



Annual Report (Fiscal Year 2016-17)

Prepared by the SFDPH Office of Managed Care
December 2017

TABLE OF CONTENTS:

I. SUMMARY AND OVERVIEW OF PROGRAM ACCOMPLISHMENTS: HEALTHY SAN FRANCISCO AND SF CITY OPTION.....	1
A. 2016-17 Healthy San Francisco and SF City Option Policy Changes	1
B. Provider and Pharmacy Network Changes	2
C. Program Activities to Improve Participants' Experience	2
D. Financial Summary	3
E. Looking Ahead.....	3
II. PROGRAM ACTIVITIES	4
A. Communications, Outreach, Applications, and Enrollment.....	4
B. Participant Demographics.....	8
C. Provider and Pharmacy Network.....	13
D. Clinical Component and Services Utilization	15
E. Participant Experience and Satisfaction	29
F. SF City Option.....	31
G. Expenditures and Revenues.....	40
III. FY2017-18 ANTICIPATED PROGRAM ACTIVITIES.....	43
IV. DATA SOURCES AND LIMITATIONS	44
V. ACKNOWLEDGEMENTS.....	45
VI. APPENDIX A.....	46
VII. APPENDIX B.....	47
VIII. APPENDIX C	49

I. SUMMARY AND OVERVIEW OF PROGRAM ACCOMPLISHMENTS: HEALTHY SAN FRANCISCO AND SF CITY OPTION

The Healthy San Francisco Program (Healthy SF or HSF) was designed by the San Francisco Department of Public Health (SFDPH) in 2007 to make health care services available and affordable to uninsured San Francisco residents. Today, Healthy SF primarily serves to: (1) provide health care services to uninsured San Francisco adults who are ineligible for public full scope coverage; and (2) assist uninsured adult San Francisco residents to enroll in affordable health insurance options when appropriate. Along with the Patient Protection and Affordable Care Act, San Francisco's City Option programs, including Healthy SF, have helped make San Francisco a city where nearly one hundred percent of its residents have access to health care coverage.

Amidst evolving healthcare and political landscapes, Healthy SF continues to respond to the changing needs of vulnerable San Francisco residents. This report provides Healthy SF participants, providers, researchers, the general public, and others interested stakeholders with detailed information on how SFDPH operates Healthy SF in addition to how it monitors and tracks performance.

A. 2016-17 Healthy San Francisco and SF City Option Policy Changes

SF City Option Modernization

In FY2016-17, a number of policy changes were made to refine the SF City Option Program to make it more efficient in meeting the health care needs of SF City Option employees. Changes included: (1) updated program assignment process for SF City Option employees; (2) development of a Program Finder Form; (3) initiation of SF Medical Reimbursement Account (MRA) deactivation; and (4) the launch of the SF Covered MRA program.

Under new program rules that went into effect in the second quarter of FY2016-17, employers' contributions to SF City Option are placed into an Employer Spending Requirement (ESR) pool. Employers' contributions remain in that pool until their employees take steps to be placed into one of the three SF City Option programs. Employees' contributions are now assigned to a SF City Option program upon completion of a Program Finder Form that helps determine eligibility. As of the end of FY2016-17, 3,138 employers made SF City Option contributions on behalf of 324,597 employees; this was thirty-four percent (34%) more than the year before.

SF Covered MRA Launch

Effective November 2016, eligible individuals began to enroll into the SF Covered MRA program, the newest component of the SF City Option program. SF Covered MRA is designed to aid with the affordability of health insurance available through the Covered CA health insurance exchange for eligible San Franciscans including premium and cost sharing assistance. As of June 30, 2017, 475 participants were enrolled in the program. Of those participants, fifty-nine percent (59%) purchased a Silver Covered CA plan. Additionally, approximately 7 in 10 participants purchased a family Covered CA plan as opposed to an individual plan.

B. Provider and Pharmacy Network Changes

In August of 2016 BAART Community HealthCare terminated its participation in the Healthy SF medical home network. Fourteen (14) Healthy SF participants were affected by this change and were given an opportunity to select new medical homes. Healthy SF worked in collaboration with BAART to conduct outreach and ensure smooth medical home transitions for the participants. Those participants who did not select a medical home were assigned to a new one by the Healthy SF program.

The Women's Community Clinic (WCC) joined Healthy SF on February 1, 2017. WCC's mission is to improve the health and well-being of women and girls. The clinic offers primary care services such as wellness visits, preventive services, and chronic disease care amongst other services to women and men. The clinic also offers women's health services including but not limited to annual examinations, pap smears, breast exams, and birth control. Beyond clinical services, the Women's Community Clinic also operates outreach programs and workforce development programs.

The San Francisco Health Network (SFHN), one of the two divisions within SFDPH, completed the pharmacy benefit manager (PBM) transition to Walgreens. This change took effect in November 2016. This multi-year effort by the SFDPH and Walgreens will affect Healthy SF participants with SFHN medical homes as well as those who receive benefits through the sliding scale program. As part of the PBM transition, Healthy SF participants enrolled with an SFHN medical home will have their pharmacy network expanded to include thirty-two (32) Walgreens pharmacies. The transition only affected SFHN-based medical homes in the Healthy SF network; participants with non-SFHN medical homes were not affected by this change.

C. Program Activities to Improve Participants' Experience

SFDPH Post-Election Message

In the wake of the results of the 2016 Election, SFDPH announced its commitment to providing quality health care and services regardless of immigration or insurance status. In November, two Town Hall meetings were hosted by SFDPH to address concerns, to provide support, and to plan for the future. SFDPH distributed messages to the community to reassure them that:

- Their health coverage has not changed;
- They can continue to receive care at their medical homes;
- San Francisco will always be a sanctuary city; and
- SFDPH is there to support them.

Healthy SF distributed messaging to the program's Application Assistors to relay to participants to answer any questions that may be raised. Assistors were advised to continue with "business as usual" and to inform participants that the program has not changed. They were also advised to continue to encourage participants to sign up for Medi-Cal or Covered CA.

Application Audits

At the start of FY2016-17, Healthy SF reinstituted weekly and monthly application audits at HSF clinic locations. The new process was approved by the Healthy SF Training Lead Committee. This audit process helps ensure the integrity of the program and make sure the program identifies any applications (1) without proper verification documents, (2) with incorrect verification documents, or (3) with any potential administrative errors. Upon completion of one full year of auditing, the overall pass rate over the course

of the last quarter of the fiscal year (67%, 65%, and 66% each month) was significantly higher than that observed in the third quarter of the year (48%, 55%, and 45% each month).

D. Financial Summary

In FY2016-17, there was an estimated \$50.63 million in total program expenditures. The SFDPH spent approximately \$43.1 million, while Private community providers reported an estimated \$7.55 million in net expenditures on behalf of the Healthy SF program. Healthy SF generated \$4.8 million in revenue and \$38.27 million was provided by a City and County of San Francisco General Fund subsidy. Overall, there was a per member per month (PMPM) General Fund expenditure of \$236 based on 162,201 participant months.

E. Looking Ahead

As the effects of the Affordable Care Act stabilized in 2016, 93,000 San Franciscans had received insurance through Medicaid expansion and 40,000 had purchased insurance through Covered CA.¹ Healthy SF and other SF City Option programs have worked to align with the legislation over the years to coordinate access to coverage and insurance for all of the City's residents. FY2016-17 has introduced a number of uncertainties that have destabilized the City's health care environment.

In the coming year, it is expected that the country's health care landscape will continue to present challenges of uncertainty to Healthy SF. This will be due to various threats to sources of funding, eligibility for health insurance, and the visibility of San Francisco's undocumented immigrant populations. Despite these difficult ordeals, the San Francisco Department of Public Health remains committed to the use of its resources to grant all San Franciscans access to health coverage regardless of insurance or immigration status. Healthy SF will continue to maintain a consistent level of quality and service to San Francisco residents.

¹ San Francisco Department of Public Health (2017). Director's Report for Health Commission Meeting of April 4, 2017

II. PROGRAM ACTIVITIES

A. Communications, Outreach, Applications, and Enrollment

Healthy SF has relied heavily on public relations, community outreach, and word of mouth to spread awareness of the program. As the program continues to evolve and serve more narrowly defined populations, these modes of outreach have become even more important. The county is also committed to building partnerships between medical providers and entities not specifically focused on health or social services to expand the program's outreach efforts.² Healthy SF will continue to explore opportunities to establish collaborations that will help further maximize service and cost-effectiveness.

Website Activity

The websites for Healthy San Francisco (<http://healthysanfrancisco.org>) and SF City Option (<http://sfcityoption.org>) serve as gateways for program participants as well as San Francisco employers and their employees to learn more about the resources available to them. The Healthy SF site provides information about the program's application process, program fees and resources, and the Healthy SF medical home network amongst other information. The SF City Option site is a resource for frequently asked questions, program resources, documentation, and materials. It also serves as a portal to employers' SF City Option accounts and employees' SF Medical Reimbursement Accounts. In October 2016, the SF City Option launched a new Program Finder form which is used to determine SF City Option employees' program eligibility. The form is available online and informs SF City Option employees about their program eligibility status once completed.

During FY2016-17, there were 63,257 visits to the Healthy San Francisco Website. This reflected a nearly 8% drop in web traffic in comparison to the previous year. The most commonly viewed pages on the website were about how to apply to the program, eligibility requirements, and fees.

Participant Outreach

Certified Application Assistors (CAAs) perform all Healthy SF enrollments in person. Healthy SF has a one-year coverage period, so the need for timely renewals are a primary reason for participant outreach. The program's renewal reminder outreach begins 60 days before participants' current term concludes to encourage continuous enrollment. Outreach may consist of:

- Mailed notice at 30 and 60 days before term end;
- Automated phone call at 45 days before term end;
- Live telephone call between 15-30 days before term end; and
- E-mail reminder (in lieu of a live phone call if the preferred mode of contact is email).

In FY2016-17, the program attempted to reach 6,432 participants who had approached their enrollment termination. The program was successful in contacting 2,550 (40%) of those participants. Participants who could not be reached were subsequently flagged in the system and would be prompted for updated information during their next encounter with the program.

² San Francisco Department of Public Health (2013). San Francisco Health Care Services Master Plan.

Assistor Outreach and Training

Healthy SF Application Assistor training is an ongoing aspect of the program to ensure that our team is aware of current policies and best practices that affect their work. In FY2016-17, Healthy SF held fourteen (14) application assistance orientation and refresher trainings with 38 new Assistors certified and 147 existing Assistors re-trained. In addition to these trainings, the program provides quarterly Assistor Update digital newsletters to ensure that all Application Assistors receive updates on changes to programs and share best practices. As of the end of FY2016-17, there were 82 active Healthy SF Application Assistors working in twenty-nine (29) of the program's thirty-five (35) medical homes.

HSF Application Auditing

Healthy SF completed its first full year of application audits in FY2016-17. The goals of individual application audits were to evaluate the completeness and correctness of submitted applications. Internal assessments help ensure that Healthy SF meets audit criteria that makes additional assistance programs available to participants (such as patient assistance programs for pharmaceutical products). Seven hundred and seventy-seven (770) applications were audited by the end of the fiscal year and sixty-six percent (66%) of the applications passed. Applications that did not pass were corrected by assistors who were required to locate missing documents and finalize other incomplete sections that were identified. Each audited application was reviewed based on the following criteria: completeness of the application form; presence of errors in the application; and a review of verification documents attached to the application. HSF Application Assistors receive direct training and guidance for corrective action when errors are found within their audited applications.

Applications

In FY2016-17, 12,871 applications were completed in One-e-App enrollment system on behalf of 15,796 unique applicants (Table A1). Of those applicants, 15,346 (or 97%) were determined to be eligible and those individuals' applications were submitted to a health program. Only 450 (or 3%) of all applicants were deemed ineligible for any program. Additionally, 53 eligible applications were initiated but not submitted (Table A2). Of the 15,346 applications that were completed, 15,332 (or 99%) were enrolled into Healthy SF and only 14 were submitted for the Healthy Kids program. All applicants are pre-screened for Medi-Cal and Covered CA before they are considered for any other programs; therefore, One-e-App does not screen for these two programs.

Table A1:
Application Volume – Number of HSF Complete Applications Processed
(July 2016 – June 2017)

One-e-App Applications by Type	# of Unique Applicants	# of Distinct Applications
Completed and eligible	15,346	12,535
Determined Ineligible	450	336
Total e-applications	15,796	12,871

Table A2:
Application Volume – Number of HSF Incomplete Applications Processed
(July 2016 – June 2017)

Incomplete One-e-App Applications	# of Unique Applicants	# of Distinct Applications
No Eligibility Determined	334	196
Eligible But Did not Complete	61	53
Total incomplete applications	395	249

Enrollments, Disenrollments, and Re-enrollments

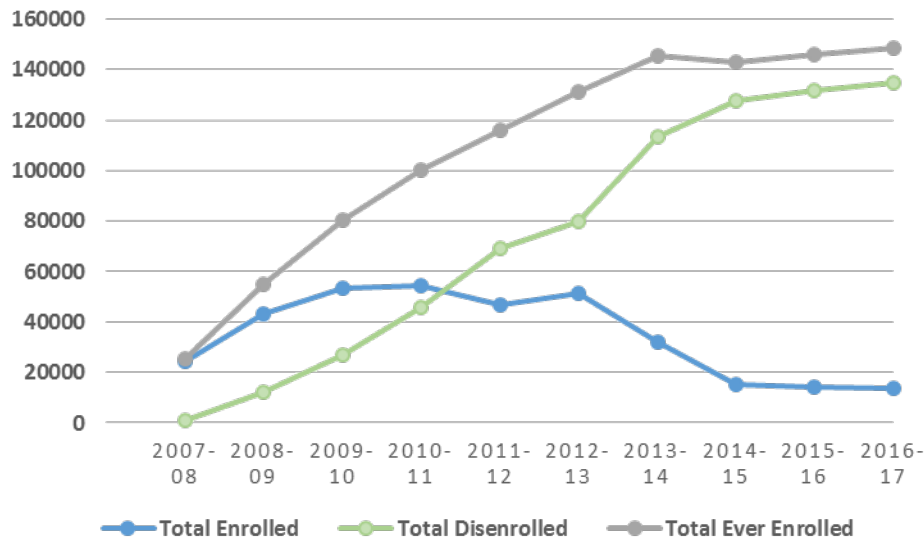
Healthy SF is a voluntary program with no penalties for failure to enroll or disenroll. It facilitates enrollment to the greatest extent possible by minimizing barriers to enroll. However, some eligible uninsured adults may still elect not to participate. At the end of FY2016-17, the program recorded 13,615 active participants and 134,905 total disenrolled participants (Table A3).

Table A3:
Unduplicated Count of Total Ever Enrolled by Fiscal Year

Fiscal Year	Currently Enrolled at End of FY	Currently Disenrolled at End of FY	Total Ever Enrolled at End of FY (Enrolled + Disenrolled)	Disenrollment Rate (%)
2007-08*	24,210	1,059	25,269	4%
2015-16	14,404	131,488	145,892	90%
2016-17	13,615	134,905	148,520	91%

*The year that Healthy SF was launched.

Figure A1: Enrollment, Disenrollment, and Ever Enrolled (FY2007-08 to FY2016-17)



At the end of FY2016-17, 134,905 (or 91%) Healthy SF participants were disenrolled (see Figure A1). Aside from successful transitions to new insurance options, disenrollments occurred for various reasons. These included participants who: (1) no longer met program eligibility criteria; (2) chose voluntarily to disenroll;

(3) did not pay quarterly participation fees in a timely manner; or (4) failed to renew enrollment during the annual renewal process.

Multiple Enrollments and Disenrollments

Part of Healthy SF's retention efforts includes monitoring the multiple enrollments and disenrollments of program participants. Since the program began in July 2007, 57,668 individuals have disenrolled at least twice (Table A4). Just over eight percent (8.5%) of individuals with multiple enrollments and disenrollments were currently enrolled in Healthy SF in FY2016-17.

Table A4:
Enrollment Status of Individuals with Multiple Enrollments and Disenrollments

	FY2013-14		FY2014-15		FY2015-16		FY2016-17	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Currently Enrolled	5,916	13%	4,420	8%	4,731	8.5%	4,928	8.5%
Currently Disenrolled	41,323	88%	48,644	92%	50,767	91.5%	52,740	91.5%
Total	47,239	100%	53,064	100%	55,498	100%	57,668	100%

The 57,668 individuals who churned through the program in FY2016-17 did so over the course of 143,556 total enrollment periods. An enrollment period is defined as the length of time a member stays enrolled in Healthy SF until disenrollment. Seventy-eight percent (78%) of those enrollment periods lasted between 10-12 months, followed by 14% lasting between one to three months (see Figure A2). This indicates that participants either left Healthy SF fairly soon upon enrollment or elected to remain with the program through the entire course of their coverage. The most common disenrollment reasons were failure to renew or insufficient payment of participation fees (Table A5).

