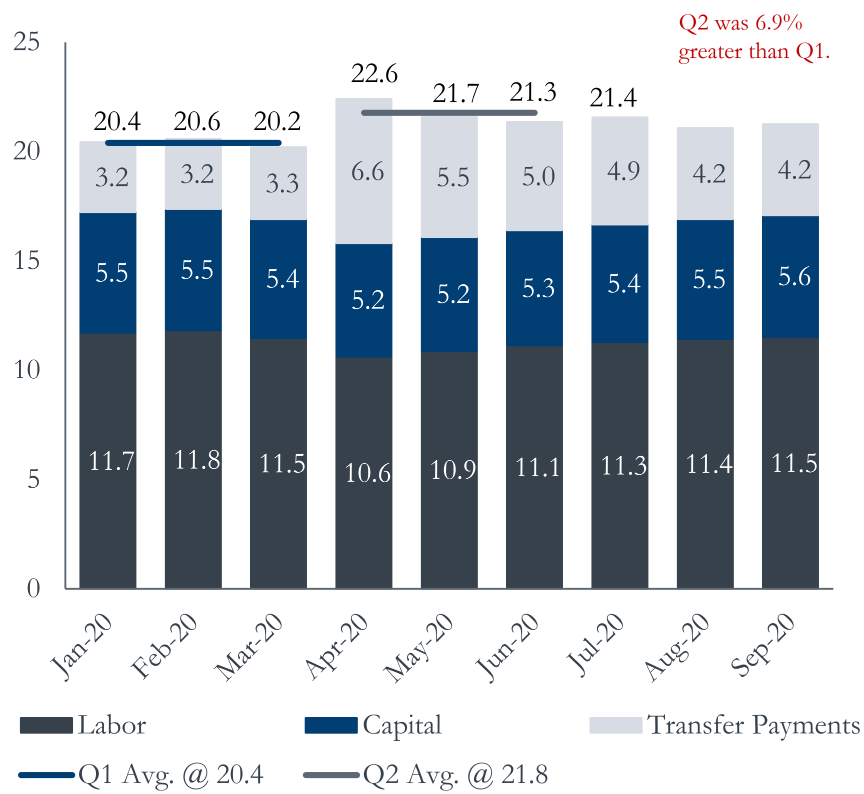
Job Growth of Good & Service Sectors
millions, aggregate change since 2010



Source: Bureau of Labor Statistics as of October 2020.

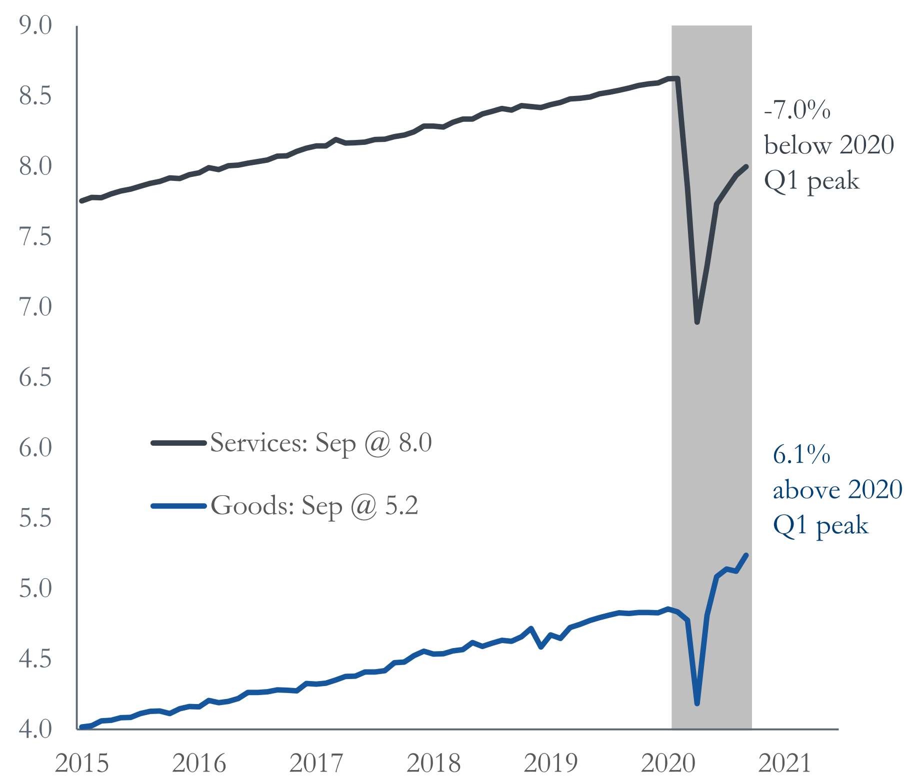
Income Has Been Boosted by Government Programs, Should Aid Spending

Personal Income
$, trillions, seasonally adjusted annual rate



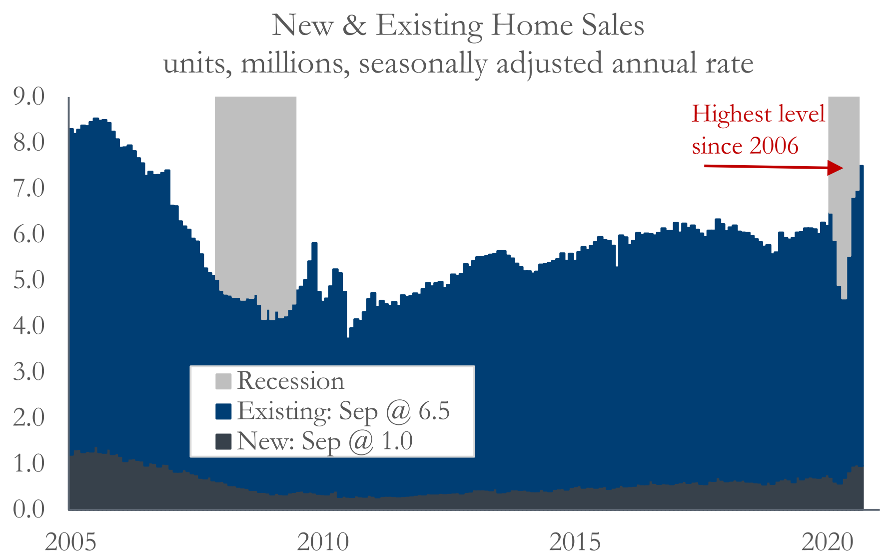
Source: Bureau of Economic Analysis as of September 2020.

Personal Consumption
$, trillions, seasonally adjusted annual rate, chained 2012 dollars

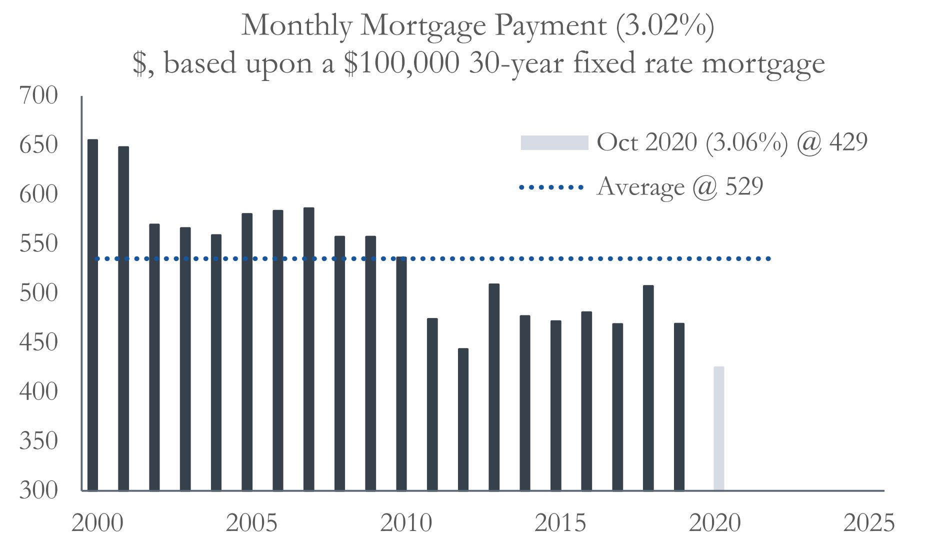


Source: Bureau of Economic Analysis as of September 2020.

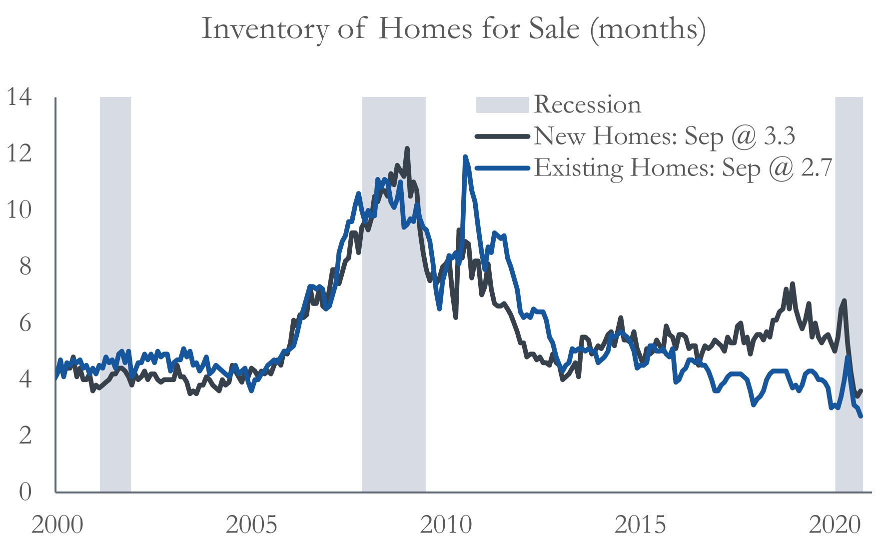
Housing Starts a Rebound, With Strong Fundamentals



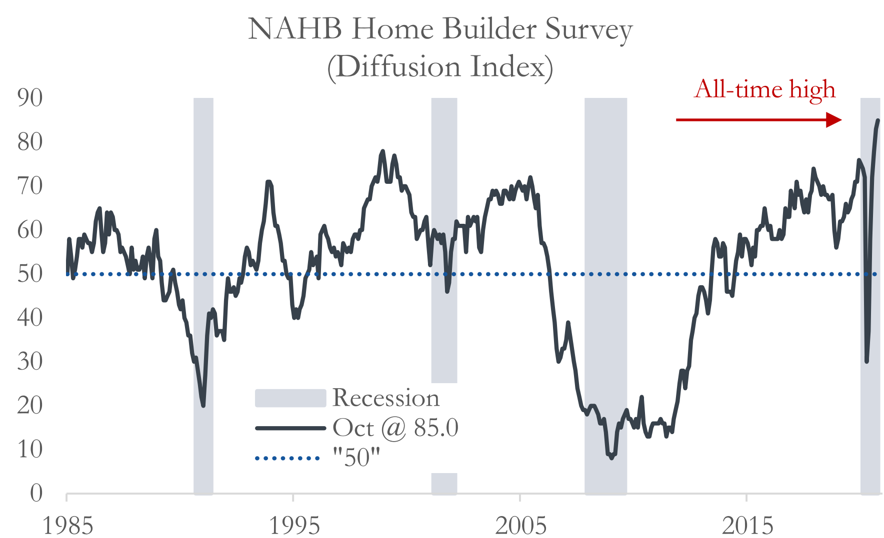
Source: National Association of Home Builders as of October 2020.



Source: National Association of Home Builders as of October 2020.



Source: National Association of Realtors, U.S. Census Bureau as of September 2020.



Source: National Association of Realtors, U.S. Census Bureau as of September 2020.

Interest Rates and Inflation Set to Remain Low

On balance, we think disinflationary forces will prevail in coming years

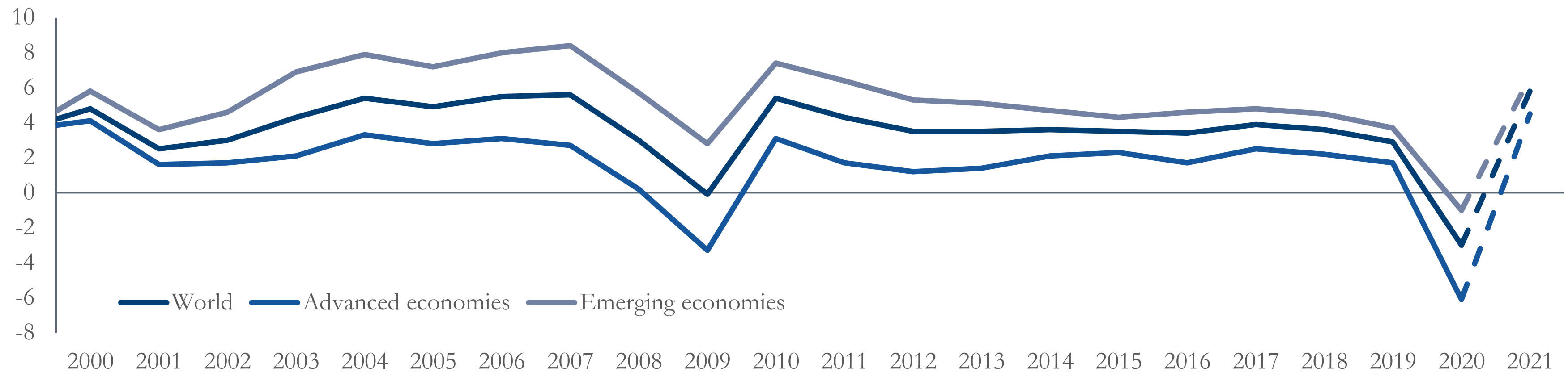
Downward Pressure Forces	Upward Pressure Forces
Globalization	Smaller labor force/higher wage pressure
Technology	Fewer "producers"/more "consumers"
Slower economic growth	Less productivity
Reduced investment	Higher debt
Longevity/increased retirement age and higher savings	Protectionism
Growing inequality/wealthy save more	Greater healthcare/entitlement spending

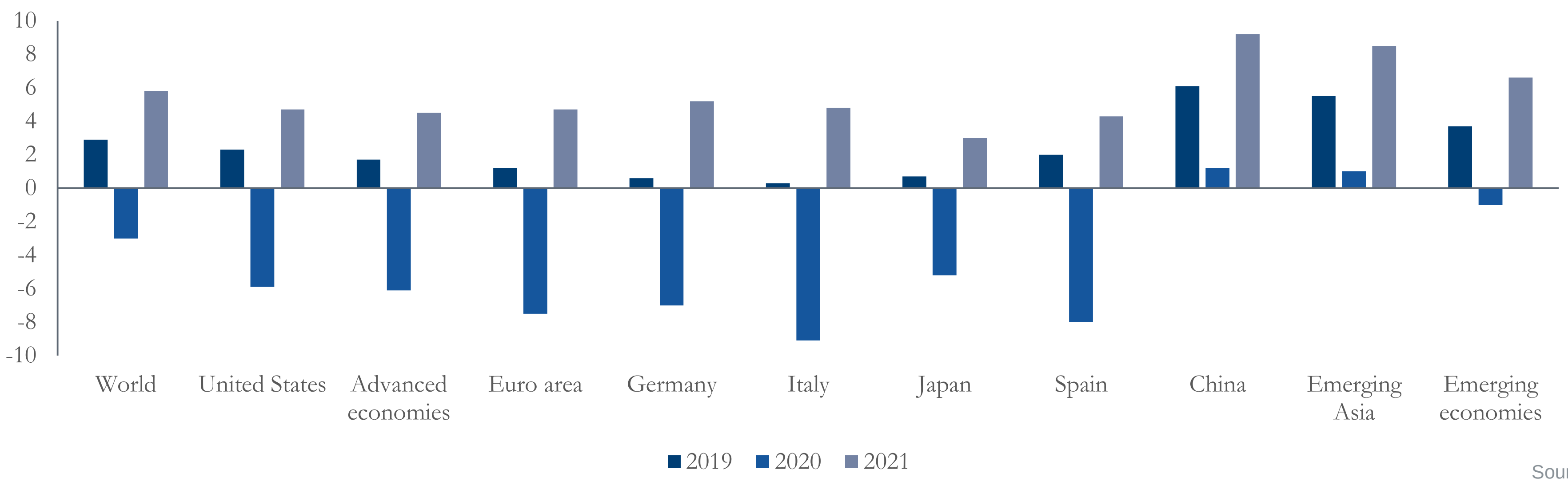
Source: City National Rochdale.

Global Recovery Underway

- Indicators are signaling that the world economy is moving past the worst of the COVID-19 contraction
- Recoveries across economies will likely be slow going and uneven

IMF GDP Forecasts





Source: IMF.

Economy Recovery Underway, but Headwinds Remain

City National Rochdale U.S. Economic Monitor

Incoming data has been better than expected, but the recent resurgence of virus infections is a reminder that the road to recovery will be long and bumpy.

Indicator	Status	Level
Leading Indicators	Leading indexes suggesting the U.S. economic recovery has broadened and become more entrenched.	6.0
Labor Market	As state economies reopen, we expect the unemployment rate to drop back faster than it would in a normal recovery, since many workers will be recalled from temporary layoffs, but a full recovery of job losses may take several years.	5.0
Consumer Spending	Spending has rebounded quickly as economies reopen due to pent-up demand and higher savings, but it could take a long time to return to its previous trend due to lingering uncertainty and social distancing restrictions.	5.5
Global Economic Growth	The world economy has clawed back about 60% of output lost in the first half of the year, but recoveries in most parts of the world have already slowed. Prospects now vary according to success in controlling the virus and policy response.	4.5
Monetary Policy	Swift and decisive action by the Fed has been unprecedented in scale, helping to improve liquidity and stabilize markets.	9.0
Fiscal Policy	Policy response has been massive and well targeted, but more is needed and many benefits are set to expire by year end. Political differences have reduced odds of agreement on further relief until next year after new government is sworn in.	6.5
Consumer Sentiment	Although still depressed, confidence has begun to improve, particularly forward-looking expectations measures. Full recovery in confidence is unlikely until health and safety concerns around COVID-19 can be fully addressed.	5.0
Credit Availability/Demand	Latest Fed data reported some tightening of lending standards amid economic uncertainty and rising defaults. Demand remains subdued outside autos and housing.	4.5
Geopolitical Risks/Contagion	Coronavirus pandemic is adding to a long list of worries, including trade policy missteps, European political/financial system stability, energy production disputes and other unforeseen circumstances that have the potential to disrupt markets and shake confidence.	3.5
Business Investment	Already weak capex spending set for further sluggishness in face of uncertain economic backdrop, lower demand, business closures and declining capacity utilization.	3.5
Service Sector	Survey measures are pointing to a snap back in activity as state economies reopen, but lingering social distancing measures, continuing uncertainty/fear surrounding COVID-19 and recent infection resurgence will slow recovery for extended period.	5.0
Manufacturing Sector	Production remains below pre-pandemic levels, but output has further scope for improvement as producers catch up with the resurgence in goods demand.	5.0
Housing	Sector has been one of the bright spots recently, supported by strong fundamentals, including low mortgage rates. Activity should improve as lockdowns ease and rising household financial uncertainty begins to abate, but lenders are battling economic uncertainty by raising standards and even eliminating certain loan types.	7.0
Inflation	Core inflation is likely to remain muted for the next several years, although we think the risk of a slide into a widespread deflation remains low.	7.5
Energy	Damage in energy sector from the collapse in oil prices starting to increasingly offset positive tailwind to households.	5.5
Total Score		**5.6**

Positive 6.0 to 10	Improving outlook, confluence of positive indicators, recession probability low	**Neutral** 4.0 to 5.9	Steady but sluggish growth, mixed economic signals	**Negative** 0 to 3.9	Weak economic growth, decelerating trends, recession a distinct possibility

Source: City National Rochdale. As of November 2020.

SFHA – Short Intermediate Portfolio Review Snapshot as of 11/30/2020

City National Rochdale
INVESTMENT MANAGEMENT

Estimated MV + Accrued as of: 10/31/2020	11/30/2020	Change
$25,268,679	$25,300,739	$32,060

Portfolio Structure

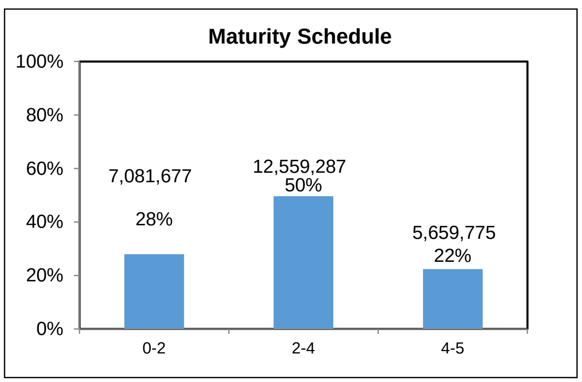
Yield to Maturity	0.35%
Yield to Cost	1.61%
Average Maturity	2.72 Years
Average Credit Quality	AA+

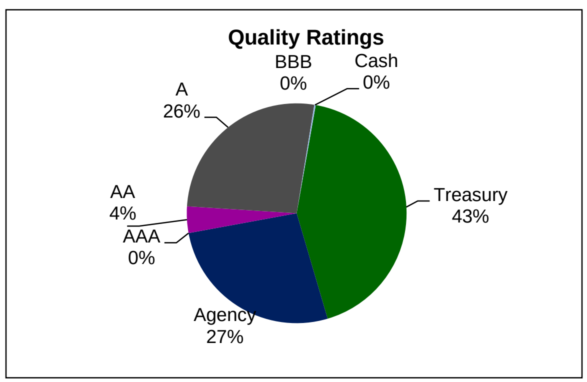
Fiscal Year Accounting Estimates 6/30/2020 through 11/30/2020:

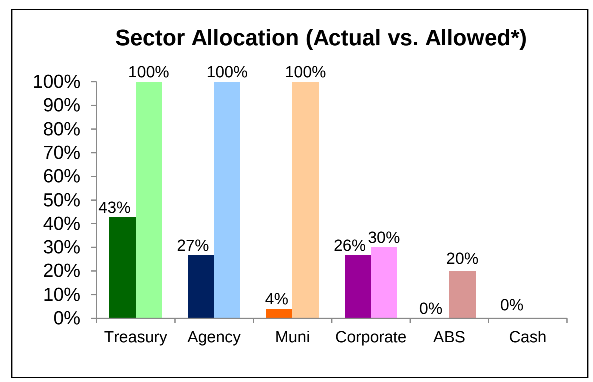
Beginning Balance (6/30/2020)	**$25,063,094**
Contributions	$0
Withdrawals	-$0
Interest & Dividends Received	$265,214
Accrued Interest Sold	$17,933
Accrued Interest Purchased	-$837
Accrued Interest	$131,254
Fees	-$33,858
Value Before Market Changes	**$25,442,800**
Change in Market Value	-$142,061
Ending Balance (11/30/2020)	**$25,300,379**

Historical Total Return Performance as of 11/30/2020:

Time Period	Portfolio	Barclays 1-5 Year Gov't/Credit
Fiscal YTD (6/30/20 – 11/30/2020)	0.43%	0.54%
November 2020	0.15%	0.21%
Inception to Date (5/31/12 – 11/30/2020)	2.51%	2.06%







*At time of purchase

Credit Issues
There were no credit issues for the month of November.

City National Rochdale
INVESTMENT MANAGEMENT

SFHA – Liquidity Portfolio Review Snapshot as of 11/30/2020

Estimated MV + Accrued as of: 10/31/2020	11/30/2020	Change
$93,303,436	$36,302,381	-$57,001,055

Portfolio Structure

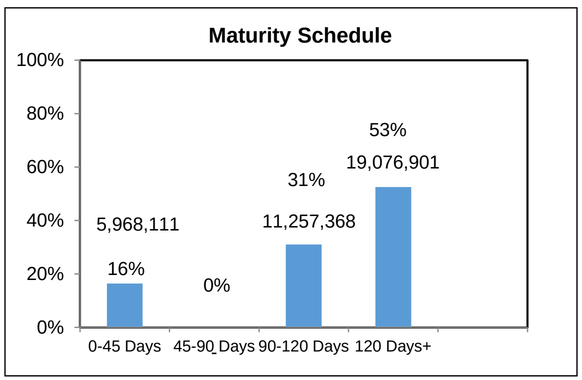
Yield to Maturity	0.22%
Yield to Cost	0.28%
Average Maturity	123 Days
Average Credit Quality	AA+

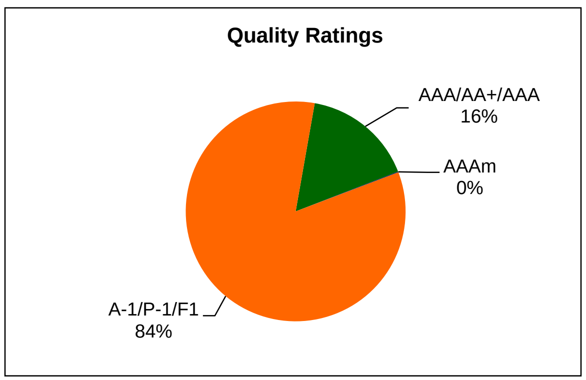
Fiscal Year Accounting Estimates 6/30/2020 through 11/30/2020:

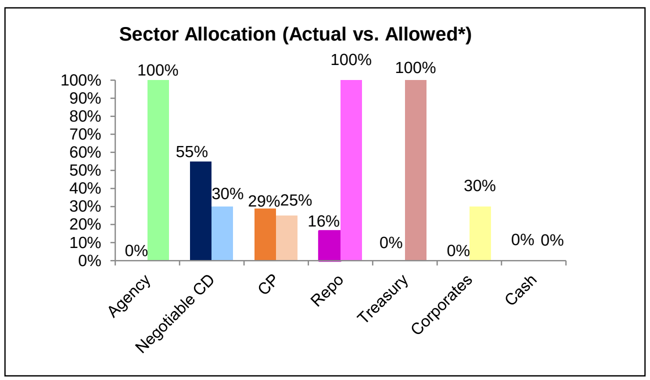
Beginning Balance (6/30/2020)	**$73,249,685**
Contributions	$298,000,000
Withdrawals	-$335,000,000
Interest & Dividends Received	$86,113
Accrued Interest Sold	$0
Accrued Interest Purchased	-$319
Accrued Interest	$14,356
Fees	-$39,824
Value Before Market Changes	**$36,317,248**
Change in Market Value	-$14,867
Ending Balance (11/30/2020)	**$36,302,381**

Historical Total Return Performance as of 11/30/2020:

Time Period	Portfolio	Citigroup 3m T-Bill
Fiscal YTD (6/30/20 – 10/31/2020)	0.09%	0.07%
November 2020	0.02%	0.01%
Inception to Date (7/3/17 –10/31/2020)	1.63%	1.53%







*At time of purchase

Credit Issues

There were no credit issues for the month of November. Strategy remains focused on improving yield while meeting cash flow estimates.

Index Definitions

The Standard & Poor's 500 Index (S&P 500) is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

MSCI Emerging Markets Asia Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Asian emerging markets.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. As of June 2007, the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The MSCI Europe Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. As of September 2002, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The MSCI World is a market cap weighted stock market index of 1,655[1] stocks from companies throughout the world. The components can be found here.[2] It is maintained by MSCI, formerly Morgan Stanley Capital International, and is used as a common benchmark for 'world' or 'global' stock funds intended to represent a broad cross-section of global markets.

The Michigan Consumer Sentiment Index (MCSI) is a monthly survey of U.S. consumer confidence levels conducted by the University of Michigan. It is based on telephone surveys that gather information on consumer expectations regarding the overall economy.

The Barclays Aggregate Bond Index is composed of U.S. government, mortgage-backed, asset-backed, and corporate fixed income securities with maturities of one year or more.

The Barclays High Yield Municipal Index covers the high yield portion of the U.S.-dollar-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

The Bloomberg Barclays U.S. Treasury Index is an unmanaged index of prices of U.S. Treasury bonds with maturities of one to 30 years.

The Bloomberg Barclays U.S. Corporate Bond Index is an unmanaged market-value-weighted index of investment-grade corporate fixed-rate debt issues with maturities of one year or more.

The Bloomberg Barclays U.S. Corporate High Yield Index is an unmanaged, U.S.-dollar-denominated, nonconvertible, non-investment-grade debt index. The index consists of domestic and corporate bonds rated Ba and below with a minimum outstanding amount of $150 million.

The Bloomberg Barclays Emerging Markets USD Aggregate Index tracks total returns for external-currency-denominated debt instruments of the emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Ecuador, Mexico, Morocco, Nigeria, Panama, Peru, the Philippines, Poland, Russia, and Venezuela.

The Bloomberg Barclays U.S. Agency Bond Index is a rules-based, market-value-weighted index engineered to measure investment-grade agency securities publicly issued by U.S. government agencies. Mortgage-backed securities are excluded.

S&P Leveraged Loan Indexes (S&P LL indexes) are capitalization-weighted syndicated loan indexes based upon market weightings, spreads, and interest payments. The S&P/LSTA Leveraged Loan 100 Index (LL100) dates back to 2002 and is a daily tradable index for the U.S. market that seeks to mirror the market-weighted performance of the largest institutional leveraged loans, as determined by criteria. Its ticker on Bloomberg is SPBDLLB.

Index Definitions (continued)

The Dow Jones Select Dividend Index seeks to represent the top 100 U.S. stocks by dividend yield. The index is derived from the Dow Jones U.S. Index and generally consists of 100 dividend-paying stocks that have five-year non-negative Dividend Growth, five-year Dividend Payout Ratio of 60% or less, and three-month average daily trading volume of at least 200,000 shares.

The Bloomberg Commodity Total Return Index, formerly known as Dow Jones-UBS Commodity Index Total Return (DJUBSTR), is composed of futures contracts and reflects the returns on a fully collateralized investment in the BCOM. This combines the returns of the BCOM with the returns on cash collateral invested in 13-week (three-month) U.S. Treasury Bills.

The Corporate Emerging Market Bond Index (CEMBI) is J.P. Morgan's index of U.S.-dollar-denominated debt issued by emerging market corporations.

The Standard & Poor's Small Cap 600 Index (S&P 600) measures the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

Nasdaq 100 Index is an index composed of the 100 largest, most actively traded U.S. companies listed on the Nasdaq stock exchange.

The U.S. Treasury 10-year Note is a debt obligation issued by the United States government that matures in 10 years. A 10-year Treasury Note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

The Shanghai Stock Exchange (SSE) composite is a market composite made up of all the A shares and B shares that trade on the Shanghai Stock Exchange.

Brent Crude is a major trading classification of sweet light crude oil that serves as a major benchmark price for purchases of oil worldwide. This grade is described as light because of its relatively low density, and sweet because of its sulfur content.

Employment Index: U.S. jobs with the exception of farmwork, unincorporated self-employment, and employment by private households, the military, and intelligence agencies.

A consumer price index (CPI) measures changes in the price level of a market basket of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

The "core" PCE price index is defined as personal consumption expenditures (PCE), prices excluding food and energy prices. The core PCE price index measures the prices paid by consumers for goods and services without the volatility caused by movements in food and energy prices to reveal underlying inflation.

The S&P/Case-Shiller Home Price Indexes are a group of indexes that track changes in home prices throughout the United States. The indexes are based on a constant level of data on properties that have undergone at least two arm's length transactions.

The ISM Manufacturing Index is based on surveys of more than 300 manufacturing firms by the Institute for Supply Management (ISM). The ISM Manufacturing Index monitors employment, production, inventories, new orders and supplier deliveries. A composite diffusion index monitors conditions in national manufacturing and is based on the data from these surveys.

The ISM Non-Manufacturing Index is an index based on surveys of more than 400 non-manufacturing firms' purchasing and supply executives, within 60 sectors across the nation, by the Institute of Supply Management (ISM). The ISM Non-Manufacturing Index tracks economic data, like the ISM Non-Manufacturing Business Activity Index. A composite diffusion index is created based on the data from these surveys, that monitors economic conditions of the nation.

Indices are unmanaged, and one cannot invest directly in an index. Index returns do not reflect a deduction for fees or expenses.