**Figure A2: Length of Enrollment Periods of Individuals with Two or More Disenrollments
(Currently Enrolled and Disenrolled Participants)**

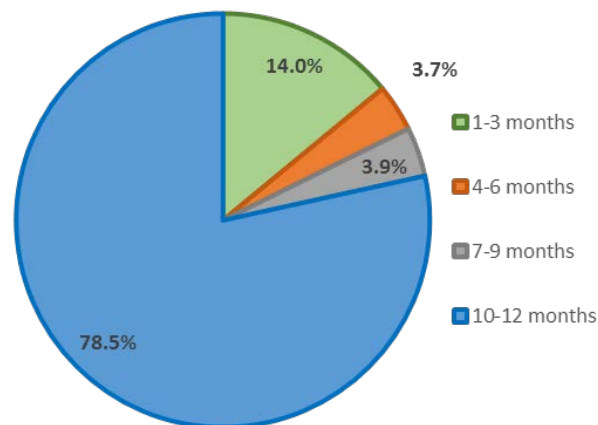


Table A5:
Disenrollment Reasons for Individuals with Multiple Disenrollments

Disenrollment Reasons	Number	Percent
Did Not Complete Renewal or Failure To Complete Rescreening	42,678	74%
Insufficient Payment of Participation Fees	6,112	11%
Transitioned to SF PATH Program	2,288	4%
Enrolled in Public Coverage	1,454	3%
Determined Eligible for Other Programs During Renewal or Modification	1,038	2%
Enrolled in Employer-Sponsored Insurance	911	2%
Enrolled in Medi-Cal	731	1%
Other	2,456	4%

B. Participant Demographics

Overall, there was a five percent (5%) decline in the number of participants enrolled in Healthy SF in FY2016-17 as compared to the same point in the previous year (FY2016-17: 13,615; FY2015-16: 14,404). The demographics of the participant pool have remained relatively similar over the last two years. The program continues to see immigration status as a driving factor in participants' ineligibility for other health insurance programs. Latinos continued to make up nearly three quarters of Healthy SF participants.

In FY2016-17, participants 65 years of age and older who were eligible for enrollment or renewal with Healthy SF made up three percent (3%) of the Healthy SF participant population. By comparison, the age 65 and older cohort constituted fourteen percent (14%) of San Francisco's population in 2016.³ Of the 641 participants in this cohort, eighty-nine percent (89%) either enrolled in a San Francisco Health Network or San Francisco Community Clinic Consortium medical home. Sixty-one percent (61%) of participants age 65 and older had a medical home within SFHN. Additionally, one out of five participants in this cohort lived in the Excelsior and Outer Mission neighborhoods of San Francisco. Relative to the general Healthy SF population, participants who were 65 years of age and older were:

- more likely to have income below 100% Federal Poverty Level (FPL) (82% of 65+/51% of 18-64)
- more likely to be female (56% of 65+/49% of 18-64)
- more likely to have a known chronic disease (31% of 65+/11% of 18-64)

Moving forward, Healthy SF will continue to monitor the distribution and patterns of utilization within this subset of the participant population as compared that of the program's at-large population.

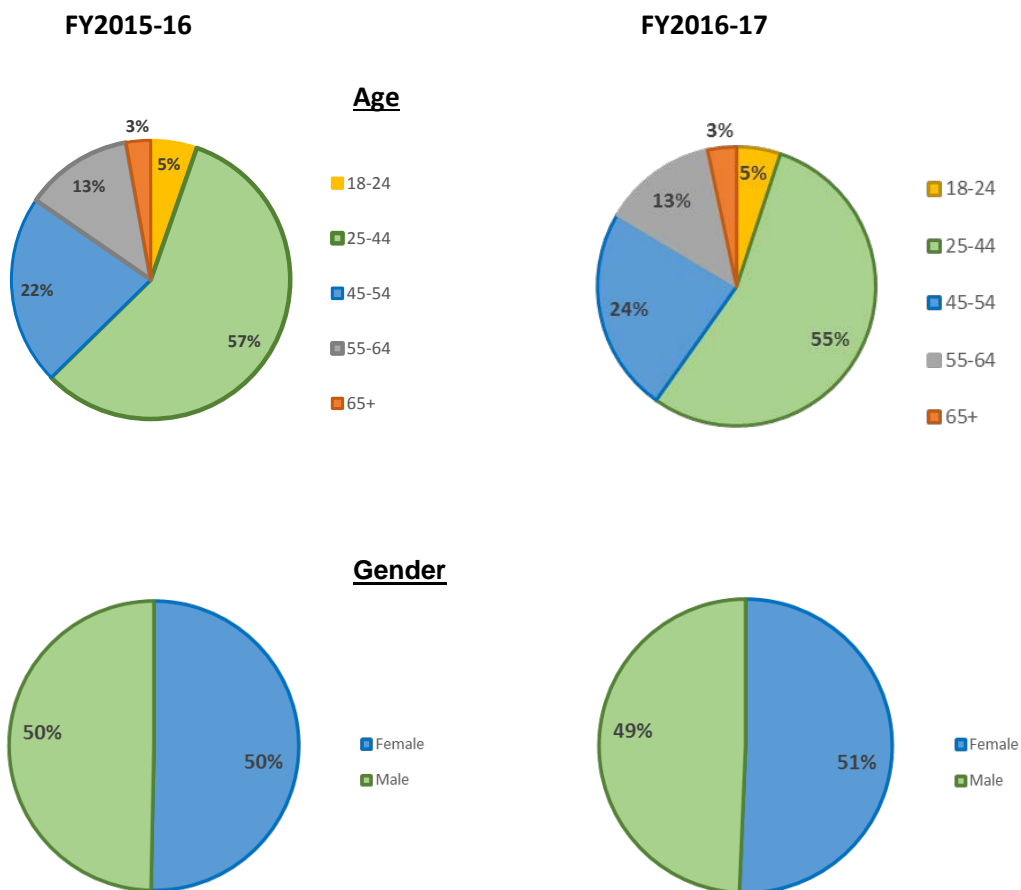
³ San Francisco Human Services Agency Department of Aging and Adult Services (2016). Assessment of the Needs of San Francisco Seniors and Adults with Disabilities: Part 1: Demographic Profile.

Key Demographic Figures

Figure B1 shows the primary demographic indicators for the Healthy SF participant population from FY2016-17 compared to FY2015-16. Of note was the slight decrease in English-speaking participants and a corresponding increase in Spanish-speaking participants. Seventy-three percent (73%) of program participants are Spanish speaking. By comparison, twelve percent (12%) of San Francisco's population is Spanish-speaking.⁴

San Francisco's most recent Community Health Needs Assessment identified addressing racial health inequities and increasing access to coordinated, culturally, and linguistically appropriate services across the continuum as key community needs.⁶ Healthy SF maintains its commitment to meeting the changing needs of our participants and aligning with other City departments and community stakeholders to optimize our reach and provision of services.

Figure B1: Two-Year Demographic Comparison of HSF Participants

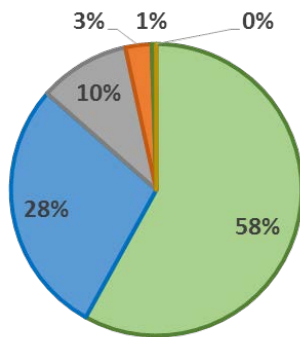


⁴ San Francisco Health Improvement Partnership (2016). San Francisco Community Health Needs Assessment.

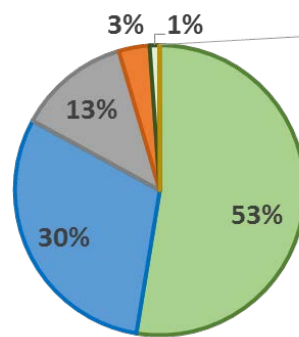
FY2015-16

FY2016-17

Income

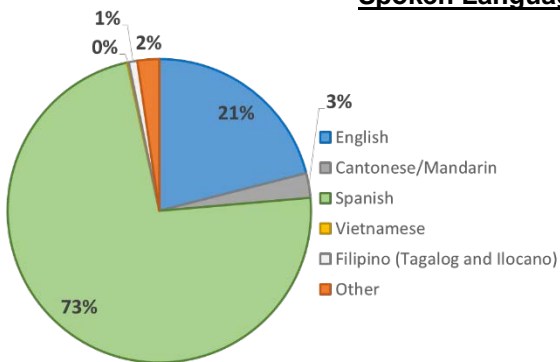


- at/below 100% FPL
- between 100.01-200% FPL
- between 200.01-300% FPL
- between 300.01-400% FPL
- between 400.01-500% FPL
- at/above 501% FPL

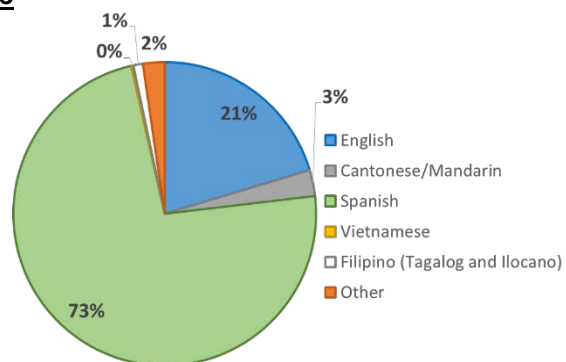


- at/below 100% FPL
- between 100.01-200% FPL
- between 200.01-300% FPL
- between 300.01-400% FPL
- between 400.01-500% FPL
- at/above 501% FPL

Spoken Language



- English
- Cantonese/Mandarin
- Spanish
- Vietnamese
- Filipino (Tagalog and Ilocano)
- Other

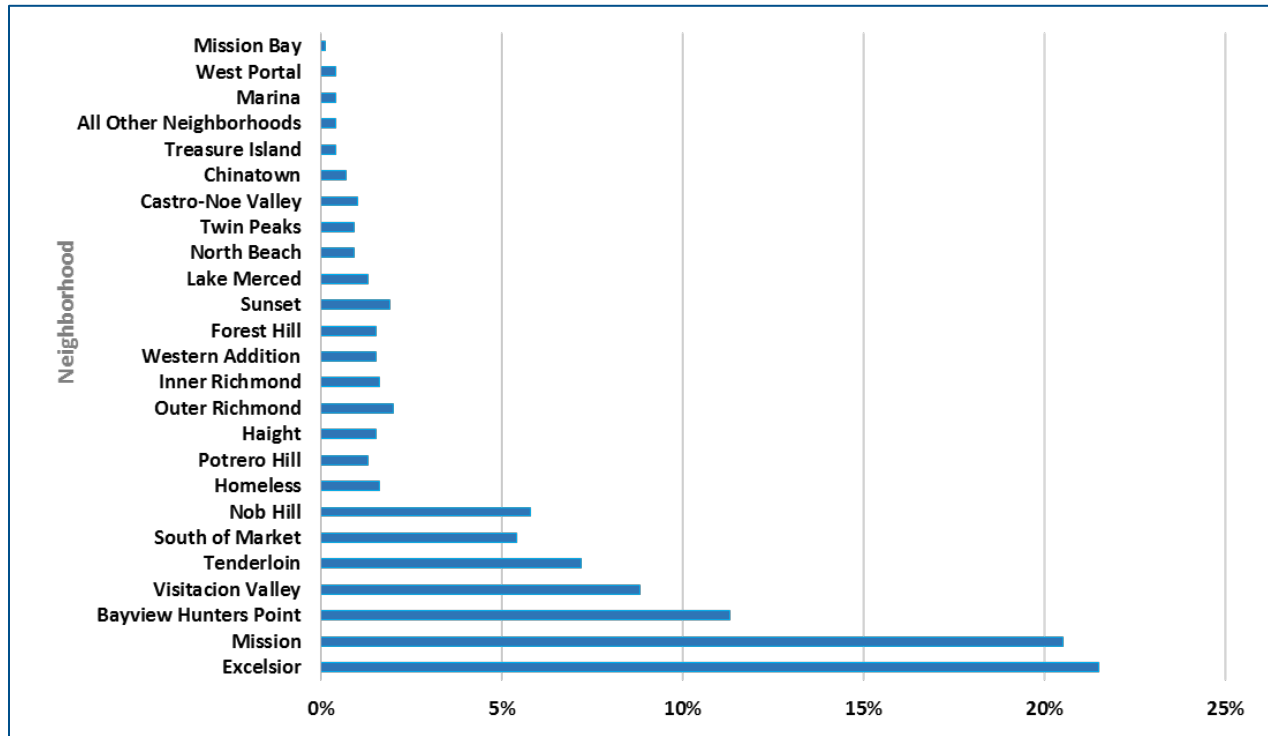


- English
- Cantonese/Mandarin
- Spanish
- Vietnamese
- Filipino (Tagalog and Ilocano)
- Other

Neighborhood Distribution

In FY2016-17, approximately forty percent (40%) of Healthy SF participants resided in the Excelsior or Mission neighborhoods. Just under two percent (1.6%) of Healthy SF participants reported being homeless. It is possible that this number is underestimated as some homeless individuals may use their medical clinic or a transient housing address when applying for Healthy SF (Figure B2).

Figure B2: Healthy San Francisco Participants by Neighborhood



Eighty-one percent (81%) of all Healthy SF participants resided in seven (7) San Francisco neighborhoods in FY2016-17 (Table B1). Geographically, each of these neighborhoods touch upon another forming a corridor that runs through the middle of San Francisco (Figure B3). Healthy SF utilization by zip code data supports this pattern and illustrates that the highest concentrations of participant visits come from these areas as well. Zip codes 94112 and 94110 account for forty-four percent (44%) of the program's member months. The distribution of the program's member months by zip code have remained constant since last year.

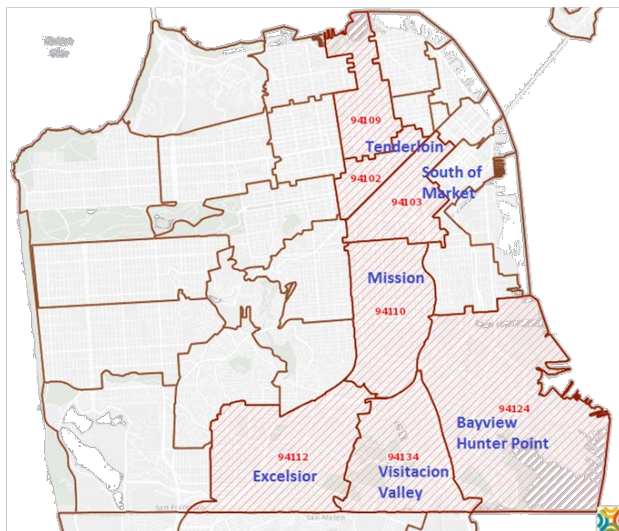
**Table B1:
Healthy San Francisco Participants by Neighborhood and Zip Code**

Neighborhood	Approximate Zip Code	Total Participant Months	% of Total Participant Months	Avg. # of Participants in FY2016-17
Excelsior	94112	33286	22%	2903
Mission	94110	33286	22%	2939
Bayview Hunters Point	94124	18380	12%	1557
Visitacion Valley	94134	12769	9%	1085
Tenderloin	94102	10977	7%	1034
South of Market	94103	8750	6%	768
Nob Hill	94109	8576	6%	760
All Other SF Neighborhoods		23508	19%	2220

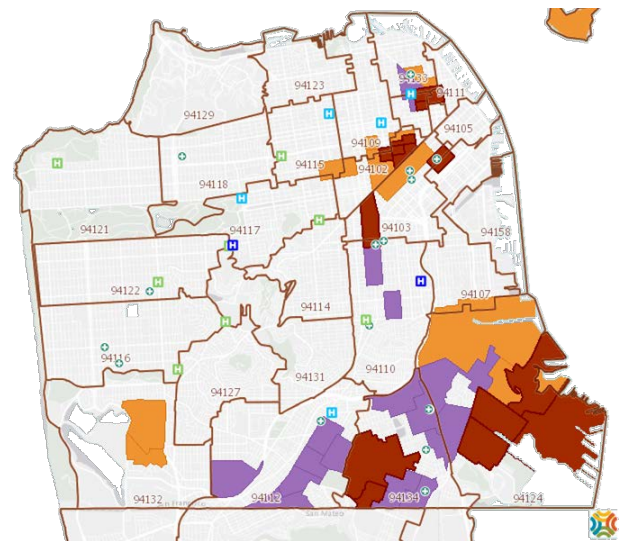
Given their limitations, neither neighborhood nor zip code geographic designations can serve as perfect indicators of the overall health or utilization patterns of the residents who live there. They are, however, strong approximations that help identify the geographic concentrations of communities' health needs. Zip code level data limitations can be observed where neighborhood boundaries overlap multiple zip codes. For example, the Tenderloin neighborhood constitutes a significant portion of zip code 94102, however it also blends over into zip code 94109. The Nob Hill neighborhood is one of the most affluent in San Francisco; however, it is also designated by zip code 94109. The concentration of HSF participants and utilization from 94109 is most likely due to participants who reside in the Tenderloin neighborhood at the southern end of the zip code.