Important Disclosures

The information presented does not involve the rendering of personalized investment, financial, legal, or tax advice. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell, any of the securities mentioned herein.

The material contains forward-looking statements regarding intent, beliefs, or current expectations which are used for informational purposes only and do not reflect actual results. These statements are based primarily upon a hypothetical set of assumptions applied to certain historical financial information that has been provided by third-party sources and, although believed to be reliable, the information has not been independently verified and its accuracy or completeness cannot be guaranteed. The opinions, projections, forecasts, and forward-looking statements expressed are also valid as on the date of this document and are subject to change based on market and other conditions

There are inherent risks with fixed income investing. These risks may include interest rate, call, credit, market, inflation, government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. This risk is heightened with investments in longer duration fixed income securities and during periods when prevailing interest rates are low or negative.

There are inherent risks with equity investing. These risks include, but are not limited to, stock market, manager, or investment style. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Investing in international markets carries risks such as currency fluctuation, regulatory risks, and economic and political instability. Emerging markets involve heightened risks related to the same factors, as well as increased volatility, lower trading volume, and less liquidity. Emerging markets can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

Concentrating assets in the real estate sector or REITs may disproportionately subject a portfolio to the risks of that industry, including the loss of value because of adverse developments affecting the real estate industry and real property values. Investments in REITs may be subject to increased price volatility and liquidity risk; concentration risk is high.

Investments in below-investment-grade debt securities, which are usually called “high yield” or “junk bonds,” are typically in weaker financial health. Such securities can be harder to value and sell, and their prices can be more volatile than more highly rated securities. While these securities generally have higher rates of interest, they also involve greater risk of default than do securities of a higher-quality rating.

The yields and market values of municipal securities may be more affected by changes in tax rates and policies than similar income-bearing taxable securities. Certain investors' incomes may be subject to the Federal Alternative Minimum Tax (AMT), and taxable gains are also possible.

Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance. These events may include severe financial difficulties and continued budget deficits, economic or political policy changes, tax base erosion, state constitutional limits on tax increases, and changes in the credit ratings.

Yield to Worst – The lower of the yield to maturity or the yield to call. It is essentially the lowest potential rate of return for a bond, excluding delinquency or default.

Investments in emerging markets bonds may be substantially more volatile, and substantially less liquid, than the bonds of governments, government agencies, and government-owned corporations located in more developed foreign markets. Emerging markets bonds can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

Important Disclosures (continued)

Investments in commodities can be very volatile, and direct investment in these markets can be very risky, especially for inexperienced investors.

Returns include the reinvestment of interest and dividends.

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met, and investors may lose money. Diversification may not protect against market risk or loss. Past performance is no guarantee of future performance.

Please see the Offering Memorandum for more complete information regarding the Fund's investment objectives, risks, fees and other expenses.

Alternative investments are speculative, entail substantial risks, offer limited or no liquidity and are not suitable for all investors. These investments have limited transparency to the funds' investments and may involve leverage which magnifies both losses and gains, including the risk of loss of the entire investment. Alternative investments have varying, and lengthy lockup provisions.

This information is not intended as a recommendation to invest in a particular asset class, strategy or product.

The information presented is for illustrative purposes only and based on various assumptions which may not be realized. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used have been stated or fully considered.

Estimated returns are based on multiple sources of historical market index data input into proprietary quantitative models specific to each asset class (e.g., equity, fixed income, etc.), then adjusted for fundamental inputs such as yield, earnings growth, risk premiums, valuation, historical reversion, and market implied expectations. Finally, we further adjust the estimated returns with our economic forecasts on market conditions and long-term expectations (which include economic growth, inflation, interest rates, among other important inputs).

Performance does not represent the results of actual trading, but was achieved by means of retroactive application of a model designed with the benefit of hindsight. Results may not reflect the impact that material economic and market factors might have on the adviser's decision-making if adviser were actually managing client assets.

This document may contain forward-looking statements relating to the objectives, opportunities, and the future performance of the U.S. market generally. Forward-looking statements may be identified by the use of such words as; "expect," "estimated," "potential" and other similar terms. Examples of forward-looking statements include, but are not limited to, estimates with respect to financial condition, results of operations, and success or lack of success of any particular investment strategy. All are subject to various factors, including, but not limited to general and local economic conditions, changing levels of competition within certain industries and markets, changes in interest rates, changes in legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors affecting a portfolio's operations that could cause actual results to differ materially from projected results. Such statements are forward-looking in nature and involve a number of known and unknown risks, uncertainties and other factors, and accordingly, actual results may differ materially from those reflected or contemplated in such forward-looking statements. Prospective investors are cautioned not to place undue reliance on any forward-looking statements or examples. None of City National Rochdale or any of its affiliates or principals nor any other individual or entity assumes any obligation to update any forward-looking statements as a result of new information, subsequent events or any other circumstances. All statements made herein speak only as of the date that they were made.

Important Disclosures (continued)

All investment strategies have the potential for profit or loss; changes in investment strategies, contributions or withdrawals may materially alter the performance and results of a portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will be suitable or profitable for a client's investment portfolio.

References to indexes and benchmarks in hypothetical illustrations of aggregate returns do not reflect the performance of any actual investment. Investors cannot invest in an index and such returns do not reflect the deduction of the advisor's fees or other trading expenses. There can be no assurance that current investments will be profitable. Actual realized returns will depend on, among other factors, the value of assets and market conditions at the time of disposition, any related transaction costs, and the timing of the purchase. Indexes and benchmarks may not directly correlate or only partially relate to portfolios as they have different underlying investments and may use different strategies or have different objectives than our strategies or funds.

CNR is free from any political affiliation and does not support any political party or group over another.

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Agenda Item 8

Chief Medical Officer's (CMO) Report

Action Item:

a. Review and Approval of Evaluation of 2020 Quality Improvement Program

b. Review and Approval of 2021 Quality Improvement Program Workplan

Quality Improvement (QI) Program Evaluation (2020) and Quality Improvement Plan (2021)

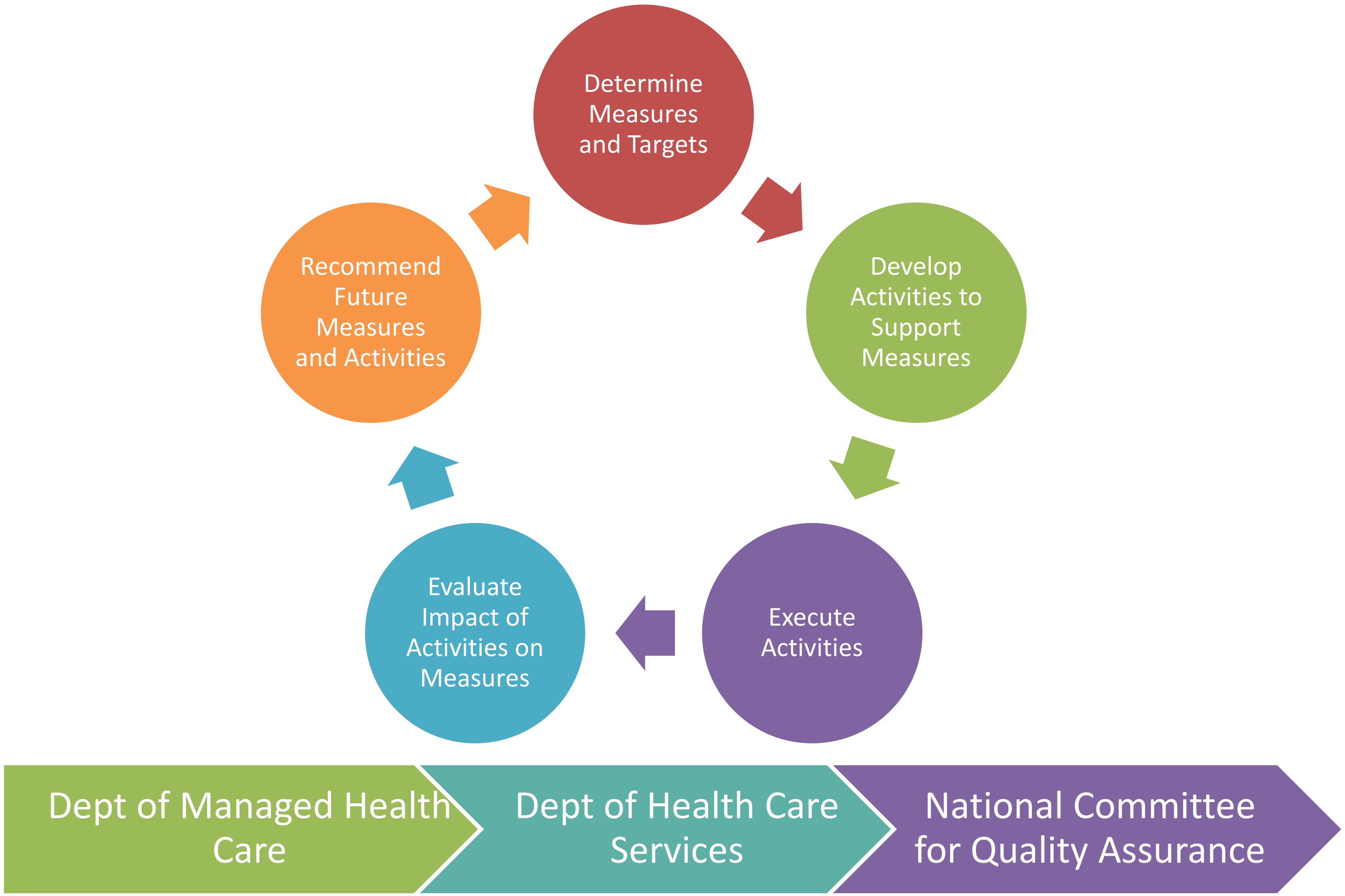
Jim Glauber, MD, MPH,
Chief Medical Officer

Governing Board's Role in QI Program

SAN FRANCISCO HEALTH PLAN
Here for you

- Oversight of SFHP's QI Program
- Review and approve SFHP's annual QI Evaluation and subsequent year's Work Plan
- SFHP's QIC provides clinical oversight and quarterly monitoring

Measure Development & Evaluation Process



2020 Quality Improvement Program Evaluation

2020 Highlights & Recommendations
Quality of Service & Access to Care

SAN FRANCISCO HEALTH PLAN
Here for you

Highlighted Successes

- Launched Cultural and Linguistic Services (CLS) Program to develop coordinated strategy to address SFHP's CLS priorities.
- Promoted Teladoc benefit to members. An additional 861 SFHP members registered for Teladoc in FY 19-20.
- Strategic Use of Reserves (SUR) grants program to implement or scale electronic member-communication platforms (appointment scheduling, lab result notifications).