Figures B3 and B4 below highlight the geographic distribution of these zip codes as well as their relation to the census tracts in San Francisco with the highest concentrations of unmet health needs. Neighborhood and zip code designations can provide broader insights into access and utilization patterns. Figure B3 illustrates where the highest concentrations of Healthy SF participants reside by zip code. Figure B4 depicts the mapping of concentrations of unmet health needs in the City and County of San Francisco. The orange areas highlight where at least 25% of residents live below the Federal Poverty Level. The purple areas indicate where at least 25% of residents have not completed high school. The dark red areas depict where these two indicators overlap.

**Figure B3:
Geographic Concentration
of Healthy SF Participants**



**Figure B4:
Geographic Concentration
of Unmet Health Needs**



*www.communitycommons.org

Mapping census tract-level data such as percentage of residents living below the Federal Poverty Limit or who have not completed high school can provide a gauge of where health needs are greatest in a given region. These maps show that the highest concentrations of Healthy SF participants and the programs highest utilizers largely reside in sections of the city where health and social needs are greatest. The City and County of San Francisco has made increased availability of primary care in low-income areas with

documented high rates of health disparities a priority.⁵ Healthy SF is committed to dedicating resources to increase access to preventive services and care for our most vulnerable populations.

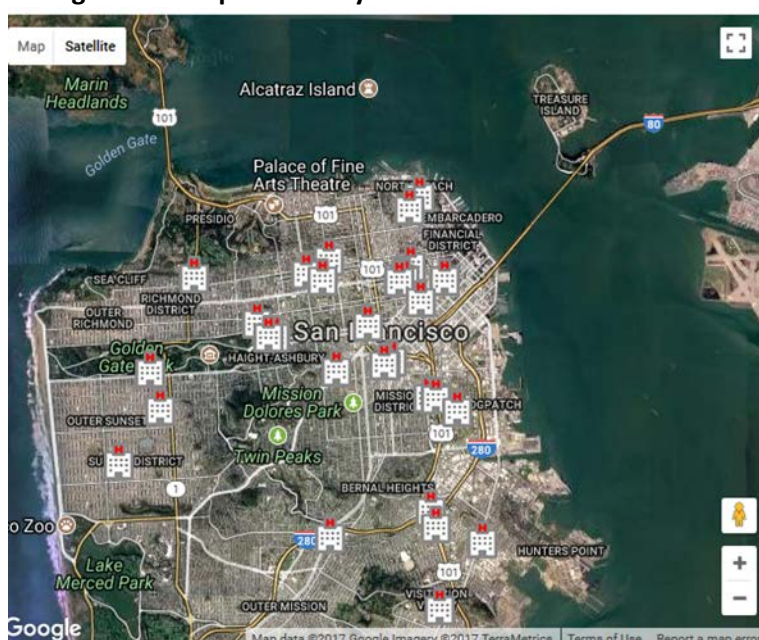
C. Provider and Pharmacy Network

This section provides updates on Healthy SF's delivery system in FY2016-17 including medical homes, hospitals as well as behavioral health and pharmacy services.

Medical Home Distribution

At the time of enrollment, Healthy SF participants select a medical home where they will receive primary and preventive care services. The medical home assists participants' navigation through the health care delivery system and coordinates their access to specialty, inpatient, pharmacy, ancillary and behavioral health services. Figure C1 below illustrates the distribution of Healthy SF medical homes throughout San Francisco using Google Maps.

Figure C1: Map of Healthy San Francisco Medical Homes



Source: <http://healthysanfrancisco.org/medical-home-map/>

At the end of FY2016-17, sixty percent (60%) of Healthy SF participants selected a home within the San Francisco Health Network. SFHN is the integrated health delivery system of the San Francisco Department of Public Health. It consists of: (1) several primary care and specialty care clinics throughout the San Francisco; (2) Zuckerberg San Francisco Hospital and Trauma Center (ZSFG); (3) Laguna Honda Hospital and Rehabilitation Center; and (4) behavioral health services. The next most commonly used medical

⁵ San Francisco Department of Public Health (2013). San Francisco Health Care Services Master Plan.

home system was the San Francisco Community Clinic Consortium. This network of clinics was home to 33% of Healthy SF participants.

Table C1 provides the distribution of Healthy SF participants across the program's four primary care medical home delivery systems as of June 30, 2017.

Table C1: Healthy San Francisco Participants by Medical Home System

Delivery System	# of HSF Participants	% of HSF Participants
San Francisco Health Network	8,098	59%
San Francisco Community Clinic Consortium	4,555	33%
Kaiser Permanente – San Francisco	700	5%
Sister Mary Philippa Health Center	262	2%
Total	13,615	100%*

*Note that the sum of percentages per demographic category may not equal exactly to 100% due to rounding.

Hospital Network

Zuckerberg San Francisco General Hospital and Trauma Center provides a range of specialty, urgent care, diagnostic, emergency care, home health, pharmacy, durable medical equipment (DME), and inpatient services to all Healthy SF participants enrolled with a SFHN and SFCCC affiliated medical home. ZSFG also provides services to Healthy SF participants with other medical homes for select Healthy SF covered services not offered at their assigned medical home network.

In addition to ZSFG, the following non-profit hospitals continue to play a vital role in Healthy SF:

- California Pacific Medical Center (CPMC) with four campuses – provides inpatient services to participants with North East Medical Services (NEMS) as their medical home;
- Kaiser Permanente San Francisco Medical Center – provides inpatient and other specialty services to participants with Kaiser as their medical home;
- St. Francis Memorial Hospital (Dignity Health) – provides certain specialty services to participants with Tenderloin Health Services as their medical home;
- St. Mary's Medical Center (Dignity Health) – provides inpatient and other specialty services to participants with Sister Mary Philippa as their medical home; and
- UCSF Medical Center – provides referral-based diagnostic imaging services at its Mission Bay site as well as services, such as cardiac surgery, that are not provided at ZSFG.

At the end of FY2016-17, the Healthy SF provider network had thirty-five (35) medical homes and participating hospitals.

Behavioral Health Services

Most of the Healthy SF medical homes provide some form of mental health assessment, mental health services, or substance abuse disorder screening. However, SFDPH's Community Behavioral Health Service (CBHS) provides all contracted mental health and substance abuse services for Healthy SF participants from all medical homes. Healthy SF participants have access to a comprehensive array of community-based services offered by CBHS including, but not limited to:

- Information and referral services;
- Prevention services;

- Full range of voluntary behavioral health services, including self-help, peer support, outpatient, case management, medication support, dual diagnosis treatment, and substance abuse disorder services; and
- 24-hour psychiatric emergency services and a crisis hotline.

Pharmacy Network Change

The San Francisco Health Network transitioned its pharmacy benefit manager to Walgreens on November 1, 2016. This was the result of a multi-year effort by SFHN and Walgreens and affected HSF participants as well as those who receive benefits through the sliding scale program. As part of the PBM transition, HSF participants enrolled with a SFHN medical home had their pharmacy network expanded to include 32 Walgreens pharmacies. HSF participants with non-SFHN medical homes were not be affected.

D. Clinical Component and Services Utilization

This section examines Healthy SF participants' clinical and service data to explore whether the program is meeting its goals with respect to improved health outcomes and appropriate utilization of services. The data represented in this section may have been updated in some instances where additional encounter data from the previous fiscal year became available.

Medical encounters submitted by participating medical homes and facilities are used to capture the service utilization of Healthy SF participants. Office visits, emergency visits, and inpatient stays are primarily defined based on Healthcare Effectiveness Data and Information Set (HEDIS) value set definitions. Behavioral health-related encounters are reported by San Francisco's Community Behavioral Health Services and visits are based on dates of service. Healthy SF outpatient pharmacy utilization is measured as prescriptions filled. Medications that are administered by participants' physicians or that are related to inpatient stays are not reported here.

It is important to note that these figures only reflect utilization of services provided through the Healthy SF program. These figures do not reflect the full scope of care likely received by program participants, which would also include care received outside of Healthy SF through other programs (public, private, charity care, etc.). The encounter data collected by the program to generate the findings here are assessed for completeness and quality on an on-going basis. This helps Healthy SF program management continuously seek opportunities for operational and data collection improvement.

Office visits, emergency department visits, inpatient stays, behavioral health visits and prescriptions filled are reported as the average number of participant visits per 1,000 member months (PMPM * 1000). In FY2016-17, Healthy SF adjusted the methodology used to calculate member months in order to improve the accuracy of participant monthly enrollment and utilization accounting. The modification allows the program calculate partial periods of participants' program enrollment and use of services over the course of a month. The PMPM calculation is as follows:

$$\frac{\text{\# of Visits or Prescriptions}}{\text{Total Fraction of Member Months}} \times 1000$$

Overall, Healthy SF participant service utilization declined in FY2016-17 from the previous year for office visits, emergency room use, and prescriptions filled. These changes may be due in part to the aforementioned adjustments in member month calculations to improve accuracy. The program is more confident in its capacity to capture complete service utilization data and more precisely reflect the enrollment and utilization patterns of Healthy SF participants.

A comparison of two year data shows that the proportion of Healthy SF participants who had an office visit was consistent with the year before in FY2016-17 (Table D1). There were fewer total office visits in FY2016-17. This is reflected in the decrease in office visits per member per year for Healthy SF participants. Emergency room visits per participant per month declined over this period as well. There was also a significant decrease in prescriptions filled by Healthy SF participants in FY2016-17 as compared to the year prior.

Table D1:
Two-Year Comparison of HSF Utilization Rate by Service Type

		FY15-16	FY16-17
Office Visits	Percent Members with Office Visit	55%	56%
	Office Visits Per Member Per Year (PMPY)	2.89	2.89
Emergency Department (ED)	Percent Members with ED Visit	9%	7%
	ED Visits Per 1,000 Members Per Month (PMPM)*1000	16.81	12.06
Inpatient (IP)	Percent Members with IP Visit	0.57%	0.44%
	Number of IP Visits	127	88
Substance Abuse Disorder Services	Percent Members with Substance Abuse Disorder Visit	0.39%	0.23%
	Percentage Change in Number of Substance Abuse Disorder Visits from Previous Year	-90%	-53%
Mental Health Services	Percent Members with Mental Health Visit	2%	1%
	Percentage Change in Number of Mental Health Visits from Previous Year	-70%	-15%
Prescriptions Filled	Percent Members with Prescriptions Filled	37%	32%
	Prescriptions Filled PMPM*1000	478.7	272.3

The following breaks out utilization of these service categories by San Francisco neighborhoods from which the majority of Healthy SF participants reside in FY2016-17.

Table D2:
FY2016-17 HSF Utilization Rate by Neighborhood

	Excelsior (94112)	Mission (94110)	Bayview Hunters Point (94124)	Visitation Valley (94134)	Tenderloin (94102)	Nob Hill* (94109)	So. of Market (94103)	Total Utilization HSF Program
% of Total HSF Participants	29%	27%	16%	12%	10%	7%	7%	100%
Office Visits PMPY	2.64	2.98	2.7	3.05	3.46	2.85	2.89	2.89
% Members with ED Visits	7%	9%	7%	7%	8%	7%	6%	7%
ED Visits PMPM*1000	10.66	14.45	11.65	10.94	13.72	11.02	11.99	12.06
IP Visits PMPM*1000	0.43	0.6	0.42	0.36	0.52	1.04	0.34	0.54
Prescriptions Filled PMPM*1000	214.2	233.1	189.9	248.7	555.4	459.3	247.9	272.3

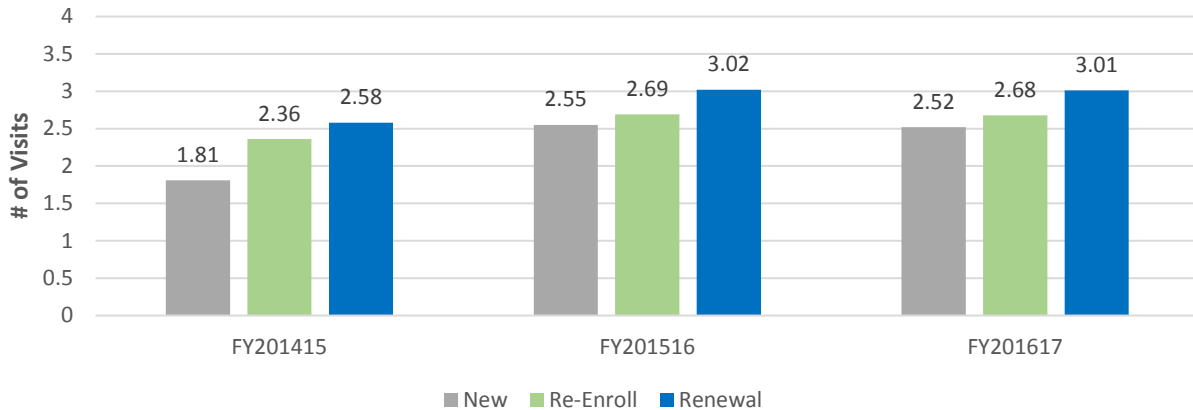
*Figures reported here are likely skewed by geographic proximity to Tenderloin neighborhood

A neighborhood break out of office visits indicates that participants from all neighborhoods had between two to three office visits per year on average; 2.89 visits per member per year (PMPY). This is consistent with the rate of office visits seen over the course of the previous fiscal year. There were no significant outliers in outpatient service utilization by neighborhood. The Tenderloin and South of Market neighborhoods exhibited above average prescription drug utilization for a second straight year.

Outpatient Service Utilization

Healthy SF participants had 39,000 total office visits in FY2016-17. The percentages of participants who had an office visit was broken out by categories based on the type of application received by the program. Application types are categorized as either renewed, re-enrolled, or new. Renewed applications indicate that a participant has been enrolled in Healthy SF for an extended period of time and can serve as a proxy indicator for individuals who have had consistent access to health care. New and Re-enrolled applications indicate that the participant has either not accessed services through the program before or has not done so on a consistent basis. There is less certainty about the degree of access to health care that these individuals may have had before enrollment. Figure D1 shows that outpatient visits per member per year across participant categories over the last three years.

Figure D1: Outpatient Utilization PMPY by HSF Application Type



The number of office visits made by renewing Healthy SF participants per year has historically been higher than visits made by new or re-enrolling participants. The figure above shows that FY2016-17 was consistent with this trend. Table D3 shows the renewing population continues to demonstrate the highest percentage of participants who had an office visit. This pattern has been consistent in recent years and possibly reflects a greater degree of health needs, and in turn utilization, by participants who chose to renew with Healthy SF. It also suggests that re-enrollment by participants is not necessarily a reflection of an increased need for health care services due to gaps in coverage.

Table D3:
Outpatient Utilization Percentage by Application Type

	Application Type	FY14-15	FY15-16	FY16-17
% Members with Office Visit	Overall	43%	55%	56%
	New	29%	39%	39%
	Re-Enroll	43%	51%	52%
	Renewal	49%	64%	65%

There is variation amongst office visits across the Healthy SF medical home network. Healthy SF participants at SFHN and SFCCC medical homes who made at least one office visit made anywhere from four to five visits a year. In contrast, participants whose medical home was with Sister Mary Philippa demonstrated a drop in visits per year from nearly six visits to only three visits per year.

Table D4:
Outpatient Visit PMPY for Participants with at Least One Office Visit by Medical Home Organization

Medical Home Organization	FY14-15	FY15-16	FY16-17
Sister Mary Philippa	5.33	5.67	2.98
SFHN	4.46	4.69	4.66
KAISER	3.59	2.72	3.37
SFCCC (including NEMS)	4.04	4.23	4.33

ED Services Utilization

Healthy SF monitors participants' emergency room utilization because it provides insight into the proportion of participants who may not be accessing primary care services and instead are looking for treatment in emergency rooms. In FY2016-17, overall emergency room utilization by Healthy SF participants decreased by two percentage points.⁶ The average number of visits per 1,000 participants decreased by 4 visits to 12.06 ED visits per month. However, this rate was significantly lower for Healthy SF participants who had at least one office visit within the year compared to those with no office visit (Table D5).

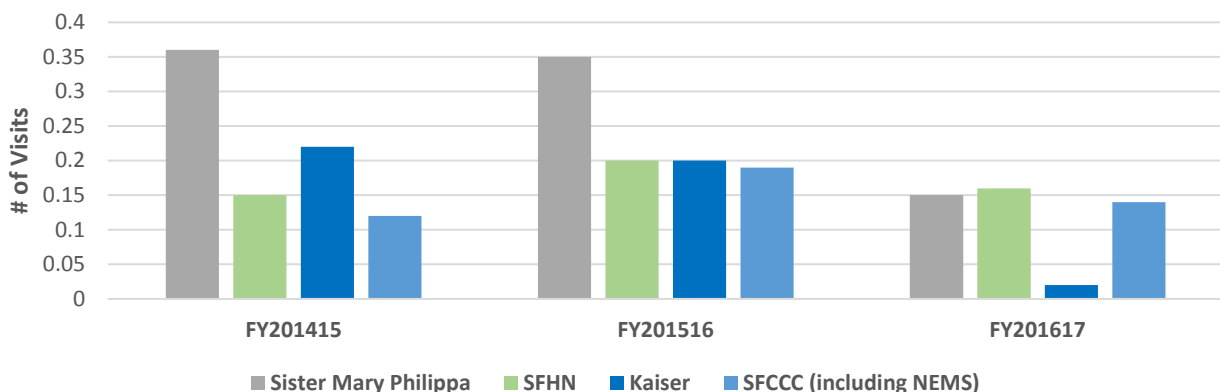
Table D5:
Comparison of ED Utilization with and without at Least One Outpatient Office Visit

ED Visits PMPM *1000	FY14-15	FY15-16	FY16-17
Total ED Visits PMPM * 1000	12.09	16.81	12.06
Overall with Office Visit	16.5	20.9	15.7
Overall with No Office Visit	6.4	9.26	5.62

SFHN and SFCCC serve as the medical homes for over ninety percent (90%) of Healthy SF participants. Reported ED visits per participant per year decreased in both of these settings in FY2016-17 and is consistent with the lower overall ED utilization seen in the Healthy SF participant population. ED utilization dropped in participants from all Healthy SF medical homes (Figure D2).

Based on what was reported, seven percent (7%) of a medical home's participant population had at least one ED visit over the course of FY16-17. Kaiser reported the lowest percentage of its Healthy SF participants with an ED visit; only one percent (1%) visited the ED in FY2016-17.⁷ This reflects an eight percentage point drop from FY2015-16 (Table D6).

Figure D2: ED Visits by Medical Home Per Member Per Year



⁶ Unlike the County figures reported above, Healthy SF is not able to stratify emergency room utilization by diagnosis due to data limitations. This would have highlighted comparable preventable emergency room visit rates.

⁷ Reported utilization of services is influenced by the completeness of encounter data received by our partner medical groups. In some years, encounter submissions are more complete than others and these gaps in data can skew reported utilization rates.

Table D6:
ED Utilization by Medical Home Organization for Participants

	Medical Home Organization	FY14-15	FY15-16	FY16-17
	Sister Mary Philippa	15%	16%	9%
	SFHN	7%	9%	8%
	KAISER	8%	9%	1%
	SFCCC (including NEMS)	5%	8%	7%

Inpatient Utilization

Historically, less than one percent (<1%) of all Healthy SF participants are admitted for inpatient care, this trend continued in FY2016-17. Inpatient utilization in FY2016-17 was similar to what was observed in FY2015-16 at approximately 0.54 visits per 1,000 members per month (Table D7). Many variables may influence low inpatient utilization, including: lower utilization of inpatient services by program participants and the possibility of participants receiving care under Medi-Cal's Presumptive Eligibility program. It is also likely that participants receive health care services outside of the Healthy SF network which would mean that some portion of their utilization is not captured by the program.

Table D7:
Inpatient Utilization Rate by Application Type

	FY14-15	FY15-16	FY16-17
% Members with IP Visit	0.37%	0.57%	0.44%
IP Visits PMPM*1000	0.60	0.74	0.54
IP Visits PMPY	0.01	0.01	0.01

It is noted here that Zuckerberg San Francisco General Hospital is the designated in-network hospital for participants assigned to SFHN and SFCCC medical homes and rates of inpatient stays varied widely across medical homes. Over the last three years, the total number of hospital admissions have dropped eighty-five percent (85%) from 639 to 55. Inpatient service utilization decreased in FY2016-17 for all active medical homes with the exception of those in the SFCCC network including NEMS (Table D8).

Table D8:
Inpatient Utilization by Medical Home Organization for Participants

	Medical Home Organization	FY14-15	FY15-16	FY16-17
% Members with IP Visit	Sister Mary Philippa	0.61%	1.28%	1.25%
	SFHN	0.48%	0.69%	0.48%
	Kaiser	0.96%	0.89%	0%
	SFCCC (including NEMS)	0.21%	0.29%	0.38%
IP Visits PMPM*1000	Sister Mary Philippa	0.83	2.25	1.88
	SFHN	0.66	0.86	0.60
	Kaiser	1.46	1.38	0.00
	SFCCC (including NEMS)	0.40	0.38	0.45

Utilization of Participants 65 and Over

Effective January 2015, participants age 65 and over can enroll or remain in Healthy SF if they meet all other program eligibility requirements. Through the end of FY2016-17, 641 Healthy SF participants had enrolled or aged into Healthy SF. This reflects a fourteen percent (14%) increase in participants from this cohort as compared to the year before. Utilization for Healthy SF participants continued to reflect similarity across genders with participants age 65 and over in FY2016-17. Similar to what was observed the year before, this cohort reports more office visits annually than those who were ages 18-64 (Table D9). Renewing Healthy SF participants who were 65 and older were the most likely to have an office visit across all application types from both age groups.

Sixty-eight percent (68%) of Healthy SF participants 65 and older had an office visit in FY2016-17. Over eighty percent (80%) of those who renewed their enrollment had at least one office visit in FY2016-17. By comparison, only sixty-four percent (64%) of renewed Healthy SF participants age 18-64 had an office visit in FY2016-17. There was a significant drop in the inpatient visit per participant per year in the 65 and older cohort in FY2016-17. In particular, men in this cohort demonstrated nearly four fewer inpatient visits per year than what was reported the previous year.

Table D9:
FY2016-17 Utilization by Age, Application Type and Service Type

	Application Type	18-64			65 and Over		
		Female	Male	Total	Female	Male	Total
Total Office Visits	Overall	20,902	16,018	36,920	1,240	847	2,087
% Members with Office Visit	Overall	61%	50%	55%	71%	65%	68%
	New	42%	36%	39%	52%	43%	48%
	Re-Enroll	55%	49%	52%	70%	68%	69%
	Renewal	70%	58%	64%	82%	78%	81%
Office Visits PMPY	New	2.76	2.26	2.48	2.87	3.92	3.32
	Re-Enroll	2.76	2.54	2.65	3.57	3.84	3.70
	Renewal	3.34	2.52	2.94	5.21	4.29	4.82
% Members with ED Visit	New	5%	6%	5%	6%	5%	6%
	Re-Enroll	6%	8%	7%	5%	3%	4%
	Renewal	8%	9%	8%	9%	10%	9%
IP Visits PMPM*1000	New	0.88	0.71	0.79	0.00	1.90	0.81
	Re-Enroll	0.30	0.85	0.59	0.00	0.00	0.00
	Renewal	0.52	0.38	0.45	0.88	1.80	1.27
% Members with Prescriptions Filled	New	18%	16%	17%	22%	26%	24%
	Re-Enroll	28%	24%	26%	38%	44%	41%
	Renewal	42%	36%	39%	65%	57%	62%

Table D10 presents a comparison between Healthy SF participants age 65 and older and those ages 18-64 with a chronic disease by service utilization. The data shows that service utilization for participants 65 and older who had chronic diseases were significantly higher than those who did not have a chronic disease for outpatient visits, ED visits and inpatient visits.

Table D10:
FY2016-17 Utilization by Chronic Disease Indicator, Age Category, and Service Type

	Age	Chronic Disease Indicator	
		No/No Encounter Data Available	Yes
% Members with Office Visit with Chronic Disease	18-64	51%	91%
	65 and over	62%	83%
Office Visits PMPY	18-64	2.44	5.58
	65 and over	3.39	6.58
% Members with ED Visit	18-64	7%	14%
	65 and over	5%	12%
IP Visits PMPM*1000	18-64	0.37	1.59
	65 and over	1.02	1.12

Regardless of age, Healthy SF participants with a chronic disease were more likely to have had an office visit when compared to participants with no chronic disease. Regardless of chronic disease indication, Healthy SF participants age 65 and older were both more likely to have an office visit and made repeat visits per year when compared to participants ages 18-64. Healthy SF participants from the 65 and older with a chronic disease group were less likely to have had an ED or inpatient visit in FY2016-17 when compared to their 18-64 counterparts.

Utilization of Participants with Chronic Disease

To identify Healthy SF participants' conditions based on diagnosis codes, HEDIS logic is used to identify specific types of claim lines from which to extract applicable diagnosis codes (Diagnosis Codes 1-3) and to flag those lines as "inpatient" or "outpatient".

Healthy SF participants with chronic disease are identified based on services utilized within the prior 12 months. A participant must have at least one inpatient encounter or two outpatient encounters with the same condition within 24 months in order to be flagged with the condition.

A participant is determined to have a chronic disease condition if: 1) an applicable diagnosis code is found on one inpatient encounter within 24 months of when the data was collected; or 2) an applicable diagnosis code is found on two outpatient encounters on different dates of service within 24 months of when the data was collected. Disease and condition classifications were identified with Clinical Classifications Software and the CMS Chronic Conditions Warehouse (CCW) tools.

The list of disease and condition classifications reviewed for this analysis can be found in Table D11.

**Table D11:
Chronic Disease Conditions Identified Using Clinical Classification**

Asthma/COPD	Ischemic Heart Disease	Cancer of Male Genital Organs	Breast Cancer	Liver Disease
Chronic Kidney Disease	Tobacco Use	Cancer of Lymphatic & Hematopoietic Tissue	Lung Cancer	Paralysis
Heart Failure	Wounds	Cancer of the Ovaries & Other Female Genital Organs	Skin Cancer	Epilepsy
Hepatitis C	Alcohol	Cancer of the Urinary Organs	Cancer of Uterus & Cervix	Serious Mental Illness
HIV/AIDS	Diabetes with Complications	Cancer; Other Primary	Cerebrovascular Disease	Personality Disorders
Hypertension	Diabetes without Complications	Delirium, Dementia, & Other Cognitive Disorders	Suicide & Intentional Self-Inflicted Injury	Other Substance

The prevalence of Healthy SF participants with a chronic disease diagnosis has increased slightly over the last three years and is currently twelve percent (12%) as seen in Figure D3. Despite the efforts of Healthy SF to collect and report complete participant data, typically only seventy percent (70%) of participants' diagnosis information is available any given year. As mentioned above, the program has improved its accuracy when calculating service utilization in the program but this does not offset preexisting data limitations. Therefore, interpretation of all findings represented here must account for the incompleteness of encounter data available to the program.

Figure D3: HSF Participants with Chronic Disease by Fiscal Year

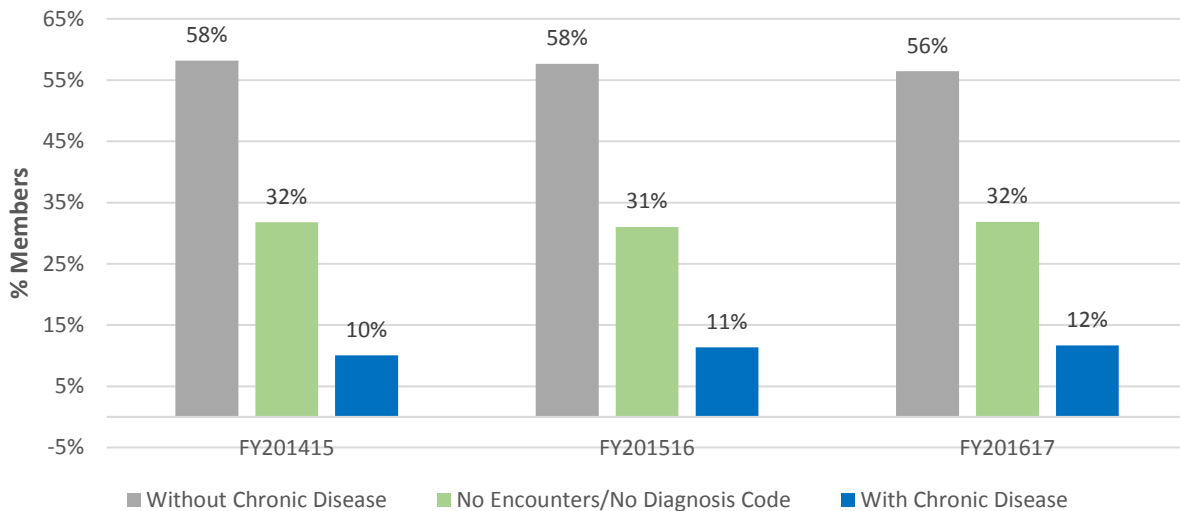


Figure D4 demonstrates the significant contrast between the amounts of office visits per 1,000 participants per month for those who were diagnosed with a chronic disease as opposed to those who were not. In FY2016-17, Healthy SF participants with a chronic disease diagnosis had more than twice as many office visits per 1,000 participants monthly than those without a diagnosis.

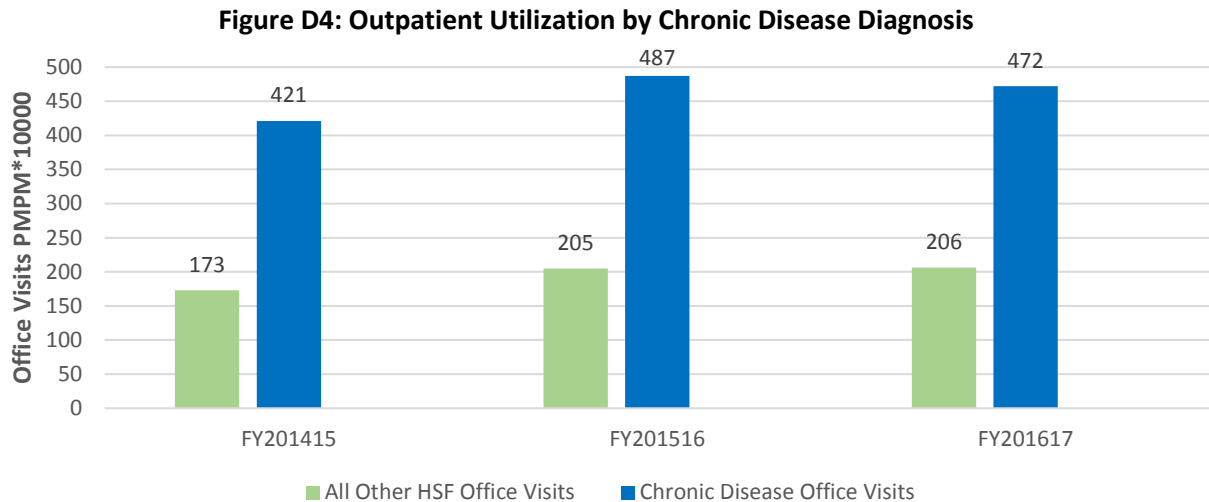


Table D12 shows the program's three year trends for utilization of other services by Healthy SF participants. It compares utilization rates between those who had at least one office visit and were either diagnosed with a chronic disease or were not diagnosed with a chronic disease.

Table D12:
Utilization by Service Type, Fiscal Year, and Chronic Disease Indicator for Participants with One or More Office Visits

	Fiscal Year	No Chronic Disease With Office Visit	Chronic Disease With Office Visit
Office Visits PMPY	FY14-15	3.99	5.70
	FY15-16	4.10	6.22
	FY16-17	4.18	5.99
ED Visits PMPY	FY14-15	0.19	0.26
	FY15-16	0.23	0.33
	FY16-17	0.17	0.26
IP Visits PMPM*1000	FY14-15	0.80	1.65
	FY15-16	0.88	1.95
	FY16-17	0.60	1.59
Prescriptions Filled PMPY	FY14-15	4.67	16.62
	FY15-16	5.41	20.77
	FY16-17	3.04	11.17

Historically, Healthy SF participants with a chronic disease diagnosis have had more office visits per year than those participants without a diagnosis. There has not been a significant difference in emergency room use of participants relative to chronic disease diagnosis. Healthy SF participants with a chronic disease diagnosis continue to have higher rates of inpatient stays than participants without a diagnosis. It should also be noted that Healthy SF participants with a chronic disease diagnosis typically have nearly four times the number of prescriptions filled in a fiscal year than their counterparts without a diagnosis.

Table D13 shows the prevalence of chronic disease conditions across the program's primary age populations over the last three years. The table reflects the top conditions that Healthy SF participants were diagnosed with in FY2016-17.