Recommendations

- Invest in appointment scheduling improvements and telehealth infrastructure through Strategic Use of Reserves grant funds.
- Incentivize clinics and provider groups to improve access under SFHP's Pay for Performance program, and Practice Improvement Program/Strategic Use of Reserves grants.
- Conduct member focus groups to understand member perception regarding access to specialty care, as specialty care is a key driver of improvement of member experience.

2020 Highlights & Recommendations
Clinical Quality & Patient Safety

SAN FRANCISCO HEALTH PLAN
Here for you

Highlighted Successes

- Exceeded target (12%) for percent of members with Opioid Use Disorder with at least one buprenorphine prescription (final result of 12.3%).
- Increased by 6.3% over baseline total members with chronic Hepatitis C infection completing chronic Hepatitis C treatment (final result of 37.3%).
- Exceeded target (40.5%) for increasing members receiving recommended Chlamydia screening (final result of 58.1%).

Recommendations

- Expand eligible age range and restructure incentive report for SFHP children and adolescent incentives to identify members who have not had a preventive care visit in > nine months; send incentive three months before next birthday.
- Offer Diabetes Prevention Program (DPP) virtual classes to pre-diabetic (in addition to the existing in-person classes).

2020 Highlights & Recommendations
Utilization of Services

SAN FRANCISCO HEALTH PLAN
Here for you

Highlighted Successes

- Promoted telehealth services to members and providers, including tele-behavioral health, through robo-calls and a registration incentive campaign.
- Incentivized providers to increase the percentage of members with primary care visits by including measure in SFHP's Pay for Performance Program.
- Funded Strategic Use of Reserves grants for medical groups to increase or improve appointment scheduling options.

Recommendations

- Communicate weekend and after-hours appointment access of mental health services for members.

2020 Highlights & Recommendations
Care Coordination

SAN FRANCISCO HEALTH PLAN
Here for you

Highlighted Successes

- Attained high member satisfaction with care management services provided by SFHP.
- Exceeded target of 70% for member clinical depression follow up with a final result of 77%.

Recommendations

- Provide staff coaching from Clinical Supervisors and Medical Director with the Care Management Nurses and Community Coordinators to assess for client barriers and gaps in health education and connection to PCP.

2021 Quality Improvement Program Description & Work Plan

2021 Measures
Keeping Members Healthy

SAN FRANCISCO HEALTH PLAN
Here for you

Measure Name	Denominator	Target
Chlamydia Screening	Total number of members 16-24 years of age with a female gender marker identified as sexually active	61.1%
Well-Child Visits in the First 30 Months of Life	Total number of members who turned 30 months old during the measurement year	3% absolute improvement one year from baseline administrative rate
Child and Adolescent Well-Care Visits	Total number of members 3–21 years of age	3% absolute improvement one year from baseline administrative rate
Breast Cancer Screening	Total number of women 50-74 years of age	68.9%

2021 Measures
Managing Members with Emerging Risk

SAN FRANCISCO HEALTH PLAN
Here for you

Measure Name	Denominator	Target
% of Members who complete Hepatitis C Treatment	Total number of members with any past history of Hepatitis C diagnosis	40.0%
Diabetes Prevention Program (DPP) - Weight Loss	Total DPP participants who complete the DPP program	25.0%
Diabetes Prevention Program - 150 Mins of Physical Activity Per Week	Total DPP participants who complete the DPP program	95.0%
Diabetes Prevention Program - Satisfaction	Total DPP participants who complete satisfaction survey	90.0%

2021 Measures
Patient Safety or Outcomes Across Settings

SAN FRANCISCO HEALTH PLAN
Here for you

Measure Name	Denominator	Target
Medication Therapy Management (MTM)	Total number of SFHP members engaged in SFHP's Care Management and Care Transitions programs with a pharmacist recommendation for medication reconciliation to be completed	87.0%
Opioid Safety - Benzodiazepine Prescription	Total number of SFHP members with Opioid Use Disorder	15.0%
Opioid Safety - Opioid and Benzodiazepine Co-prescribing	Total number of SFHP members with Opioid Use Disorder	8.0%
Medi-Cal R_x Transition	Total medium and high-risk members as identified by the high-risk member dataset	80.0%

2021 Measures
Managing Multiple Chronic Illnesses

SAN FRANCISCO HEALTH PLAN
Here for you

Measure Name	Denominator	Target
Care Management Client Perception Of Health	Total clients who responded to self-reported health question of SF-12 on both the intake and closing assessments	55.0%
Screening For Clinical Depression	Total clients 18 years or older screened positive for clinical depression with PHQ-2	85.0%
Follow Up On Clinical Depression	Total clients 18 years or older screened positive for clinical depression with PHQ-9	89.0%
Care Management Client Satisfaction	Total clients who responded to the Care Management satisfaction survey	90.0%
Health Homes CB-CME Conference Rate	Total unique members enrolled in Health Homes across all CB-CMEs (Community-Based Care Management Entities)	51.0%

2021 Measures
Quality of Service and Access to Care

SAN FRANCISCO HEALTH PLAN
Here for you

Measure Name	Denominator	Target
Health Plan Consumer Assessment of Healthcare Providers and Systems (HP-CAHPS) Rating of Specialist	Total respondents to SFHP’s HP-CAHPS Rating of Specialist question	59.5%
Provider Appointment Availability Survey (PAAS) - Routine Appointment Availability In Specialty Care	Total non-behavioral health specialists surveyed in PAAS with eligible survey responses	60.8%
Cultural and Linguistic Services (CLS) Provider Data	Total number of active credentialed practitioners in network	10.0%

2021 Measures
Utilization of Services

Measure Name	Denominator	Target
Primary Care Utilization Rate	1000 member months	≥ Q2 2019 rate
Percentage Of Primary Care Visits Delivered By Telehealth Modalities	Primary care visits	25.0%
Percentage Of Members Utilizing The Non Specialty Mental Health (NSMH) Benefit with ≥ Two NSMH Visits	Total unique non-dual members who utilize the NSMH benefit	46.8%

Quality Oversight Activities

- Quality Improvement Committee
- Pharmacy and Therapeutics Committee
- Provider Advisory, Peer Review, and Credentialing Committee
- Annual Evaluation of the QI Program
- QI Plan Approval for Calendar Year
- Delegation Oversight for QI
- DHCS Performance Improvement Projects
- Governing Board approval of QI Plan and Evaluation

Recommendations to the Governing Board

SAN FRANCISCO HEALTH PLAN
Here for you

- Approve the 2020 QIP Evaluation
- Approve the 2021 QI Program Description and Work Plan

Agenda Item 9

Discussion Item

Member Advisory Committee Report

MEMO

Date: December 22, 2020

To	**Governing Board**
From	Valerie Huggins (415) 615-4235 Fax: (415) 615-6435 Email: vhuggins@sfhp.org
Regarding	Member Advisory Committee Materials

Enclosed are the minutes and agenda for the November 2020 Member Advisory Committee meeting. The Committee did not meet in December as they celebrated their year-end holiday party.

Please direct any questions to Maria Luz Torre and Irene Conway, Co-Chairs of the Members Advisory Committee.

MEMBER ADVISORY COMMITTEE
SAN FRANCISCO HEALTH AUTHORITY
www.sfhp.org
Valerie Huggins
Phone: (415) 615-4235 /Email: vhuggins@sfhp.org
Maria Luz Torre (415) 722-6229 & Irene Conway, Co-Chairs

Meeting Agenda & Zoom Information
November 13, 2020
1:00PM- 3:00PM
Via Zoom Meeting

Join Zoom Meeting
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In addition, we ask if you could follow these simple ground rules during the meeting:

1. Attend on time. Be engaged. Do not drift in and out of the meeting. And do not leave before meeting is adjourned.

2. Be patient while we are working out the technical issues.

3. Be courteous. Mute yourself and listen while others are talking.

4. Raise your hand to speak. (We will give instructions on how to do this on zoom).

5. Mute yourself unless you are recognized to speak and make sure you are in a quiet location.

6. Turn off TV, radio and other background noise.

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AGENDA

1. Welcome, Introductions & Roll Call

2. Adopt Agenda/Approve Minutes

3. Reports-
- Chairs & Governing Board: Maria Luz Torre & Irene Conway
- Quality Improvement Committee: Edward Evans, Idell Wilson, and Irene Conway
- Staff Report: John F. Grgurina, Jr., CEO

4. Discussion: Goals/Holiday Party

5. Public Comment:

6. Calendar Items For Next Meeting:

7. Announcements:

8. Other:

9. Adjournment:

Please Note These Upcoming SFHA Meetings:

Quality Improvement Committee:	December 10, 2020 (7:30am- 9:30am)
Member Advisory Committee:	December 11, 2020 (1pm-3pm)
Finance Committee:	January 6, 2021 (11am-12pm)
Governing Board:	January 6, 2021 (12pm-2pm)

****

SAN FRANCISCO HEALTH PLAN
Here for you

November 13, 2020
Member Advisory Committee
Meeting Minutes

Members Present: redacted

Members Absent: redacted

Excused: None

Guests: None

Staff: Stephanie Boyce**,** and John F. Grgurina, Jr. Valerie Huggins, and Patrick Lin

Due to the COVID-19 public health emergency and in accordance with Governor Newsom's Executive Order N-29-20, the Member Advisory Committee members attended this meeting via teleconference. The meeting was closed to in-person public attendance, but the conference line information was provided on the publicly-posted agenda. This precaution was taken to protect all members, staff and the public. All the Committee members, staff and public attended the meeting virtually.

1. **Welcome, Introductions and Roll Call:**
   The Committee discussed a few ground rules as this was the first meeting via Zoom. Roll call followed with a brief check-in from each member to see how everyone has been doing during the pandemic. Since this was our first Zoom meeting, we asked members to be patient as we worked out technical and noise issues, as well as working with a translator. The meeting was called to order shortly after 1:00pm.

2. **Approval of Agenda & Minutes:**
   The agenda was approved, and the minutes were approved as written.

3. **Committee Reports:**
   Chair & Governing Board Report-Maria Luz Torre & Irene Conway
   Ms. Torre and Ms. Conway both reported the Board met on November 4, 2020. John F. Grgurina, Jr. CEO, provided the Board report to the Committee.

   Ms. Torre also mentioned to the Committee to stay safe and observe the protocol; social distancing, wearing a mask, stay six feet apart and best of all - stay at home.

Quality Improvement Committee (QIC) Report-Ed Evans and Irene Conway
There was no Quality Improvement Committee report. The next Quality Improvement Committee is December 10, 2020.

Staff Report: John F. Grgurina, Jr., CEO, presented a few highlights from the Board meeting, and mentioned he was glad the Committee is back having meetings again.

Mr. Grgurina briefly explained the individual mandate and expansion for Medicaid. The Affordable Care Act (ACA) case, Texas vs CA, still pending review by the U.S. Supreme Court. Oral arguments are scheduled for the week after the election on November 3rd. This case could strike down the entirety of the ACA. If struck down, the ruling could impact over 20 million Americans. If struck down, a major Congressional effort and debate to reinstate ACA is expected.