Table D13:
Chronic Disease Prevalence by Age Category and Condition

	Age	Chronic Disease Indicator		
		FY2014-15	FY2015-16	FY2016-17
% Members with Office Visit with	18-64	74%	88%	91%
	65 and over	94%	91%	83%
Hypertension	18-64	10.4%	10.3%	11.3%
	65 and over	46.8%	44.9%	45.4%
Diabetes (without Complication)	18-64	7.9%	9.9%	11.2%
	65 and over	21.3%	21.1%	24.1%
Diabetes (with Complication)	18-64	2.4%	2.9%	3.1%
	65 and over	10.6%	8.2%	9.5%
Chronic Kidney Disease	18-64	1%	1.9%	2.5%
	65 and over	12.8%	7.4%	7.6%
Asthma/COPD and Bronchiectasis	18-64	1.6%	1.6%	1.7%
	65 and over	2.1%	1.6%	3.5%

Prevalence of the top chronic disease conditions appears to be increasing over time for both participants ages 18-64 and 65 and older. The highest prevalence of hypertension across all age groups was concentrated in the 65 and older cohort. Participants from the 65 and older group from the Visitacion Valley neighborhood demonstrated the highest relative percentages of hypertension, diabetes with complications, and chronic kidney disease.

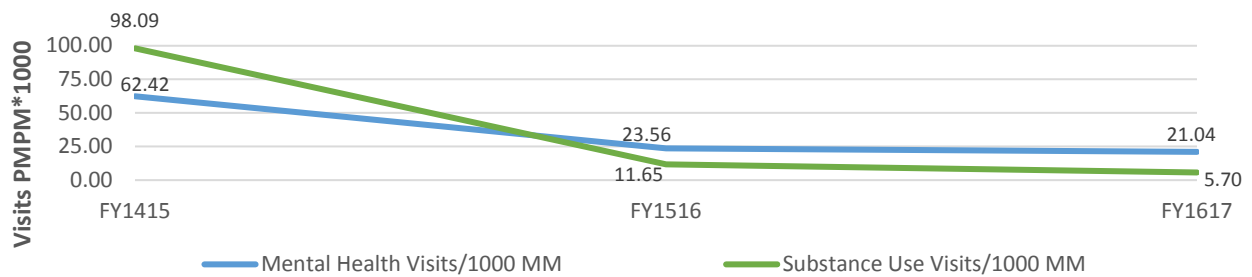
Over the last three years, office visits have increased for both of these age cohorts as well. As more Healthy SF participants access healthcare services through their medical home network, the program is able to better identify and monitor participants with chronic disease conditions.

Mental Health and Substance Abuse Disorder Services

Community Behavioral Health Services is the county's mental health program and provides almost all mental health and substance abuse disorder services for Healthy SF participants. CBHS provides Healthy SF participants access to a network of behavioral health services. Behavioral health providers in the network submit encounter information to CBHS. As is the case with other data presented in this report, there may be a lag with when CBHS receives encounter data from their provider network. This affects the completeness of the data presented in this report for FY2016-17.

Healthy SF is a significant component of San Francisco's strategies to provide services to these populations. It will be important to continue to monitor utilization of behavioral health services by Healthy SF participants, especially given the decline in utilization that has been observed in recent years (Figure D5).

Figure D5: Mental Health and Substance Abuse Disorder Services Utilization by Fiscal Year



The following table indicates what percentage of Healthy SF participants had a mental health or substance abuse disorder visit over the last three years (Table D14). In recent years, there has been a continuous decline in behavioral health utilization. It is likely that BAART's exit from the Healthy SF network may have had a significant effect on this decline in behavioral health related visits per participants per year. Utilization of CBHS services as measured on a number of visits per member per year continued to dramatically fall in FY2016-17 just as it has for the two years prior. As was the case with utilization of services in primary care, emergency, and hospital settings; there may have been individuals whose service utilization was attributed to transitions to or coverage from other programs.

Table D14:
HSF Mental Health and Substance Abuse Disorder Services Utilization

	FY14-15	FY15-16	FY16-17
% Members with Substance Abuse Disorder Visit	1.19%	0.39%	0.29%
Substance Abuse Disorder Visits PMPY	1	0.15	0.07
Total Number of Substance Abuse Disorder Visits	10,220	1,419	590
% Members with Mental Health Visit	3.94%	2.55%	1.95%
Mental Health Visits PMPY	0.88	0.35	0.33
Total Number of Mental Health Visits	9,003	3,230	2,833

In FY2016-17 participants who utilized mental health services and also utilized substance abuse disorder services, had more than twelve mental health visits per year than participants without a substance abuse disorder related visit (12.56 visits PMPY compared to 0.3 visits PMPY) (Table D15). Alternatively, in FY2016-17 participants who utilized substance abuse disorder related services and mental health services, had more than seven times more mental health visits per year than participants without a substance abuse disorder related visit (0.44 visits PMPY compared to 0.06 visits PMPY) (Table D16). When comparing Healthy SF participants who utilized both mental health and substance abuse disorder services, participants had four times the number of mental health visits per year than substance abuse disorder visits (81.85 visits PMPY compared to 23.2 visits PMPY) (Table D17).

Table D15:
HSF Mental Health Visits Per Participant Per Year
with and without Substance Abuse Disorder Visits

	FY14-15	FY15-16	FY16-17
Mental Health Visits PMPY w/Substance Abuse Disorder Visit	11.14	4	12.56
Mental Health Visits PMPY w/o Substance Abuse Disorder Visit	0.79	0.34	0.30

Table D16:
HSF Substance Abuse Disorder Visits Per Participant Per Year
with and without Mental Health Visits

	FY14 -15	FY15-16	FY16-17
Substance Abuse Disorder Visits PMPY w/ Mental Health Visit	9.77	0.90	0.44
Substance Abuse Disorder Visits PMPY w/o Mental Health Visit	0.66	0.14	0.06

Table D17:
HSF Mental Health and Substance Abuse Disorder Services Utilization for Participants with One
or More Mental Health and Substance Abuse Disorder Visits

	FY14-15	FY15-16	FY16-17
Mental Health Visits PMPY	35.95	25.83	81.85
Substance Abuse Disorder Visits PMPY	135.28	43.4	23.2

Pharmacy Utilization

The San Francisco Department of Public Health transitioned the management of the San Francisco Health Network's pharmacy benefits to Walgreens for all SFHN medical homes in the Healthy SF network in FY2016-17. In the fall of 2016, Healthy SF's pharmacy network for members enrolled with SFHN medical homes expanded from their current locations to include all Walgreens locations in the City and County of San Francisco. All Healthy SF participants with medical homes at SFCCC clinics retained their current pharmacy arrangement at the Zuckerberg General Hospital Outpatient Clinic and their current assigned Walgreens location. Healthy SF participants accessing services through CBHS may also fill certain prescriptions at the CBHS Pharmacy.

The program's pharmacy utilization figures reported here indicate noteworthy drops in prescriptions filled in FY2016-17. This was likely due to incomplete data and unexpected delays in reported utilization caused by the pharmacy benefit management transition. If necessary, the figures reflected here may be updated at a later date if further analysis is able to identify and correct the root cause of this inconsistency.

Table D18 indicates that in FY2016-17, there was a reported forty-six percent (46%) decrease in the total number of prescriptions filled as compared to the year before. There was also small decrease in the percentage of Healthy SF participants who had a prescription filled in FY2016-17. The number of prescriptions filled per Healthy SF participant per year decreased forty-three percent (43%) in FY2016-17.

Table D18:
Prescription Utilization Rate by Fiscal Year

	FY14-15	FY15-16	FY16-17
Total Prescriptions Filled	77,327	81,760	44,166
% Change from Previous Year	-54%	5.7%	-46%
% Members with Prescriptions Filled	26%	37%	32%
Prescriptions Filled PMPM*1000	354.02	478.75	272.29
% Change from Previous Year	5.9%	35.2%	-43%
Prescriptions Filled PMPY	4.01	5.51	3.14

Table D19 displays further analysis of pharmacy service utilization indicating that renewing Healthy SF participants continue to make up the highest percentage of prescription drug utilizers of all application types. For the last three years, this group has also demonstrated the highest rates of utilization per participant per month compared to new or re-enrolled Healthy SF participants.

Table D19:
Prescription Utilization Rate by Application Type

	Application Type	FY14-15	FY15-16	FY16-17
% of Members with Prescriptions Filled	New	12%	20%	16%
	Re-Enroll	23%	32%	28%
	Renewal	34%	46%	38%
Prescriptions Filled PMPY	New	1.39	2.81	1.92
	Re-Enroll	3.36	4.89	3.6
	Renewal	5.04	6.35	4.96
Prescriptions Filled PMPM*1000	New	116.21	234.46	176.33
	Re-Enroll	280.16	407.8	332.67
	Renewal	419.8	529.11	423.23

Healthy SF medical homes from the SFHN and SFCCC groups all reported decreases in utilization of pharmacy services in FY2016-17 (Table D20). There was a sharp decline by fifty-five percent (55%) in reported rates of prescriptions filled by Healthy SF participants with SFHN medical homes. Given that this cohort accounts for nearly 3 out of 5 of the program's participants, it is likely that this drop drove the lower utilization rates seen in the program as a whole in FY2016-17.

Table D20:
Prescription Filled PMPY for participants with at Least One Office Visit by Medical Home Organization

Medical Home Organization	FY14-15	FY15-16	FY16-17
Sister Mary Philippa	0.08	0.16	0.06
SFHN	8.15	8.95	4.04
Kaiser	6.39	3.74	5.89
SFCCC (including NEMS)	4.72	7.97	6.12

E. Participant Experience and Satisfaction

This section describes to Healthy SF's efforts to obtain feedback from its participants about their health, health care, and program related experiences. Feedback is obtained from the program's call center, medical homes, and various other channels that track complaints, and the administration of surveys.

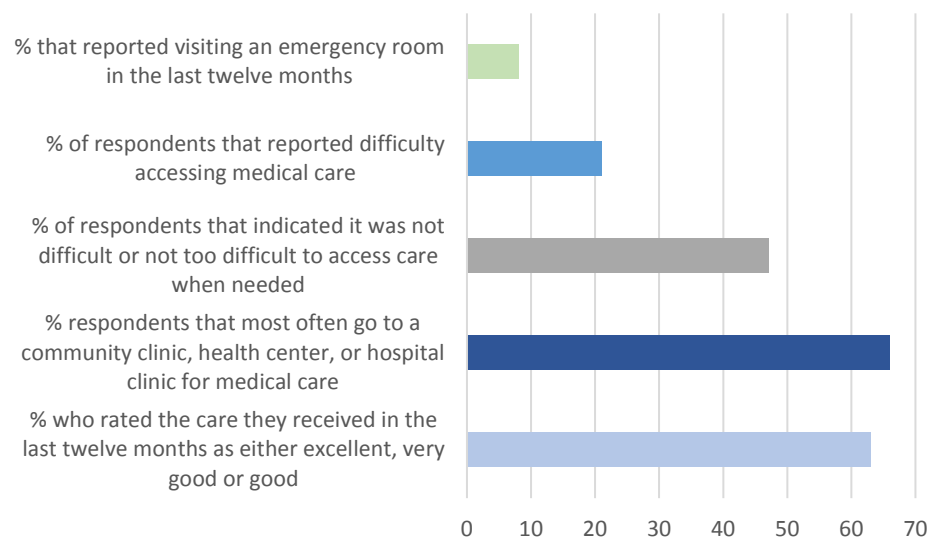
Health Access Questionnaire

Healthy SF administers a Health Access Questionnaire (HAQ) at the point of application and at annual renewals. The survey is available in English, Spanish, and Chinese. Participant responses to this questionnaire enable the program to gauge individuals' experiences prior to enrolling in Healthy SF. The HAQ also serves to capture feedback about the experiences of participants who have either re-enrolled or renewed their enrollment. Responses are used to inform ongoing program improvement and evaluation. In FY2016-17, Healthy SF administered 13,166 surveys to 13,036 participants.

FY2016-17 HAQ Responses

Highlights of participants' responses in FY2016-17 are listed in Figure E1:

Figure E1: Highlights from FY2016-17 Health Access Questionnaire



- Eight percent (8%) of respondents reported visiting an emergency room in the last twelve months.
- Twenty-one percent (21%) of those who responded reported difficulty with accessing medical care.
- Forty-seven percent (47%) of respondents indicated that it was not difficult or not too difficult to access medical care when needed.
- Sixty-six percent (66%) of respondents reported that they most often go to a community clinic, health center, or hospital clinic for medical care.
- Sixty-three percent (63%) of participants who responded rated the care they received in the last twelve months as either excellent, very good, or good.

Figure E2

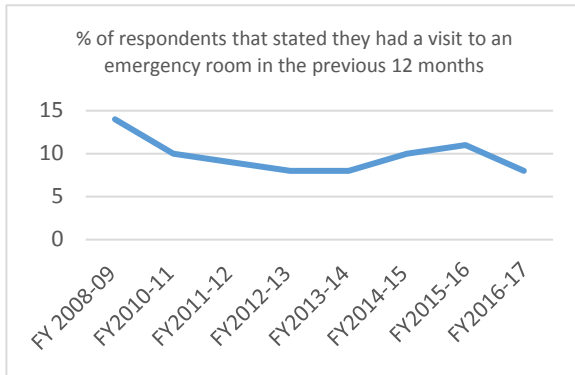
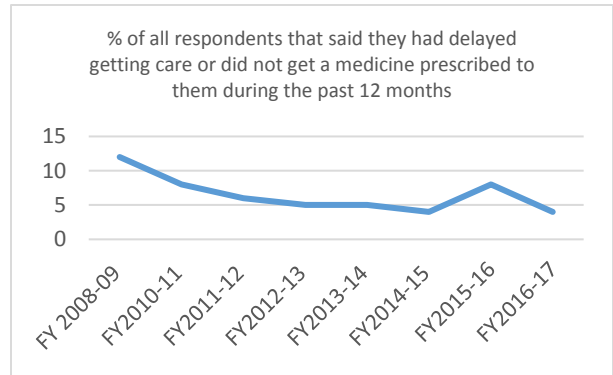


Figure E3



Since 2008, the percentage of respondents who reported having visited an emergency room in the past 12 months has declined (Figure E2). The percentage of respondents who reported delays with getting care or medicine in the last year has also decreased over this period (Figure E3).

Figure E4

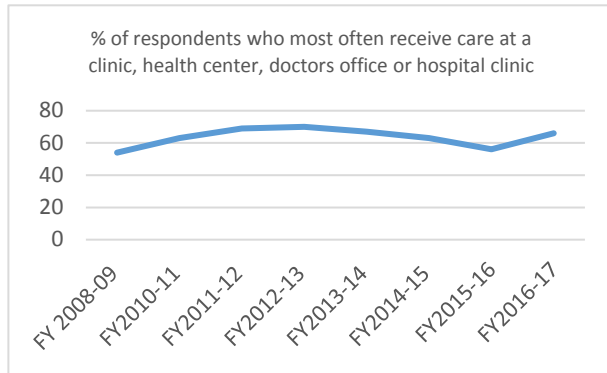
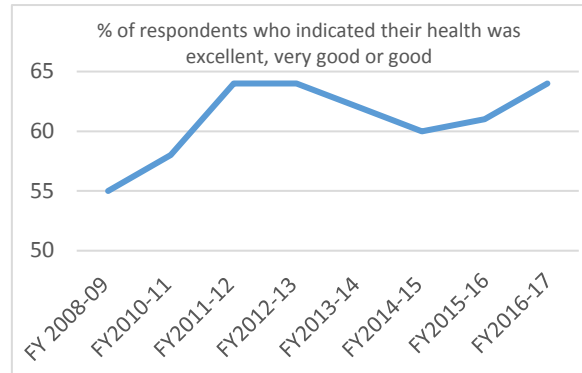


Figure E5



Since 2008, the percentage of Healthy SF participants who have reported receiving care in an appropriate setting has declined after reaching a peak in FY2012-13 (Figure E4). Over the same period, the percentage of Healthy SF participants who have reported good to excellent health has increased (Figure E5).

HSF Participant Complaints

There were 126 complaints received by the Healthy SF Customer Service Department from participants in FY2016-17. Access to care and quality of medical care and accounted for fifty-one percent (51%) of participant complaints. Access to care complaints may consist of issues around: lack of care, long wait times for appointments, or long telephone wait times. Quality of medical care issues raised by participants may be due to dissatisfaction with coordination of care or delays in care. Twenty percent (20%) of all complaints were attributed to issues related to program enrollment; for example participants who were assigned to the incorrect medical home.

Below are key participant complaint trends observed and reported by the program's Customer Service Department. The following are being taken into account by Healthy SF and will influence operational decisions moving forward:

- Access issues comprised 39% of the total complaints received in FY16-17, compared to 34% of the total complaints received in FY15-16.
- Quality of medical care and service issues accounted for 24% of the total complaints received in FY 16-17.
- The overall volume of complaints increased 17% from FY15-16, when the total number of complaints was 110.

Healthy SF Post-Election: Supporting DPH Patients, Clients, and Staff

In the fall of 2016, the Director of the San Francisco Department of Public Health issued a public letter affirming the County's commitment to providing quality health care regardless of immigration or insurance status. It was felt that results of the 2016 Election had raised considerable concern amongst San Francisco's most vulnerable populations and the community groups that provided them with services and health care. DPH ensured that in the event of any future changes to the Affordable Care Act, programs that existed before the ACA would continue to exist regardless of the political landscape. Residents and prospective clients were encouraged to continue to access health care services and sign up for Medi-Cal or Covered CA. They were to be assured that their health coverage had not changed and that they could continue to seek and receive care at their medical homes. It was reaffirmed that San Francisco is and always will be a sanctuary city and that the Department of Public Health and its program would remain available to the City's residents.

F. SF City Option

Health Care Security Ordinance

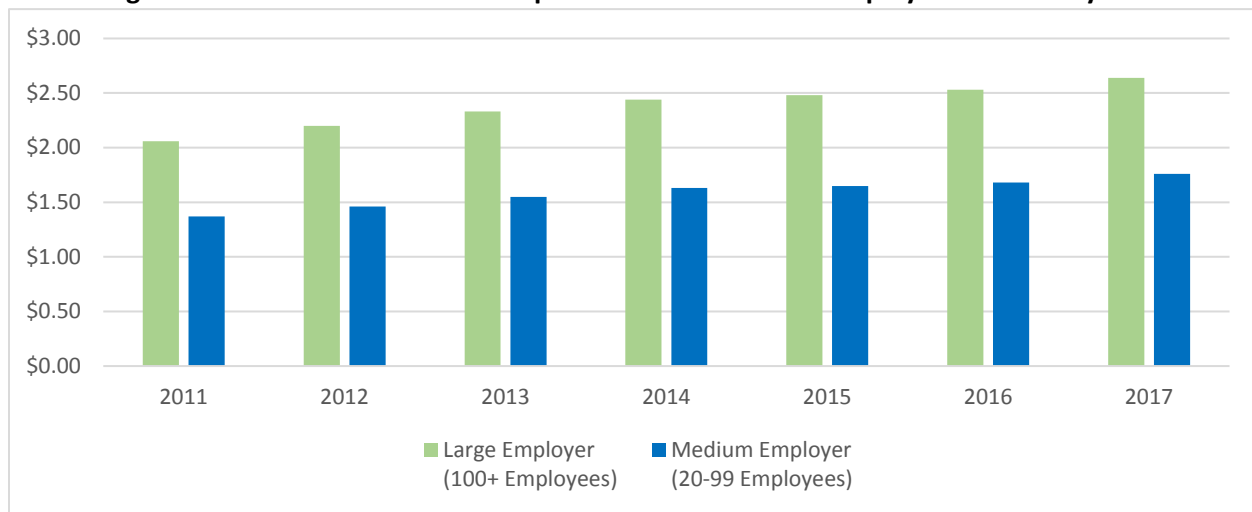
Passed in 2006, the San Francisco Health Care Security Ordinance (HCSO) (No. 218-06; Chapter 14 of the San Francisco Administrative Code) had two components:

1. Employer Spending Requirement (ESR), which requires employers in San Francisco to make health care expenditures on behalf of their employees; and
2. Health Access Program, which was renamed Healthy San Francisco in April 2007.

Employer Spending Requirement

The Office of Labor Standards Enforcement (OLSE) oversees the implementation of the ESR while SFDPH oversees the implementation of Healthy SF and the SF City Option program. OLSE reports to the Healthy SF Advisory Committee for FY2106-17 can be found in Appendix C of this report. In FY2016-17 SF City Option co-hosted 10 webinars with OLSE to educate employers about SF City Option and HCSO compliance and the employer spending requirement. The ESR was implemented for all employers with 50 or more employees on January 9, 2008. As of April 1, 2008, the ESR applies to for-profit employers with 20 or more employees and non-profit employers with 50 or more employees. These covered employers are required to spend a minimum monetary amount on health care expenditures for their eligible employees. Figure F1 below demonstrates the gradual increase in the required minimum amount to spend per employee per hour since ESR implementation. In FY2016-17, the minimum expenditure was \$1.76 per hour for medium-sized employers (20-99 employees) and \$2.64 per hour for large employers (100+ employees).

Figure F1: Minimum Health Care Expenditures Per Covered Employee Per Hour by Year



SF City Option

Most employers in San Francisco satisfy the ESR by providing health insurance to their employees. Recent analysis indicates that as of 2016, at least twenty-one percent (21%) of San Francisco employers satisfy the ESR though participation in the SF City Option (www.sfcityoption.org). To date, 3,138 employers have made at least one contribution to SF City Option. An employer that chooses to contribute to the SF City Option on behalf of their covered employees will make those employees eligible to either: 1) participate in Healthy SF at a reduced cost; 2) be assigned a Medical Reimbursement Account; or 3) receive SF Covered MRA premium assistance for Covered CA. An employee's assignment is based upon SF City Option eligibility criteria, employees with employer contributions will be assigned by the program to one of those three SF City Option programs:

- If the employee is eligible for Healthy SF or SF Covered MRA, the employee will be notified and must initiate and complete that program's application process in order to participate.
- If the employee is ineligible for either Healthy SF or SF Covered MRA, a Medical Reimbursement Account will be opened for the employee. All funds contributed on the employee's behalf by the employer are deposited into this account. Subsequently, the employee can access these funds for reimbursement of eligible health care expenses.

By the end of FY2016-17:

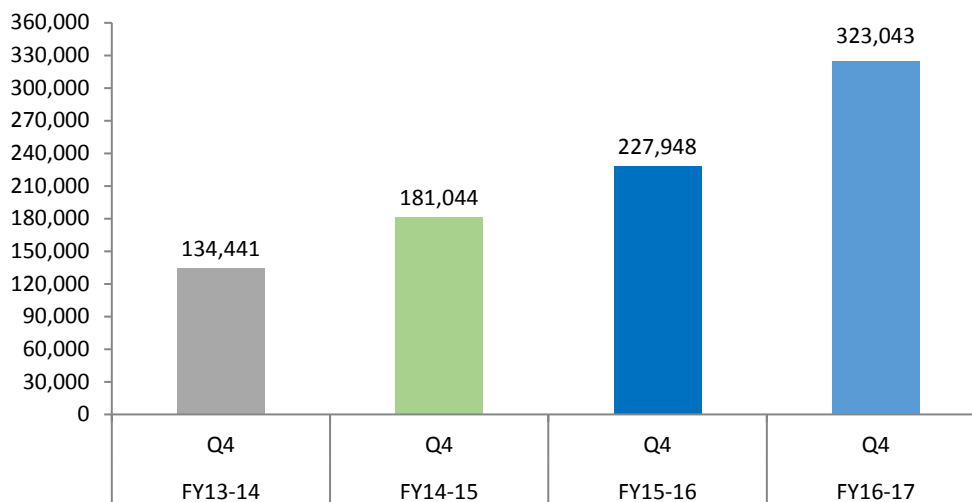
- 1,865 of employers made at least one contribution to the SF City Option to meet the ESR. Of those, 306 employers made their first contributions. Since the program's inception, 3,138 employers made at least one contribution to the SF City Option program. This was a three percent (3%) increase from the previous year.
- Employers deposited \$143.2 million to the SF City Option on behalf of their employees. This was approximately \$20 million more than what was deposited in FY2015-16.
- Of the employer funds contributed to the SF City Option in FY2016-17: fifty percent (or \$71.5 million) was distributed to the Employer Contribution pool; thirty-six percent (or \$51.2 million) was distributed to employees' SF MRAs; twelve percent (or \$16.8 million) returned from deactivated SF MRAs; two percent (or \$2.7 million) was designated to employees who were

potentially eligible for Healthy SF; and one half of a percent (or \$894,280) was designated to employees eligible for SF Covered MRA benefits.

- Since the inception of the SF City Option Program, nearly fifty-eight percent (58%) of employees who received contributions have had their contributions assigned to SF MRAs. Twenty-three percent (23%) of employees have had their contributions assigned to Healthy SF. Only 0.2% of employees have received contributions for SF Covered MRA since its launch in November 2016. Currently nineteen percent (19%) remains in the Employer Spending Requirement Contribution Pool until they are contributed to one of the SF City Option programs.
- Employers have made SF City Option contributions on behalf of 323,043 eligible employees. This is a thirty-two (32%) increase from the year before. This number includes those employees who were counted more than once because they received contributions from multiple employers.

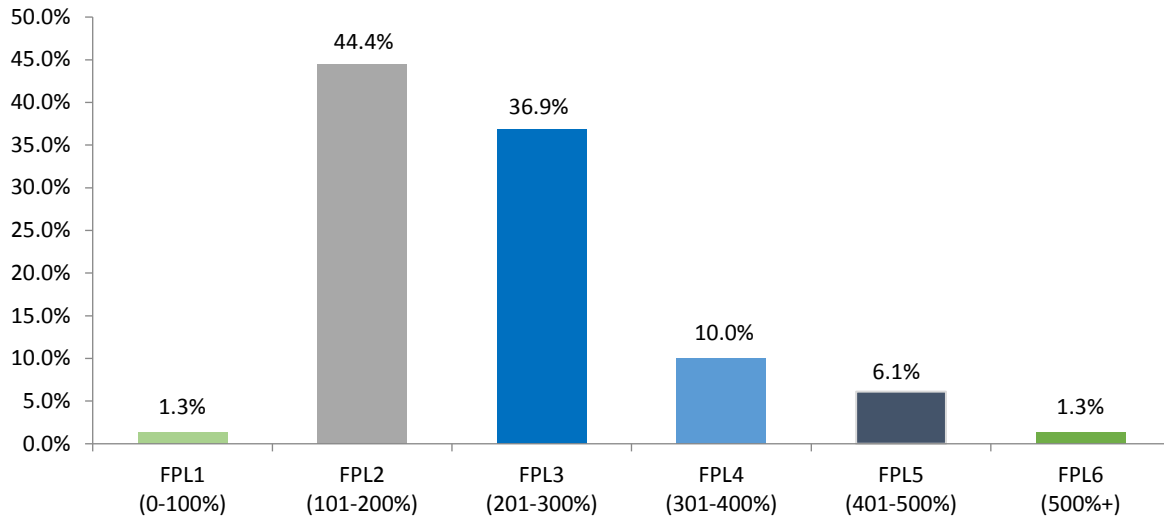
In FY2016-17 there was a significant increase in the number of employees in San Francisco who received SF City Option contributions from their employer. Figure F2 shows the forty-two percent (42%) increase in contributions when compared to the previous year.

Figure F2: Program-to-Date Count of Employees Receiving Employer Contributions, Year to Year, Q4 FY 13-14 – Q4 FY 16-17



By the end of FY2016-17, there were 540 individuals enrolled in Healthy SF who were receiving an ESR contribution. This was a one hundred and fifty percent (150%) increase from the year before. Figure F3 illustrates the breakout of this population by Federal Poverty Level.

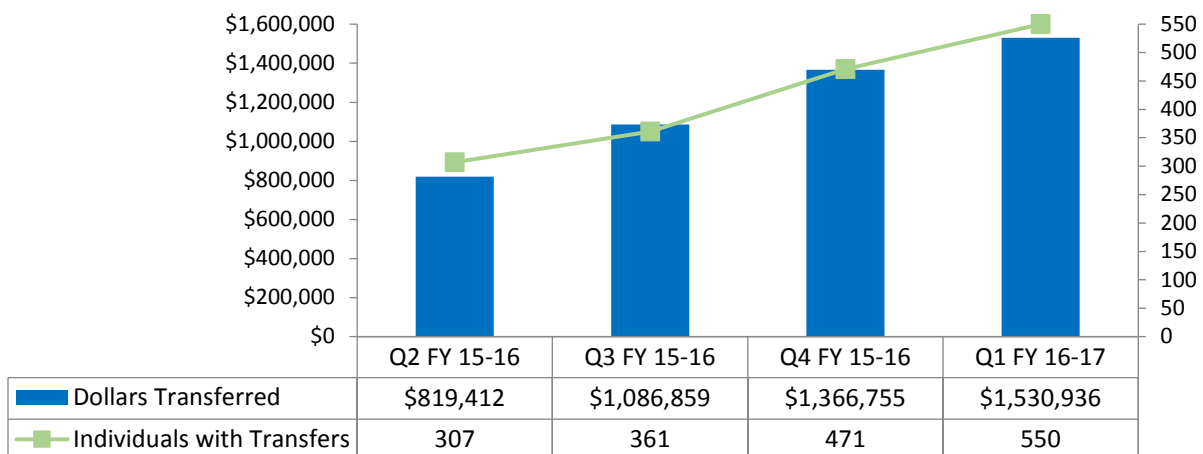
Figure F3: City Option Participants Enrolled in Healthy SF by FPL



HSF to SF MRA Transfers

Through the first quarter of FY2016-17, employees with employer contributions assigned to HSF may have eligible funds transferred to SF MRAs upon request by completing an HSF to SF MRA Transfer Request Form. In the first quarter of FY2016-17, 2,636 employer contributions for 550 individuals totaling \$1,530,936 were transferred to SF MRAs, an increase of 25% from last quarter (Figure F4). The HSF to SF MRA Transfer Request Form was discontinued in October 2016 due to new employer contribution assignment rules. These rules stipulate that the SF City Option Program will assign contribution funds to the health care program in which the employee participates.

Figure F4: HSF to SF MRA Transfers Processed, Q2 FY15-16 – Q1 FY16-17



SF City Option Restructure

The SF City Option initially consisted of Healthy San Francisco and Medical Reimbursement Accounts (MRAs) which were formed to assist employers with meeting the ESR. In November 2016, SF City Option launched a third program named SF Covered MRA to offer premium assistance to eligible employees to purchase plans from Covered CA.

In FY2016-17, the SF City Option program completed a multi-year overhaul intended to expand health coverage and insurance options for SF City Option employees in San Francisco. Changes to the SF City Option program over this period include: 1) the creation of an Employer Spending Requirement Contribution Pool; 2) development of a Program Finder Form; 3) initiation of SF MRA deactivation; and 4) the launch of the SF Covered MRA program.

In response to the prevalence of uninsured and underinsured residents in San Francisco, the Department of Public Health took steps to restructure SF City Option and expand the options it offers for health coverage and insurance. SF Covered MRA was developed to offer premium assistance for Covered CA products to SF City Option employees. As a precursor to this, SF City Option changed its process for how SF City Option employers make ESR contributions and how SF City Option employees are placed into SF City Option programs.

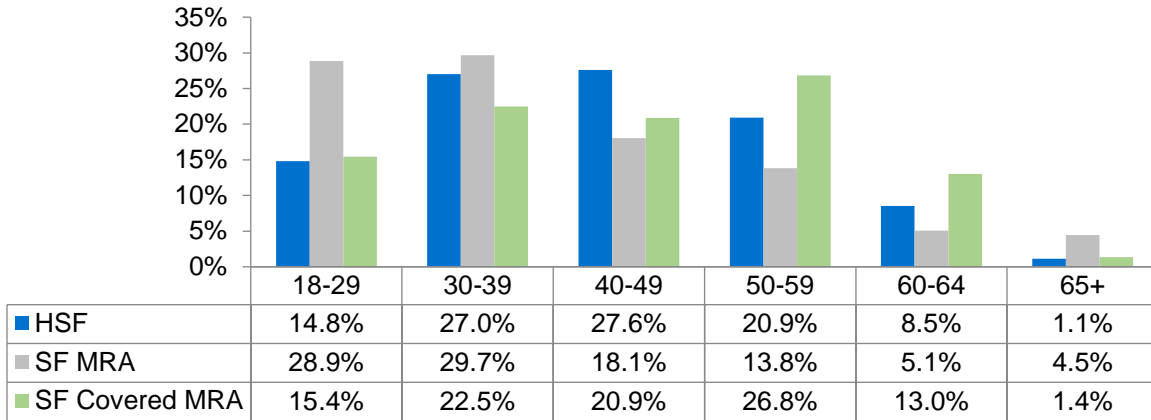
Under new program rules that went into effect in the second quarter of FY2016-17, employers that paid into SF City Option would have their contributions placed into a pool. Employers' contributions remain in that pool until their employees take steps to be placed into one of the three SF City Option programs. Employees would be placed in a SF City Option program upon completion of a Program Finder Form that helps to determine eligibility. In FY 16-17, SF City Option received a total of 13,145 Program Finder Forms, with seventy-five percent (75%) submitted online and twenty-five (25%) submitted by mail or fax.