Mr. Grgurina wished the Committee a happy, healthy, and safe Thanksgiving.

4. **Discussion: 2020 MAC Goals**
   The Committee proposed to adopt last year's goals, add a new COVID-19 resource and information, a discussion with SFHP staff. Ms. Conway mentioned adding new Medi-Cal pharmacy authorization – SFHP staff to explain the transition. For the March 2021 meeting, the Committee would like to discuss the "Overcoming Trauma and PTSD' goal. The Committee will go back to review the goals in January 2021.

5. The Committee discussed their year-end holiday party which will be via Zoom.

6. **Public Comment:**
   There were no public comments.

7. **Calendar Items for Next Meeting:**
   The year-end annual holiday party.

8. **Announcements:**
   There were no announcements.

9. **Other:**
   No other topics were discussed.

10. **Adjournment**
    The meeting adjourned at 2.50pm.

Date Approved ____________________

____
Maria Luz Torre and Irene Conway, Co-Chairs

Agenda Item 10

Discussion Item

CEO Report

- Healthy San Francisco Updates
- NCQA Update
- Operations Updates
- Security Updates

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MEMO

Date:	**December 22, 2020**
To:	**Governing Board**
From:	**John F. Grgurina, Jr., Chief Executive Officer**
Regarding:	**CEO Report for January 6, 2021 Meeting**

SAN FRANCISCO HEALTH PLAN STRATEGIC ANCHORS

Strategic Anchor: Universal Coverage

Healthy San Francisco Program Enrollment as of November 30, 2020

Total Enrollment: 14,557

A total of 14,557 participants were enrolled in Healthy San Francisco as of November 30, 2020. Enrollment is slightly higher due to the temporary policy of auto-renewing HSF eligibility for an additional six months due to COVID-19.

SF City Option Program Enrollment as of November 2020

Employers in San Francisco can choose to meet the employer spending requirement of the San Francisco Health Care Security Ordinance (HCSO) by participating in the SF City Option Program. Employees of participating employers may enroll in one of three programs depending on which eligibility requirements they meet: the Healthy San Francisco Program, which provides health care coverage to uninsured San Francisco residents; SF Covered MRA, which provides premium subsidies and cost sharing reductions for certain San Francisco residents purchasing health insurance through Covered CA; or SF MRA, which provides a medical reimbursement account (MRA) to pay for eligible health care expenses.

Employer contributions are held in a contribution pool until the employee enrolls in an SF City Option health care program, at which point the eligible contributions are transferred to the particular program and continue to be assigned to the program while the employee is enrolled.

San Francisco City Option Program Data – November 2020

	Program-to-Date (PTD)	November 2020
Employers		
Employers Participating in SF City Option	4,102	
Employers with Contributions Within the Past 12 Months	n/a	2,072
Total SF City Option Program Contributions	$1.240B	$26.2M
Contributions Assigned to the Contribution Pool	$421.5M	$17.3M
Contributions Assigned to Healthy San Francisco	$145M	$.2M
Contributions Assigned to San Francisco Medical Reimbursement Account	$666.7M	$8.6M
Contributions Assigned to San Francisco Covered Medical Reimbursement Account	$6.2M	$.1M
Employees		
Employees Receiving SF City Option Employer Contributions	484,494	
SF MRA		
Number of SF MRAs with Deposits	219,621	435
SF MRA Claims Paid	$440M	$8.6M
SF MRA Dollars Available	$157.7M	
SF Covered MRA		
SF Covered MRA Participants	904	
SF Covered MRA Subsidy Deposits	$4.9M	$33K
SF Covered MRA Claims Paid	$3.1M	$0.1M
SF Covered MRA Dollars Available	$.4M	
HSF		
HSF Participants with Employer Contributions	21,575	173

SF MRA COVID-19 Cash Grant Update

The SF MRA COVID-19 Cash Grant Program began in August 2020, which provides SF MRA participants with economic support due to the COVID-19 pandemic. Over 46,000 SF MRA accountholders are eligible for the program. Eligible SF MRA account holders were contacted in phases to claim their $500 cash grant payment once their identity had been confirmed by SF City Option staff. Currently, eligible MRA accountholders for whom we do not have an email address are being mailed their notification of eligibility for the program. The program will be ending on December 31, 2020, with final payments distributed in January 2021. Here are the results of the program as of December 3, 2020:

- Outreach
  - 28,142 Cash Grant forms received
  - 93% approval rate (26,151 forms approved/28,142 forms received)
  - 56.3% response rate from eligible participants (26,151 approvals/46,543 eligible participants)
- Payments
  - 26,151 participants paid $500 cash grant
  - Over $13 million paid out

SFHP MEMBERSHIP UPDATE

SFHP membership as of December 1, 2020 is 150,991 members. **Attachment 1** includes the membership reports for December. On page 2 of the report, Medi-Cal membership is 139,381 members, which is an increase of 10.4% increase compared to October 2019. The total number of members on hold (page 4) is 1,629 and the total number disenrolled is 690 members. These numbers are significantly lower than pre-COVID-19 because of Governor Newsom's Executive Order to discontinue negative actions on Medi-Cal eligibility as of March 19, 2020. The Governor's order has been extended until the COVID-19 public health emergency is considered over. Most Medi-Cal beneficiaries will not be put on hold or disenrolled during this time, unless their cases were under review prior to mid-March 2020, or the members move out of the county. Beneficiaries in the SSI/SSP aid categories may be placed on hold or disenrolled because the federal Social Security Administration office is processing eligibility reviews, which results in disenrollments or holds.

Healthy Workers enrollment as of December 1, 2020 is 11,610 members, which is a 0.5 percent decrease compared to December 2019. Prior to November 2020, Healthy Workers members' eligibility was maintained through the initial months of the pandemic. As of November 2020, Healthy Workers members' eligibility determination for benefits was re-initiated by the Public Authority, resulting in the disenrollment of over 1,200 members since November. Please see **Attachment 1** for the complete SFHP membership reports.

MEDI-CAL EXPANSION UPDATES

Please see the table on the next page for the SFHP Medi-Cal expansion default assignments of non-choosers to the public hospital system. SFHP remains compliant with the requirements of AB 85 to default the 50% of non-choosers to the public hospital system. The remaining non-choosers are defaulted to other providers based on family linkage, previous history, address, language, and other factors.

Month of Enrollment	M1 Aid Code (Optional Expansion members)	7U Aid Code (CalFresh-related Optional Expansion members)	AB 85 Default Requirement to Public Hospital System (M1 and 7U only)
2020			
January	1,106 M1 members, 1,030 did not choose	0 7U members	537 of 1,030 members (52%) were defaulted to DPH
February	1,404 M1 members, 1,375 did not choose	0 7U members	688 of 1,136 members (50%) were defaulted to DPH
March	1,488 M1 members, 1,437 did not choose	0 7U members	718 of 1,437 members (50%) were defaulted to DPH
April	1,359 M1 members, 1,305 did not choose	0 7U members	653 of 1,305 members (50%) were defaulted to DPH
May	1,229 M1 members, 1,220 did not choose	0 7U members	610 of 1,220 members (50%) were defaulted to DPH
June	1,593 M1 members, 1,578 did not choose	0 7U members	789 of 1,578 members (50%) were defaulted to DPH
July	1,581 M1 members, 1,578 did not choose	0 7U members	785 of 1,570 members (51%) were defaulted to DPH
August	1,687 M1 members, 1,680 did not choose	0 7U members	840 of 1,680 members (50%) were defaulted to DPH
September	1,344 M1 members, 1,314 did not choose	0 7U members	649 of 1,314 members (50%) were defaulted to DPH
October	1,294 M1 members, 1,271 did not choose	0 7U members	638 of 1,271 members (50%) were defaulted to DPH
November	1,294 M1 members, 1,271 did not choose	0 7U members	638 of 1,271 members (50%) were defaulted to DPH
December	1,259 M1 members, 1,241 did not choose	0 7U members	624 of 1,241 members (50%) were defaulted to DPH

STRATEGIC ANCHOR 2: QUALITY CARE & ACCESS

National Committee on Quality Assurance (NCQA) Renewal Survey

SFHP successfully completed the FY 20-21 organizational goal to renew its NCQA accreditation. It was a marathon process that extended over two years and ended with file review interviews on December 8, 2020.

SFHP also appreciates the work of our delegates that submitted their files for the review, including North East Medical Services, Jade Medical Group and San Francisco Health Network.

Due to the pandemic, NCQA adjusted the health plan rating process and determined that HEDIS and CAHPS results will not be used to determine health plan ratings. Health plans must pass the evidence portion and file reviews to renew their accreditation. Multiple SFHP cross-functional teams worked closely together to incorporate the NCQA standard requirements into day-to-day operations in the areas of

Clinical Operations, Pharmacy, Health Outcomes Improvement, Customer Service, Business Analytics, Care Management, Provider Network Operations and Compliance and Regulatory Affairs. These areas ensured compliance with 2019 and 2020 NCQA standards, produced all documents to demonstrate compliance and prepared for the mock and actual surveys. The teams worked diligently together to prepare cases for the presentations and interviews. The work spanned over two years and culminated in the production of over 150 documents that were submitted in October and preparation of 210 case files for the surveys on December 7th and 8th. Out of 145 points, the preliminary report received on December 15th from NCQA indicates a score of 144, or 99.3%. Although the final report will be released in mid-January 2021, we believe SFHP's NCQA accreditation will be renewed through December 2023.

The NCQA surveyors commented that the work shows the SFHP's commitment to and caring for its members, knowledge of NCQA standards, and great organization. They complimented staff on the clarity of the letters to members and thoughtfulness of the work. The physician surveyor stated the letters showed SFHP arrived at their decisions with care, thoughtfulness, and thoroughness. The surveyors stated that staff did a great job. Not only will SFHP receive its renewal accreditation, but through this hard work and dedication, SFHP members and providers receive a high-level of service throughout the year. The accreditation renewal is an indicator of SFHP's commitment to the work of evaluating and evolving on the path of continuous improvement.

STRATEGIC ANCHOR 3: EXEMPLARY SERVICE

OPERATIONS

Operations is comprised of the following departments: Claims, Customer Service, Member Eligibility Management (MEM), Enterprise Project Management Office (EPMO), Business Solutions (composed of Configuration, Quality Assurance, Business Systems Analysis, and Continuous Improvement), and Provider Network Operations (PNO) (composed of Provider Relations, Contracting, Credentialing, and Facility Site Review). We continually strive to streamline processes to strengthen our core operations.

Customer Service (CS)

The Customer Service Department successfully launched a Knowledge Base tool to improve the quality of service to our members and providers. The tool provides our Customer Service staff with quick and easy access to accurate information. We leveraged the tool to build a comprehensive knowledge base for staff and received positive feedback from them. In addition, the tool has been instrumental in our new hire training program as it can assist with onboarding and navigating day-to-day operations alongside reducing one-on-one training time.