As a part of these larger program rule changes, the SF MRA program also instituted a new automatic deactivation policy. Under this new rule, effective the second quarter of FY2106-17, SF MRAs with no claims or employer deposits in 24 months or more will be closed. SF City Option employees with inactive balances of \$25 or more were notified of these impending changes through active outreach beginning in the last quarter of FY2015-16 through the first quarter of FY2016-17. Accounts that are closed may only be re-opened upon the request of the SF City Option account holder or when a new claim is made by that employee.

Figure F5 below illustrates the distribution of SF City Option employees across its programs and age groups at the end of FY2016-17.

Figure F5:

Age Distribution of Active HSF, SF MRA, and SF Covered MRA Participants, as of June 30, 2017



First Year of SF Covered MRA

SF Covered MRA was launched under the SF City Option umbrella to increase access to affordable health care for all low and moderate-income residents of San Francisco. SF Covered MRA resulted from a presentation to the San Francisco Health Commission on July 21, 2015. SFDPH proposed to increase access to affordable health care for all low and moderate-income residents of San Francisco by leveraging existing SF City Option and Healthy San Francisco infrastructures for two purposes: 1) to make health insurance more affordable for City residents and 2) to ensure that Healthy San Francisco remains available to individuals who cannot afford other options.

SF Covered MRA offers premium assistance with out-of-pocket costs for insurance purchased through Covered CA and other eligible health care expenses. To be eligible for the program, a SF City Option employee must meet all of the following requirements:

- San Francisco resident;
- Age 18 or over;
- Income at or below 500% Federal Poverty Level;
- Not eligible for Medi-Cal or Medicare;
- Required by law to have health insurance;
- Purchased health insurance through Covered CA; and
- Has two employer contributions to SF City Option in the past six months.

At the end of FY2016-17, there were 356 participants enrolled in the program. Figure F6 below shows the distribution of subsidies received by SF City Option employees through SF Covered MRA for FY2106-17. On average, a SF City Option employee enrolled in this program received a subsidy amount of \$2,510 or \$209 per month assuming a full year of coverage.

Figure F6: SF Covered MRA Subsidy Amount Distribution FY2016-17

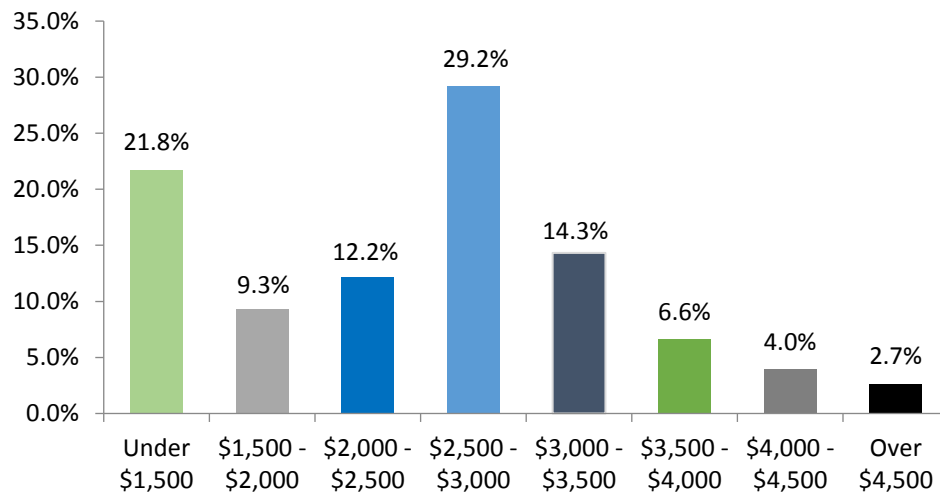


Figure F7 provides a summarization of Covered CA plan tier, and Covered CA plan type for the SF Covered MRA participant population. In FY2016-17, over half of SF Covered MRA participants (59%) purchased a Silver Covered CA plan. The majority of SF Covered MRA participants, 73%, purchased a family Covered CA plan (Figure F8).

Figure F7: Covered California Plan Tier Purchased by SF Covered MRA Participants, FY2016-17

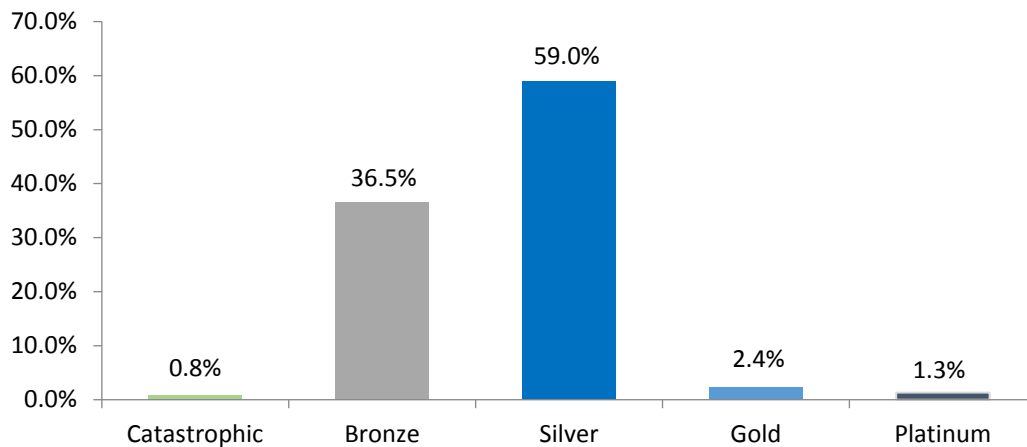
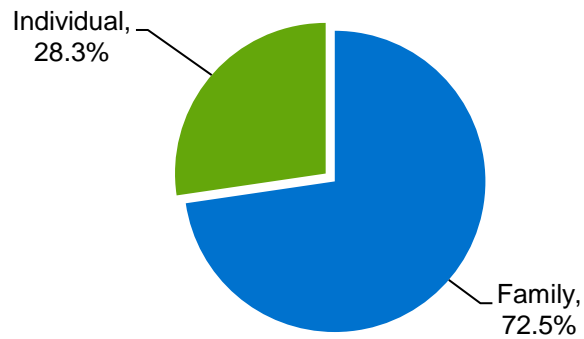


Figure F8: Covered California Plan Type Purchased by SF Covered MRA Participants, FY2016-17



Employee Data

Compared with June 2016, the number of total SF City Option employees increased by 95,095; a forty-two percent (42%) increase. At the end of FY2016-17, 667 SF City Option employees were actively enrolled in Healthy SF. This represented a five percent (5%) decline from the number of SF City Option employees enrolled in Healthy SF seen at the end of FY2015-16. To date, 15,912 employees have disenrolled from Healthy SF. This represents a ninety-three percent (93%) disenrollment rate from Healthy SF for SF City Option employees. This is higher than the ninety-one percent (91%) disenrollment rate seen in the overall Healthy SF population. Taking into account ongoing federal, state, and county efforts to expand access to health care coverage, most SF City Option employees have had access to other forms of insurance. This would account for a higher likelihood of disenrollment from the Healthy SF program as compared to the larger participant pool. The following table presents employers' distributions to employees with respect to program eligibility since the program's inception.

**Table F1:
SF City Option Employees by Potential Program Eligibility To Date**

Category	Description	Number
HSF-Eligible Employees	SF City Option employee whose contributing employer has at some time in the past submitted these specific attributes: residency as "San Francisco;" other insurance flag as "no;" and age between 18 and 64, inclusive.	75,054
SF MRA Employees	SF City Option employee whose contributing employer has at some time in the past submitted any combination of the following information for this SF City Option employee: residency not in "San Francisco;" other insurance flag as "yes;" age between 0-17 inclusive; or age greater than or equal to 65.	187,473
SF Covered MRA Employees	SF City Option employee who has submitted these specific attributes upon submission of their Program Finder Form: residency as "San Francisco;"	533
Employer Spending Requirement Pool	SF City Option employee with employer contribution(s) made on their behalf that have not been assigned to a SF City Option program	59,983
All SF City Option Employees	Total number of employees with HSF contributions, SF MRA contributions, SF Covered MRA contributions, and with Employer Contributions yet to be assigned to a SF City Option program.	323,043

Healthy SF to SF MRA fund transfers were discontinued at the end of the first quarter of FY2016-17 per revised employer contribution assignment rules that were put into effect with SF City Option. Prior to October 2017, SF City Option employees who had received unused employer contributions assigned to Healthy SF could request that those funds be transferred to an SF MRA. In the first quarter of FY2016-17, 552 program participants had transferred \$1.5 million in funds from a Healthy SF to an SF MRA.

Most SF City Option participants actively enrolled in Healthy SF this year were below 200% of the FPL. Of those, just under two percent (1.8%) were between 0-100% FPL while forty-seven percent (47%) were between 101-200% FPL. Compared to the general HSF population, SF City Option employees enrolled in Healthy SF with employer contributions have relatively higher incomes.

Taking into account that forty-nine percent (49%) of SF City Option employees who received employer contributions were below 200% FPL; there is a persistent indicator that affordable health insurance remains a pressing issue for the City and County of San Francisco. Given the burden of obtaining affordable health care, it is likely that some individuals who are eligible for subsidies through Covered CA will continue to elect to remain in Healthy SF.

Employer Data

Table F2 summarizes information broken out by company size, as of June 2017, on employers that elected to use SF City Option for all or some of their employees. Employers may use SF City Option to supplement any existing health care expenditures that have been made if they do not meet required ESR expenditure levels. The data indicates that:

- Ninety percent (90%) of participating employers were for-profit entities, while only ten percent (10%) were non-profit. Less than one half percent of the remaining employers did not report their profit status (0.2%).
- The top three classified occupation categories that employers fell into for FY2016-17 were: other services, accommodation and food services, and retail trade.

Table F2:
SF City Option Employers by Company Size

Count by Company Size	Number Jun 2015	Percent Jun 2015	Number Jun 2016	Percent Jun 2016	Number Jun 2017	Percent Jun 2017
0-19 employees	67	3%	47	3%	38	2%
20-49 employees	532	22%	394	22%	388	21%
50-99 employees	314	13%	256	14%	263	14%
100-499 employees	557	23%	422	23%	482	26%
500+ employees	891	36%	682	38%	693	37%
Not reported	111	4%	4	0.2%	1	0.1%

G. Expenditures and Revenues

This section provides estimated Healthy SF expenditures and revenues falling under the Health Care Security Ordinance for FY2016-17

The San Francisco Department of Public Health actively tracks expenditures for Healthy SF. Expenditures from each SFDPH division are combined to provide an overview of the program's finances. For FY2016-17, SFDPH costs and revenue calculations were estimates. The financial data below is comprised of the following components:

- Healthy SF revenues and expenses;
- SFDPH expenditures;
- Non-SFDPH expenditures;
- Per participant per month expenditures, revenues and subsidy; and
- Estimated SFDPH costs of serving the indigent and uninsured.

HSF Revenues

The Healthy SF program had a total revenue \$4.8 million for FY2016-17. This represented a \$12.1 million or seventy-two percent (72%) decline in total revenue received by the program when compared to the previous year. Revenues included contributions from employers using the SF City Option to fulfill the ESR and participant fees—both participation and SFHN point-of-service (POS) fees. ESR funding in FY2016-17 declined by \$12.36 million from the previous year. This is an 82% decline from the previous year and was

the result of the SF City Option restructure that altered how employers' contributions were used to support the overall program.

Participants with income at or above 101% FPL are billed quarterly for participation fees to remain in the program. As of June 30, 2017, forty-seven percent (47%) of participants were at or above 101% of FPL. In general, SFDPH only collects information on POS fees paid by Healthy SF participants accessing services within SFDPH's SFHN. Other medical homes report their POS revenues in their financial reporting and it is counted in the section below where we report their expenditures and revenues. For the fiscal year, SFDPH collected a total of \$2.1 million Healthy SF participant and point-of-service fees. Healthy SF participant and SFHN POS fees accounted for ninety-one percent (91%) and nine percent (9%) of that total respectively.

HSF Expenditures

System-wide Healthy SF expenditures for FY2016-17 totaled approximately \$50.63 million for private medical homes and SFDPH. The SFDPH expenditure calculation included reimbursement to non-SFDPH Healthy SF medical home providers. The average per participant per month fee increased to \$312, which was a six percent (6%) increase from the previous year. There was a \$0.6 million increase in total program expenditures in FY2016-17. This was a one percent (1%) increase in expenditures which was comprised of a \$989,275 decline in SFDPH expenditures coupled with a \$1.55 million increase in non-SFDPH expenditures. Revenue also decreased by \$12.18 million in FY2016-17.

Table G1:
Estimated Total Revenues and Expenditures

	2014-15	2015-16	2016-17
ENROLLMENT			
Total Participant Months	230,568	170,455	162,201
REVENUE			
Participation Fees and SFDPH POS	\$2,496,768	\$1,926,087	\$2,098,546
ESR (Employer Health Care Expenditures)	\$16,082,324	\$15,070,578	\$2,713,133
Transfer of Unused SF MRA Funds	\$0	\$0	\$0
TOTAL REVENUE	\$18,579,092	\$16,996,665	\$4,811,679
SFDPH EXPENDITURES			
HSF Administration	\$1,106,340	\$333,054	\$374,690
Third-Party Administrator (SFHP)	\$5,364,773	\$5,812,446	\$6,235,958
Services			
Cost of Services (ZSFG, Clinics, UCSF)	\$70,387,794	\$31,343,609	\$29,919,629
Behavioral Health	\$4,875,860	\$3,559,740	\$3,436,859
Non-SFDPH Provider Reimbursement	\$3,845,497	\$2,676,075	\$2,703,315
Eligibility/Enrollment System (One-e-App)	\$349,616	\$349,174	\$414,372
SUBTOTAL SFDPH EXPENDITURES	\$85,929,881	\$44,074,098	\$43,084,823
ESTIMATED SFDPH PER PARTICIPANT EXPENDITURE PER MONTH	\$373	\$259	\$266

NON-SFDPH EXPENDITURES			
	2014-15	2015-16	2016-17
Private Medical Homes Net HSF Expenditures	\$4,058,997	\$2,983,716	\$4,118,970
Non-Profit Charity Care Expenditures	\$12,126,659	\$3,009,851	\$3,429,063
SUB-TOTAL NON-SFDPH EXPENDITURES	\$16,185,656	\$5,993,567	\$7,548,033
TOTAL DPH AND NON-SFDPH EXPENDITURES	\$102,115,537	\$50,067,665	\$50,632,856
ESTIMATED TOTAL PER PARTICIPANT PER MONTH EXPENDITURE	\$443	\$294	\$312
SFDPH REVENUE LESS SFDPH EXPENDITURES	(\$67,350,789)	(\$27,077,433)	(\$38,273,144)
ESTIMATED SFDPH PER PARTICIPANT EXPENDITURE PER MONTH	\$373	\$259	\$266
SFDPH PER PARTICIPANT REVENUE PER MONTH	\$81	\$100	\$30
PER PARTICIPANT GENERAL FUND SUBSIDY PER MONTH	(\$292)	(\$159)	(\$236)

SFDPH Expenditures

SFDPH reported an estimated total of \$43.08 million in expenditures in FY2016-17. These costs were due to expenses for administration, services, and information systems. Administration expenditures accounted for approximately \$6.61 million (15% of total SFDPH expenditures) while service costs added up to \$36.47 million (85% of total SFDPH expenditures).

A portion of SFDPH expenditures reflects reimbursement for non-SFDPH medical homes and emergency ambulance transportation, and incremental behavioral health provider funding. A portion of SFDPH service costs at ZSFG supports hospital-based specialty care, urgent care, diagnostic, emergency care, home health, pharmacy, durable medical equipment and inpatient services to SFDPH clinics and to many other private providers in the network.

SFDPH behavioral health services expenditure estimates for Healthy SF participants are reported through Community Behavioral Health Services. At the time of this report, behavioral health and substance abuse disorder expenditures listed were based on twelve (12) months of data from July 2015 to June 2016. Pharmacy costs were based on twelve (12) months data, from July 2015 to June 2016.

Private HSF Provider Costs and Revenue

Private HSF providers reported that \$7.55 million worth of health services were rendered to HSF participants this year. This was a twenty-six percent (26%) increase from the year before. It consisted of:

- \$4.12 million by medical homes after revenues of \$6.5 million are deducted from total expenses of \$10.62 million; and
- \$3.43 million in Healthy SF-related hospital charity care expenses.

**Table G2:
Estimated Expenditures and Revenue for Private HSF Medical Homes**

Medical Home	Expenditures	HSF Funding and Other Revenues	Net Costs
Tenderloin Health Services (specialty affiliation with Saint Francis Memorial Hospital)	\$253,785	\$74,268	(\$179,517)
Kaiser Permanente	\$4,294,015	\$1,066,601	(\$3,227,414)
North East Medical Services	\$574,005	\$221,870	(\$352,136)
San Francisco Community Clinic Consortium Affiliated Clinics (includes SFCCC Administration)	\$5,502,989	\$5,502,989	\$0
Sister Mary Philippa Health Center (affiliation with St. Mary's Medical Center)	\$599,903	\$240,000	(\$359,903)
All Non-SFDPH Medical Home Health Systems	\$10,620,502	\$6,501,533	(\$4,118,970)

III. FY2017-18 ANTICIPATED PROGRAM ACTIVITIES

A. Year Two of SF Covered MRA

SF Covered MRA was launched in response to the inability of many San Franciscans to afford the premiums or copays required for Covered CA health plan options. To compound this affordability issue, there were premium increases for health coverage on California's health insurance exchange at the beginning of FY2016-17. Covered CA premiums rose by an average of thirteen percent (13%) which was more than three times the increases seen in the previous two years. In San Francisco, the average increase was nearly fifteen percent (15%). It is possible that there will be additional increases moving forward given the uncertainty of the current business environment for health insurers offering health exchange plans. The City anticipates that the SF Covered MRA offering will continue to serve as a valuable resource for more San Franciscans to consider health insurance options.

The primary intent of the SF City Option Modernization project which led to the launch of SF Covered MRA was to make insurance more affordable for City residents. Over time, SF Covered MRA is expected to aid an estimated 3,000 qualified San Franciscans with the purchase of health insurance through the health exchange. The SF City Option will continue to monitor the performance and make adjustments to its policies and procedures to ensure that uninsured and underinsured residents of San Francisco have greater access to health insurance.

B. Healthy SF Program Quality Control and Audits

FY2016-17 marked the first complete year of application audits by the Healthy SF program. The audit process helps to ensure the integrity of the program and by correcting errors real time and identifying training opportunities for front line staff. In the future, a larger audit is being planned to evaluate financial and operational procedures throughout the Healthy SF program to ensure that they are in compliance

with existing program policies. Findings from these audits serve as useful indicators about the program's performance and are used to ensure compliance with applicable regulations.

C. Healthy SF and the Bigger Picture

For ten years, Healthy SF has evolved and adapted to meet the changing needs of San Francisco's most vulnerable residents. FY2016-17 introduced a high degree of uncertainty to the stability of the City's health care landscape and the security of our most at-risk populations. Over the course of this past year, there have been consistent efforts to both repeal the Affordable Care Act and to revoke San Francisco's status as a Sanctuary City. In the face of these challenges, SFDPH has reaffirmed the City's commitment to the provision of quality health care and services for all San Franciscans.

Over the last three years, the ACA has enabled the extension of health coverage to 133,000 San Franciscans. This has provided stability for many people and strengthened the City's health care system. SFDPH has stated that it will continue to leverage its resources, strengths and partnerships with our healthcare partners citywide to ensure health care access for our residents. The City wants all of its patients and clients to continue to seek services and care with their SFDPH providers, clinics, and hospitals. Regardless of shifting policy winds, the SFDPH mission has not changed and its staff, providers, and partners will continue to serve all of those in need of care regardless of immigration or insurance status.

IV. DATA SOURCES AND LIMITATIONS

Data Sources

The data used to generate the figures and findings in the FY2016-17 Healthy SF Annual Report was drawn from three primary sources:

1. Healthy SF Participant Encounter and Prescription Drug Data (July 1, 2016 to June 30, 2017)
2. Health Access Questionnaire (July 1, 2016 to June 30, 2017)

Source:

- San Francisco Health Plan
- Healthy SF Network Providers
- County Behavioral Health Services

3. Healthy SF Participant Enrollment Data (July 1, 2016 to June 30, 2017)

Source:

- San Francisco Department of Public Health

Limitations

The Healthy SF Annual Report provides a snapshot of available data that characterizes participants' health care services utilization as of June of the last fiscal year. In order to accomplish this, Healthy SF relies on partner agencies to furnish the participant encounter and prescription drug utilization data needed to generate the report. The data received is not independently audited by Healthy SF.

While processing Healthy SF participants' service utilization data, some providers and partner agencies may encounter delays when validating and reporting the data to the program. Due to this, historically all relevant encounter and prescription drug-related data has not been available by the end of the fiscal

year. In addition, a variable percentage of the encounter data received by Healthy SF may be incomplete due to errors in recording or reporting participants' service utilization. The lack of complete data may have resulted in underreporting of Healthy SF participants' utilization data at the time the annual report is written. However, in years past, comparative analysis of the partial to the complete encounter datasets has shown few discrepancies.

Another noteworthy limitation of the program's capacity to examine our health care services utilization is the inability to determine utilization outside of participants' medical home or the program's provider network. Many participants have potential access to Medi-Cal, charity care, and health care outside of the City and County of San Francisco. Many of our non-profit hospital partners confront this reality as well when reporting possible utilization by Healthy SF participants from other medical homes.

Healthy SF is not able to determine where participants may seek care and it is possible that a segment of the participant population may only use Healthy SF for access to discrete services. The likelihood of participants seeking care in other settings obscures Healthy SF's ability to fully account for the utilization patterns of Healthy SF participants. Therefore, the program's analysis of participants' encounters with health care providers is inherently limited to describing the use of services within the program.

V. ACKNOWLEDGEMENTS

Primary Contributors:

Alice Kurniadi, Manager, San Francisco Health Network Office of Managed Care
Jackie Haslam, Metrics and Data Analytics Supervisor, San Francisco Department of Public Health
Stanley Tan, Principal Business Analyst, San Francisco Health Network Office of Managed Care
Stella Cao, Director, San Francisco Health Network Office of Managed Care
Sumita Rao, Principal Programmer Analyst, San Francisco Department of Public Health

Lead Author:

Reginauld Jackson, Program Officer, San Francisco Health Network Office of Managed Care

Thank You to Our Key Community Stakeholder Partners:

San Francisco Health Network of the San Francisco Department of Public Health
San Francisco Health Plan
San Francisco Community Clinic Consortium Clinics
Saint Francis Memorial Hospital
St. Mary's Medical Center
Kaiser Foundation Hospital, San Francisco
University of California, San Francisco Medical Center
Social Interest Solutions

VI. APPENDIX A

Healthy SF maintains a clinical data warehouse managed by the program's Third Party Administrator, the San Francisco Health Plan (SFHP). The SFHP defines encounter data submission standards, ensures the quality of data collected and processed, and analyzes and reports the data received by the SFDPH annually. Collection and analysis of encounter data is key to determining the extent to which Healthy SF meets its goals.

The source data for this report came from the Healthy SF data warehouse that includes records for all medical and pharmacy services, as well as from the Health Access Questionnaire. The HAQ is administered during the Healthy SF application process and incorporates membership data from the One-e-App system. Data for this report accounts for all services that were incurred from July 2011 through June 2017. It should be noted that the completeness of service and encounter data reported is not uniform across all participating Healthy SF providers. Services that are provided to Healthy SF participants but are billed to those participants directly or to other insurers are not captured within the encounter data.

SFHP monitors Healthy SF encounter data submissions by service category and total submissions received by providers on a monthly basis. Ongoing monitoring facilitates a better understanding of the total submissions received, loaded, and used for the development of utilization analysis.

Nonprofit hospitals might also provide charity care services to Healthy SF participants. Since FY2009-10, SFDPH has worked with these hospitals to obtain utilization data about the Healthy SF population that receives charity care services. In some cases, these hospitals do not consistently submit encounter data for Healthy SF participants. This means that it is likely that the encounter data for all services provided to this population has not been captured.

Hospital System	Encounter Data for HSF Population or HSF Service	Encounter Data for HSF Participants Receiving Charity and/or Discounted Care
California Pacific Medical Center (4 campuses)	Inpatient encounters for NEMS HSF Participants	Encounters for any HSF participant, irrespective of medical home, that received services from hospital
Kaiser Permanente	Encounters for Kaiser HSF Participants	
Saint Mary's Medical Center	Encounters for Sister Mary Philippa HSF Participants	
St. Francis Hospital	Encounters for Tenderloin Health Services HSF Participants	
Zuckerberg San Francisco General Hospital and Trauma Center	Encounters for SFDPH HSF Participants; specialty, diagnostic, inpatient encounters for SFCCC HSF Participants at some medical homes	
UCSF Medical Center	Encounters for HSF Participants receiving diagnostic services at Mission Bay	

VII. APPENDIX B

13,166 health access questionnaires (HAQ) were administered to 13,036 Healthy SF participants in FY2016-17. Of these surveys, 12,906 participants took the survey only once over the course of the year. Another 130 participants took the survey twice. These participants were likely new applicants who renewed their eligibility before the end of their 12 month term.

#	Question		FY 2016- 17	FY 2015- 16	FY 2014- 15	FY 2013- 14	FY 2012- 13	FY 2011- 12	FY 2010- 11	FY 2008- 09
1	Would you say that in general your health is excellent, very good, fair, or poor?	% of respondents who indicated their health was excellent, very good or good	64	63	60	62	64	64	58	55
2	During the past 12 months, was there any time you had no health insurance at all?	% of respondents who indicated that they did not have health insurance for some time in the past 12 months	43	36	37	33	46	48	49	53
3	What is the main reason why you did not have health insurance?	% respondents that stated the most common reason for not having health insurance was HSF	0.5	NA	31	36	33	33	29	NA
4	In the last 12 months, did you visit a hospital emergency room for your own health?	% of respondents that stated they had a visit to an emergency room in the previous 12 months	8	11	10	8	8	9	10	14
5	What kind of place do you go to most often to get medical care? Is it a doctor's office, a clinic, an emergency room, or some other place?	% of respondents who most often receive care at a clinic, health center, doctors office or hospital clinic	66	56	63	67	70	69	63	54
6	Overall, how difficult is it for you and/or your family to get medical care when you need it- extremely difficult, very difficult, somewhat difficult, not too difficult, or not at all difficult?	% of respondents who said it was not at all difficult or not too difficult to access care when they needed	47	44	39	46	46	47	45	NA

7	How do you rate the medical care that you received in the past 12 months – excellent, very good, good, fair, or poor?	% who rated the medical care they received in the past 12 months as excellent or very good	21	26	27	26	27	24	23	26
8	During the past 12 months, did you either delay getting care or not get a medicine that a doctor prescribed for you?	% of all respondents that said they had delayed getting care or did not get a medicine prescribed to them during the past 12 months	4	8	4	5	5	6	8	12
9	Was cost or lack of insurance a reason why you delayed getting care or did not get a prescription?	% of respondents that said cost or lack of insurance was a reason why they had delayed care	5	8	5	8	7	10	10	14
10	Do you now smoke cigarettes every day, some days, or not at all?	% of respondents who smoked (every day or some days)	4	5	5	9	10	9	11	16
11	Which of the following had the greatest influence in your decision to come in today to renew? Renewal notice, phone call from HSF, reminded when visited medical home, reminded when called medical home, or you remembered?	% of respondents that stated the renewal notice as the reason for coming in for a renewal	60	68	34	43	46	43	35	NA

VIII. Appendix C

CITY AND COUNTY OF SAN FRANCISCO

GENERAL SERVICES AGENCY

OFFICE OF LABOR STANDARDS ENFORCEMENT

PATRICK MULLIGAN, DIRECTOR



Memorandum

To: Healthy San Francisco Advisory Committee
From: Rose Auguste, Compliance Officer, Office of Labor Standards Enforcement
Re: Healthy San Francisco Bi-Annual Advisory Report: Health Care Security Ordinance ("HCSO")
Date: January 9, 2017

This memorandum provides a report on the Office of Labor Standards Enforcement ("OLSE") as it relates to the San Francisco City Option ("City Option") activities between July 1, 2017 through December 31, 2017.

- OLSE responded to 1,072 calls from employers, employees and third party representatives. Approximately 150 of these calls related to City Option.
- OLSE responded to 847 emails from employers, employees and third party representatives. Approximately 379 of these calls related to City Option.
- To assist in OLSE investigations, compliance officers requested City Option roster records 60 times.
- OLSE and the City Option co-hosted seven employer webinars and one in-person seminar. These presentations were design to educate employers about the City Option and HCSO compliance.
- Aside from providing health insurance (medical, dental and/or vision insurance) the City Option is the most common way covered employers comply with the Health Care Security Ordinance spending requirement.
- The most common City Option-related questions from employees were¹:
 - *My employer sent me a letter stating that they enrolled me into the City Option. What is the City Option? How do I access my medical benefit?*
 - *How much money do I have in my Medical Reimbursement Account?*
 - *My employer said they sent a Medical Reimbursement Account payment but I do not see these funds in my account.*
 - *My employer said they enrolled me into the City Option but I did not receive an enrollment letter.*
 - *My employer said they made the payment but I still do not see it in my account; what is taking so long?*
 - *Is the City Option health insurance?*
- The most common City Option-related questions from employers were:
 - *How do I set up a City Option account/payment?*
 - *How do I upload my City Option roster?*
 - *How can I use City Option to comply with the HCSO?*
 - *What happens to unused City Option funds?*

Generally, Compliance Officers provided overviews on the City Option and how employers can use the program to comply with the HCSO spending requirement. For City Option-specific questions (e.g. employer enrollment, employee account balance), OLSE referred callers to City Option directly.

Should you have any questions or comments, please feel free to email or phone Compliance Officer Rose Auguste at rose.auguste@sfgov.org or 415-554-6237.

¹ OLSE received some employee questions regarding Healthy San Francisco and the newly launched Covered MRA; however, most employee questions were related to the SF Medical Reimbursement Account.

GENERAL SERVICES AGENCY

OFFICE OF LABOR STANDARDS ENFORCEMENT

PATRICK MULLIGAN, DIRECTOR



Memorandum

To: Healthy San Francisco Advisory Committee
From: Rose Auguste, Compliance Officer, Office of Labor Standards Enforcement
Re: Healthy San Francisco Bi-Annual Advisory Report: Health Care Security Ordinance ("HCSO")
Date: June 26, 2017

This memorandum provides a report on the Health Care Security Ordinance ("HCSO") as it relates to its San Francisco City Option ("City Option") activities between January 1, 2017 and June 30, 2017.

- The Office of Labor Standards Enforcement ("OLSE") responded to 2,217 calls from employers, employees and third party representatives. Approximately fourteen percent (14%) of these calls related to City Option.
- OLSE responded to 1,506 emails from employers, employees and third party representatives. Approximately thirteen percent (13%) of these emails of these calls related to the City Option.
- To assist in the OLSE investigations, Compliance Officers requested City Option roster records 53 times.
- OLSE and the City Option co-hosted six employer webinars. These webinars educate employers about City Option and about HCSO compliance, notably the employer spending requirement.
- Under the HCSO, covered employers must satisfy the employer spending requirement by making required irrevocable health care expenditures on behalf of covered employees within thirty days of the end of each quarter. Due to Quarter 4 (January 30th) and Quarter 1 (April 30th) deadlines, during January and April, OLSE received an increase of calls/emails from employers inquiring about the spending requirement and how to enroll employees into City Option.¹ For City Option enrollment questions, Compliance Officers provided employers with City Option's hotline, email address and/or website.
- Aside from providing health insurance (medical, dental and/or vision insurance) the City Option is the most common way covered employers comply with the Health Care Security Ordinance spending requirement.
- The most common City Option-related questions from employees were²:
 - *My employer sent me a letter stating that they enrolled me into the City Option. What is the City Option? How do I access my medical benefit?*
 - *How much money do I have in Medical Reimbursement Account?*
 - *My employer said they sent a Medical Reimbursement Account payment but I do not see these funds in my account.*
 - *My employer said they enrolled me into City Option but I did not receive an enrollment letter.*
- The most common City Option-related questions from employers were:
 - *How do I set up a City Option account/payment?*
 - *How do I upload my City Option roster?*
 - *How can I use City Option to comply with the HCSO?*
 - *What happens to unused City Option funds?*

¹ Because of the quarterly deadline, in January and April, the Office of Labor Standards received 20% City Option -related calls and emails.

² OLSE received some employee questions regarding Healthy San Francisco and the newly launched Covered MRA, however, most employee questions were related to the SF Medical Reimbursement Account.

Generally, Compliance Officers provided overviews on the City Option and how employers can use the program to comply with the HCSO spending requirement. For City Option-specific questions (e.g. employer enrollment, employee account balance), OLSE referred callers to City Option directly.

Should you have any questions or comments, please feel free to email or phone Compliance Officer Rose Auguste at rose.auguste@sfgov.org or 415-554-6237.