In response to the increased call volume related to HSF and City Option, we recently cross-trained four additional Customer Service Representatives (CSRs) and have already seen positive improvements in our service level as a result. Our continued ability to handle higher than normal call volume and perform in a fully remote setting is a true testament to the dedication of our CS staff and a strong remote learning plan implemented by the leadership team.

Claims

The Claims department continues to operate efficiently. The claims volume in October increased by 3.8% (4,104 claims/day) compared to September (3,955 claims/day). We continue to see a steady increase in claims as we return to our pre-pandemic claims volume. The total claims volume in October was 1.9% higher than what it was for the same month in 2019. Some of this increase is attributed to claims for COVID-19 lab tests. Despite the increased volume, the Claims team was able to process 99.95% of claims within 19 working days.

Member Eligibility Management (MEM)

We experienced some unanticipated issues during the capitation process in October. The MEM team assisted in troubleshooting the problems and identifying the root cause. The team immediately corrected members' records so providers could be paid timely. In addition, MEM worked with the Business Solutions team to address the issue and prevent a future recurrence.

In September, the Public Authority (PA) for In-Home Supportive Services (IHSS) notified Healthy Workers (HW) members who did not have enough work hours to maintain eligibility. As a result, there was an increased number of terminations of HW members by the PA starting in November. After the terminations, MEM staff discovered some members were still eligible and incorrectly terminated. The team took prompt action and helped to reinstate 50 members' eligibility manually.

Business Solutions

The Business Solutions team made enhancements to the delegated authorization load process. The team also operationalized the loading of member emails from external sources into our internal systems as optional preferred method of communication. In addition, the team made necessary changes resulting in a more effective integration with our vendor's enrollment tracking dashboard, leveraged by our MEM team.

The Configuration team continues to scope and test the necessary setup in our core system, QNXT, to implement the upcoming transition of Zuckerberg San Francisco General Hospital (ZSFG) to fee-for-service for the San Francisco Community Clinic Consortium (SFCCC) members by the requested effective date of July 1, 2021.

Provider Network Operations

Personal protective equipment (PPE) care packages were distributed to our network providers in the week of November 9th. These care packages were sent as an alternative to the annual provider recognition dinner and a token of SFHP's appreciation to our providers. The packages for the providers included PPE items with the SFHP logo and include a mask, hand sanitizer, disinfecting wipes, and packets of flower seeds to encourage the planting of a calming, Zen garden. We also included a note card to thank our providers for their continued excellent service to SFHP members.

The Contracting team kicked off efforts to re-contract all providers impacted by the upcoming move from capitation to fee-for-service for hospital services provided to SFHP members assigned to SFCCC. Providers included in the re-contracting project include ZSFGH, Clinical Practice Group (CPG, which is the University of California, San Francisco primary and specialty group at ZSFG) and all SFCCC clinics.

Enterprise Project Management Office (EPMO)

Key project updates:

- Medi-Cal Rx Transition – EPMO staff are adjusting the project schedule in response to the Department of Health Care Services' change of the effective date from January 1, 2021 to April 1, 2021. The primary focus of the project is to ensure a smooth a transition for SFHP members and provide clear information to our providers.
- Knowledge Base Software – Implementation of a software tool for maintaining and managing volumes of reference information used in responding to customer service calls was successfully completed on November 18, 2020, on time and within budget.

STRATEGIC ANCHOR 4: FINANCIAL VIABILITY

Information Technology Services (ITS)

Disaster Recovery (DR) Plan Update

All SFHP technology systems run in the Santa Clara data center, which has a built-in redundancy for electricity and network connections. At one point during the shelter-in-place, the data center had a power issue and ran on backup electrical generators for a short period of time. The backup generators at the data center contain enough fuel to operate for twenty-four hours. There are two separate fuel retainers in place with guaranteed delivery within four hours.

While the Santa Clara data center has built in redundancies, we must plan for a large-scale disaster that could render the Santa Clara data center inoperable. The SFHP technology department maintains a duplicate set of critical systems in a second data center in Ashburn, Virginia. Data are synchronized between the Santa Clara data center and the Ashburn, VA data center. If the Santa Clara data center shut down completely, critical systems, including the phone system, would be recovered, operating and usable within minutes from the Ashburn, VA data center.

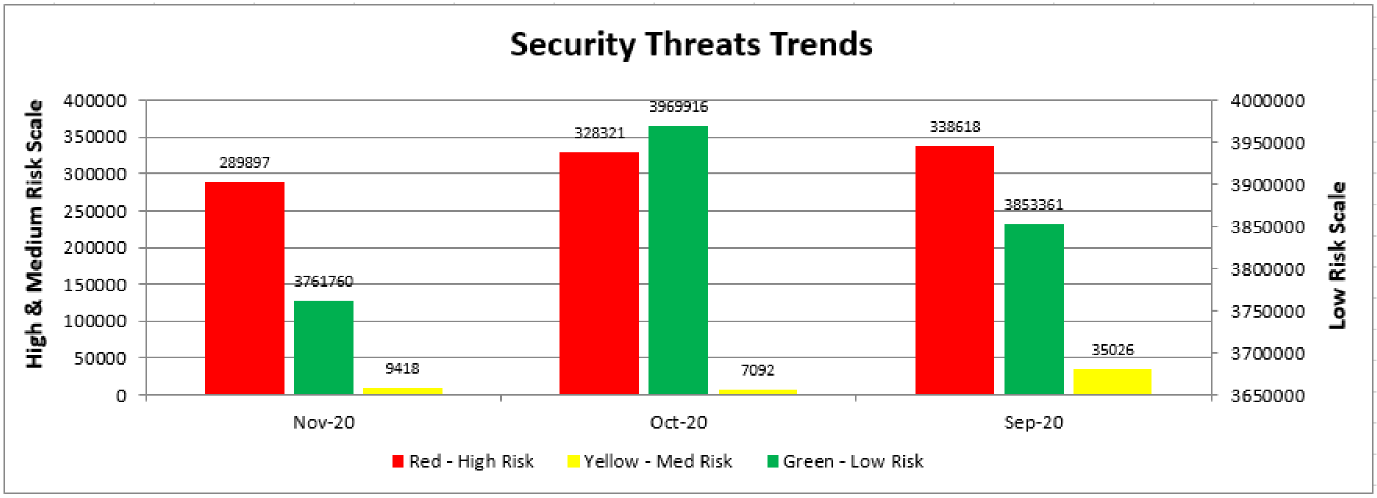
Since going to full-time remote work in early March 2020, SFHP staff has been using Virtual Desktops (VDI) to perform work functions. VDI is a virtual Windows desktop that can be accessed from any type of computer anywhere in the United States; access from outside the United States is blocked for security purposes. VDI is the only system for which a disaster recovery plan is not in place. Replicating the complete VDI system in the Ashburn, VA data center is price prohibitive. Therefore, an alternative solution had to be found. The SFHP technology department evaluated different options for cost, reliability, and ease of use. It was determined that building a small VDI environment on Microsoft's Azure cloud environment would be the best option. This VDI Azure environment would always be available, could easily be scaled up to accommodate all SFHP staff and would only cost $4,700 a year. The SFHP technology department has initiated a project to build the VDI disaster recovery environment and contracted with an outside vendor that has previously built these types of VDI environments in Azure. This project will be completed by January 31, 2021.

ITS Security Metrics Report

Threats

- Number of Attacks Detected and Thwarted at the Network Perimeter September 2020 through November 2020

Risk Category	**September**	**October**	**November**
High/Critical – Attempts to exploit various vulnerabilities, including repeated brute force attempts	338,618	328,321	289,897
Medium - Malware, ransomware, and virus attempts	35,026	7,092	9,418
Low/Informational – Authentication failures, login failures, HTTP Errors	3,853,361	3,969,916	3,761,760



Security Trends

The number of overall volume attacks on SFHP's network infrastructure are at the same levels as we have seen in the recent past. Most inbound international traffic to SFHP, with some exceptions, is now being blocked. Most of the attacks we are seeing are coming from computers in the United States that appear to have been compromised.

Malware

There have been no significant malware events over the last 12 months.

Email

The volume of legitimate emails into SFHP has remained about the same over time. Since January 2020, the quantity and volume of inbound emails to SFHP has dropped significantly. Emails into SFHP are down by approximately 30%. There are also less email rejections than in the past. The theory is that as we have historically blocked more incoming emails over time, spammers have become less likely to send emails to systems that block their emails.

Rejected emails included blocked senders, viruses, spam, and other unwanted communications. Rejecting suspicious emails before they enter SFHP's internal systems reduces the threat attack surface.

Month-Year	Total Inbound Email	Rejections (includes viruses & spam)	Legit Inbound Email	% Rejections	Total Outbound Email	Total Internal Email
Dec - 2019	357,580	278,066	79,514	77.76 %	26,622	789,872
Jan - 2020	147,970	60,746	87,224	41.05 %	32,538	632,007
Feb - 2020	148,916	72,395	76,521	48.61 %	30,103	632,516
Mar - 2020	192,832	88,454	104,378	45.87 %	34,811	783,711
Apr - 2020	230,763	138,667	92,096	60.09 %	33,195	713,459
May - 2020	186,026	100,474	85,552	54.01 %	31,337	683,066
June - 2020	187,156	98,109	89,047	52.42 %	31,376	652,250
July - 2020	173,417	86,343	87,074	49.79 %	57,572	683,283
Aug - 2020	162,068	82,314	79,754	50.79 %	259,461	492,483
Sep - 2020	161,012	78,381	82,631	48.68 %	388,597	495,658
Oct - 2020	200,614	107,945	92,669	53.81 %	337,695	618,459
Nov - 2020	155,214	72,114	83,100	46.46 %	212,754	488,059
Total	**2,303,568**	**1,264,008**	**1,039,560**		**1,476,061**	**7,664,823**
Mean	**191,964**	**105,334**	**86,630**	**52.45 %**	**123,005.09**	**638,735.25**

Annual Risk Assessment

SFHP completed our annual risk assessment of all SFHP systems that contain and use electronic protected health information (ePHI). with Clearwater Compliance. A risk assessment helps reveal areas where an organization's ePHI could be at risk and is required as part of the HIPAA Security Rule. This annual effort consists of organizational document reviews and interviews with application owners conducted by Clearwater Compliance consultants.

Clearwater Compliance reported that compared to the initial assessment in 2018, SFHP achieved a 76.9% reduction of risks above the risk-acceptance threshold.

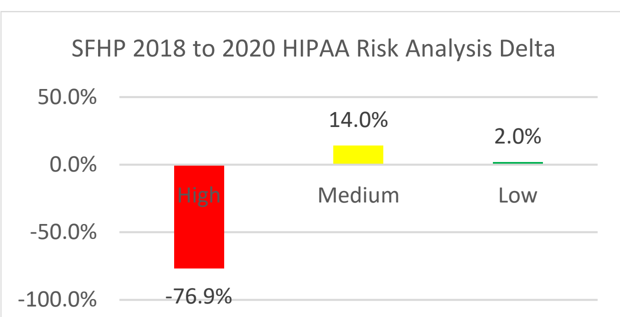


Figure 12 – SFHP 2018 to 2020 HIPAA Risk Analysis Delta

Penetration Testing

SFHP's ITS department conducted an internal and external penetration test in June 2020. We are in the process of remediating the findings of this test.

Risk Category	Number of Findings	Number of Findings Remediated
Critical	1	1
High	4	2
Medium	13	4
Low	19	6
Informational	6	-

Penetration Testing is the process of identifying security gaps in our infrastructure by mimicking an attacker.

CMS Interoperability Solution

In early 2019, the Centers for Medicare and Medicaid Services (CMS) introduced the CMS Interoperability and Patient Access Proposed Rule. The intent of the CMS Interoperability Rule is to expand access to health information and improve the seamless exchange of data in healthcare.

The CMS Interoperability Rule introduces new technologies and standards that SFHP must acquire to comply with the requirements. The implementation deadline was recently extended to July 1, 2021.

To comply with the Interoperability Rule, SFHP selected the EDIFECS solution through a competitive bidding process. The contract with EDIFECS was executed in July 2020.

Finally, SFHP is leading an effort to create a buying group to buy the EDIFECS at a lower cost. Several local health plans have also selected EDIFECS, which has resulted in receiving the advantageous sliding scale pricing offered by EDIFECS.

The project is moving forward with requirement documentation, data mapping and development of consent management flows. The formal project kickoff was conducted on October 19th, 2020. The kickoff included all the local health plans that are currently in the buying group. Additional plans are finishing their selection and once they sign it will expand the buying group.

MEDIA ROUNDUP

Please see **Attachment 2** for the Media Roundup with articles related to Medi-Cal, COVID-19, SF MRA, and the Affordable Care Act.

Closed Session

Agenda Item 11

Discussion Item

- Review of Future Medi-Cal Rate Changes for Provider Contracts

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Finance Committee & Governing Board

MEMO

Date:	**December 22, 2020**
To:	**Finance Committee and Governing Board**
From:	**Skip Bishop, Chief Financial Officer** **John F. Grgurina Jr., Chief Executive Officer**
Regarding:	**Discussion for Future Medi-Cal Rates**

Discussion:

San Francisco Health Plan (SFHP) is not making any recommendation at this time regarding changes to current Medi-Cal capitation and fee-for-services rates. The following information is being provided to the Finance Committee and Governing Board for discussion purposes only.

Beginning with calendar year 2021, Department of Health Care Services (DHCS) will transition its Medi-Cal rate-setting cycle from a fiscal year basis to a calendar year basis. New rates will be effective on January 1, 2021. Although the preliminary rates shared with SFHP appear to be favorable, DHCS still needs to apply a risk adjustment, as well as a population acuity adjustment, which will decrease the rates. DHCS has stated it will release final CY 2021 rates at the end of December.

Due to the COVID-19 pandemic and its impact on the finances of state of California, the Administration and State Legislature passed a budget that included a 1.5% retroactive rate reduction for the Bridge Period of July 2019 through December 2020. This retroactive rate reduction decreased SFHP's Medi-Cal revenue by $9.3 million.

Given the possibility of another retroactive rate reduction in the FY 21-22 state budget, we will propose to the Finance Committee and Governing Board at the March 2021 meeting to set aside 1.5% of the potential rate increase and place this amount into a reserve to cover the potential claw back by DHCS. If State finances improve and DHCS does not implement a 1.5% rate reduction, SFHP will release the reserve into income by June 30, 2021.

As SFHP looks ahead to future changes coming to Medi-Cal Managed Care, we recognize the need for the health plan to rebuild its reserves that have been reduced by retroactive adjustments implemented by DHCS. In recent years, SFHP has absorbed the following:

• 1.5% rate reduction (July 2019 through December 2020)	$9.3 million
• Adult Expansion Duals take-back (May 2018)	$2.4 million
• Deceased members take-back (March 2020)	$1.0 million
	$12.7 million

As you will recall, in each of these three circumstances SFHP recommended and the Finance Committee and Governing Board approved not to make retroactive recoveries from providers.

SFHP will come back to the Finance Committee and Governing Board in March 2021 to provide more details about the Medi-Cal rates for CY 2021.

Closed Session
Agenda Item 12
Discussion Item

- Review Contract Change for Zuckerberg San Francisco General Hospital to Fee-for-Service Payments for SFCCC Clinic Members

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MEMO

Date: December 22, 2020

To	**Governing Board**
From	**Skip Bishop, Chief Financial Officer** **Kaliki Kantheti, Operations Officer**
Regarding	**Contract Change for Zuckerberg San Francisco General Hospital (ZSFGH) to Fee-for-Service Payments for SFCCC Clinic Members**

San Francisco Health Plan (SFHP) provides the Governing Board with an update regarding the contract change for Zuckerberg San Francisco General Hospital (ZSFGH) to Fee-for-Service Payments for SFCCC Clinic Members. No action is required.

Zuckerberg San Francisco General Hospital Payment Update:

Effective July 1, 2021, SFHP's contract with Zuckerberg San Francisco General Hospital (ZSFGH) will change such that inpatient and outpatient hospital services provided to SFHP members assigned to San Francisco Community Consortium Clinics (SFCCC) and two individual primary care providers (PCP) will move from capitation to fee-for- service. This shift in hospital risk is similar to the change requested by UCSF and St. Luke's Hospital in 2002.

This contract change is the result of a collaborative effort between San Francisco Health Network (SFHN) and SFHP to improve management of out-of-network costs and utilization for approximately 15,500 members. This change is driven by the following:

- These members have the highest hospital utilization among all members enrolled with SFHP.
- For FY 19-20, out-of-network hospital costs for these members represented 117% of capitation paid to ZSFGH.
- Out-of-network costs that consistently exceed the capitation paid to cover both in-network and out-of-network activity is not a sustainable model for ZSFGH.

It is estimated that this hospital risk will cost SFHP approximately $8.0 million to $9.0 million for the period of July through December 2021. SFHP anticipates that Medi-Cal rate increases for CY 2021 will cover this cost. We will be working closely with the Department of Health Care Services (DHCS), Mercer, the State's actuary, as well as our contracted actuary, to build this additional cost into the rate development that will establish Medi-Cal rates for CY 2022.

Operational impacts:

- To align with the new setup, the re-contracting process commenced on November 1, 2020 and will replace existing provider contracts with ZSFGH, University of California, San Francisco's (UCSF) Clinical Practice Group (CPG) and all SFCCC clinics.
- Reimbursement rates for ZSFGH will align with current fee-for-service rates with UCSF and California Pacific Medical Center (CPMC) at 100% of All Patients Refined Diagnosis Related Groups (APR-DRG) (inpatient) and 140% of the Medi-Cal fee schedule (outpatient).
- Updates to procedural changes related to utilization management and claims submission and payment are in process and will be presented to providers via instructional materials and in-service presentations beginning in early/mid 2021.
- Internal system reconfiguration efforts are also underway to be completed in time for testing and deployment in advance of the July 1, 2021 go-live.
- Under a fee-for-service arrangement, ZSFGH would be required to comply with current SFHP operational and clinical standards for all fee-for-service providers, including participating in utilization review activity by SFHP Clinical Operations department, i.e., submission of prior authorization and concurrent review requests.
- Capitation contracts with CPG for specialty services and the SFCCC clinics for primary care remain unchanged. There will also be no changes to member assignments.

Closed Session

Agenda Item 13

Discussion Item

- Discussion of Chinese Community Health Care Association Managed Service Organization Transition and Pre-Delegation Audit Update

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MEMO

Date: December 22, 2020

To	**Governing Board**
From	**Kaliki Kantheti, Operations Officer** **Nina Maruyama, Officer, Compliance and Regulatory Affairs**
Regarding	**Chinese Community Health Care Association (CCHCA) Management Services Organization**

San Francisco Health Plan (SFHP) provides the Governing Board with an update regarding the management services organization (MSO) for Chinese Community Health Care Association (CCHCA). Based on the results of the electronic data file exchange testing and closure of all pre-delegation audit findings, SFHP has determined that CCHCA is prepared for the delegated MSO functions.

Chinese Community Health Care Association MSO Update

Chinese Community Health Care Association (CCHCA) and North East Medical Services (NEMS) entered into an agreement in August 2019 for NEMS to function as the CCHCA MSO. Both parties have agreed to terminate the agreement effective on December 31, 2020 and CCHCA will run the MSO functions in-house, as it currently does for its Medicare Advantage contracts.

To facilitate this transition, SFHP initiated a project to transition CCHCA's MSO functions from NEMS to CCHCA effective January 1, 2021. SFHP's team worked closely with CCHCA to ensure eligibility and encounter data file exchange was set up and tested accordingly. As of December 18, 2020, CCHCA successfully completed testing for the exchange of electronical data files under the following schedule:

- First round of eligibility and encounter testing completed on December 9.
- Second round of eligibility and encounter testing completed on December 15.
- Findings were addressed and corrected with a resubmission file from CCHCA on December 17.
- All test files passed HIPAA validation, were able to be loaded to SFHP's test environment, and met DHCS requirements.
- SFHP provided CCHCA with a sign-off on testing on December 18.

Pre-Delegation Oversight

As reported to the Governing Board in November, CCHCA's pre-delegation audit report identified 21 findings (not 22 as reported in November) in three audited areas. We are providing the following update through December 21, 2020. CCHCA's correction action plan (CAP) was received on October 22, 2020. CCHCA and SFHP discussed the audit findings further and agreed to remove five findings. After review of the CAP, SFHP has determined that of the remaining 17 findings, CCHCA corrected all 17 findings. The following are additional details.

Utilization Management (UM) (12 findings):

- Eight corrected.
- Four removed.

There are no remaining open issues related to UM.

Claims and Provider Dispute Resolution (five findings):

- Four corrected.
- One removed.

There are no remaining open issues related to claims.

Case Management and Coordination of Care (four findings):

- Four corrected.
- On December 16, the SFHP Care Management team conducted a virtual training for CCHCA. The training went well, with CCHCA staff asking excellent questions regarding Medi-Cal case management requirements.

The CMO, Dr. Kravis, left his position in early December. The interim Medical Director is William Chung, MD. Dr. Chung has been with CCHCA for many years and has been working with the CCHCA UM department since the beginning of 2020. CCHCA has hired subject matter experts in utilization management and claims that are engaged, knowledgeable and eager to correct issues and work with SFHP staff.

Based on the results of the file exchange testing and closure of all pre-delegation audit findings, SFHP has determined that CCHCA is prepared for the delegated MSO functions.

Agenda Item 14

- Report on Closed Session Action Items

(Verbal report only)