



City and County of San Francisco
London Breed
Mayor

MEMORANDUM

DATE: August 29, 2024

TO: Laurie Green, MD, President, San Francisco Health Commission and Members of the Health Commission

THROUGH: Grant Colfax, Director of Health
Naveena Bobba, Deputy Director
Jenny Louie, Chief Operating Officer
Drew Murrell, Chief Financial Officer

FROM: Stella Cao, Director, Office of Managed Care

RE: Resolution 22-03: Updates on SFCO Program Funds and Launches of SF MRA Funds Finder Tool and Public Awareness Marketing Campaign

As of July 2024, approximately \$1.9 billion Employer Spending Requirement (“ESR”) has been contributed to the San Francisco City Option program (“SFCO”) by 5,100 Employers for nearly 460,000 Employees. In January 2022, the Health Commission approved an escheatment policy to address the cumulating inactive fund in the San Francisco City Option Program (“SFCO”) (Resolution 22-03)¹. This policy allows the City to close accounts that have been inactive consecutively for a three-year period, and to transfer such inactive funds to the City’s General Fund permanently, following California Government Code Sections 50050 et seq. (“state law”). This escheatment policy has been implemented since March 2023. The first fund transfer to the City’ General Fund is expected to occur no sooner than April 2026. Please see Appendix A for additional background information, including a journey map of the program.

The purpose of this memorandum is to:

- Update the Health Commission (HC) on the SFCO program fund; and
- Inform HC that the program plans to launch i) an online funds finder tool (the “SF MRA Funds Finder” or “tool”), to further streamline the search of available program funds and

¹San Francisco Health Commission (2022). *Resolution No. 22-03*. Accessed on 6/18/24. https://sf.gov/sites/default/files/2022-01/22_03Resolution%20Recommending%20that%20Funds%20Reclaimed%20Through%20the%20SF%20City%20Option%20Escheatment%20Process%20Be%20Used%20for%20Health%20Care%20Services%20in%20SF.pdf

the SF MRA² enrollment process for the covered employees, and ii) a public awareness marketing campaign starting in the week of September 9, 2024.

I. Program Funds

Since inception, nearly \$1.7 billion has been contributed on behalf of employees. Of which, \$1.4 billion (80%) has either been paid out or placed in active accounts in the SF MRAs and the remaining \$346 million (20%) has been left unallocated in the SFCO pool (the “Pool”)³, awaiting employee enrollment into an SF MRA (Exhibits 1 and 2).

Exhibit 1: SFCO Employee Fund Summary Since 2008

	As of 12/31/2022		As of 12/31/2023		As of 6/30/2024	
Assigned to SF MRA (see Exhibit 2 for breakdown)	\$722,677,948	55%	\$1,247,007,630	77%	\$1,384,734,836	80%
Assigned to Pool	\$584,808,658	45%	\$371,081,161	23%	\$345,902,997	20%
Total Contributions	\$1,307,486,606	100%	\$1,618,088,791	100%	\$1,730,637,833	100%

Source: San Francisco Health Plan (2024). SF City Option Contributions by Contribution Amount, Employer, Industry, and Employer Size. Accessed on 7/26/2024.

https://tabexternal.sfhp.org/#/views/SFCOEmployerContributions_16830500911200/Contributionsbyemployerandcontributionaccount?.iid=1

Exhibit 2: Breakdown of SFCO Employee Funds Assigned to SF MRA

	As of 12/31/2022		As of 12/31/2023		As of 6/30/2024	
Claims Paid Out	\$489,365,389	68%	\$680,957,828	55%	\$783,749,006	57%
Account Fees	\$27,938,889	4%	\$31,858,368	3%	\$35,132,922	3%
Dollars Remaining	\$205,373,670	28%	\$534,191,434	43%	\$565,852,909	41%
Total	\$722,677,948	100%	\$1,247,007,630	100%	\$1,384,734,836	100%

Sources: “RE: TeamDynamix Service Request Created (SFCO Employee Funds)” (K. Lisle, personal communication, July 26, 2024), and see footnote #3.

II. SF MRA Funds Finder

The SF Department of Public Health (DPH), in collaboration with its third-party administrator San Francisco Health Plan (TPA) and the City’s Treasure and Tax Collector’s office, plans to launch the self-serve online *SF MRA Funds Finder* in mid-September. The primary goal of this tool is to maximize the utilization of SFCO funds, making health services more affordable to our City residents and workers as

² “SF MRA” refers to the San Francisco Medical Reimbursement Account that a covered employee is required to activate to access their funds contributed by their employers under the San Francisco City Option program.

³ “Pool” or “unallocated pool” refers to the fund pool that holds the employer contribution before the fund is transferred into employees’ SF MRAs. The employees still need to take action to activate their SF MRA upon receiving notice from the program.

well as the SF International Airport (SFO) workers. Secondly, the tool will help further streamline the SF MRA enrollment process. Once the SF MRA Funds Finder is launched, individuals can enter the required information as shown in Exhibit 3 to find out if they have any SFCO funds. Specifically, there will be five (5) possible outcomes when an individual enters the information, which include:

1. User matches the SFCO database and has never enrolled;
2. User matches and already has an account at HealthEquity, a TPA subcontractor who processes SF MRA claims and claims related customer calls;
3. User matches some but not all data fields, namely, partial match;
4. User does not match the SFCO database; or
5. User's funds have already been transferred to the City's General Fund permanently after the first escheatment in 2026.

Exhibit 3: SF MRA Funds Finder - Landing Page

English • Español • 中文 • Tagalog

Welcome to the SF MRA Funds Finder

You may have existing funds waiting for you in a San Francisco Medical Reimbursement Account (SF MRA). Find out if your past or current employer contributed funds on your behalf, by entering the following information:

First Name* Last Name*

Date of Birth (MM/DD/YYYY)* Last Four Digits of Social Security Number*

The information you enter is confidential and will only be used to search our records for an account match.

I'm not a robot reCAPTCHA Privacy Terms

Clear Search

Source: "RE: Hold for the Look Up Tool review and demo" (I. Staiculescu, personal communication, January 10, 2024)

If funds are indeed available, this online tool will provide a link for those SFCO employees to complete their SF MRA enrollment. Exhibit 4 provides a sample of the enrollment link.

III. Public Awareness Marketing Campaign

A multi-prong communication campaign is scheduled to launch in September, targeting people commuting to and within San Francisco. The program’s goal is to generate broader interest in this cohort’s understanding that SFCO funds may have been contributed by their current or past employers and to encourage them to use the SFMRA Funds Finder tool. The print and digital communications, as summarized in Exhibit 5, will lead audiences to the online SF MRA Funds Finder tool. See Appendix B for a draft of the communication plan and Appendix C for samples of these communication materials listed in Exhibit 5.

Exhibit 4. SF MRA Funds Finder – Results Page for An Unenrolled SFCO Employee



Access Your Funds

You may have existing funds waiting for you, from a past or current employer. Our records show that you have not yet completed your SF MRA Enrollment Form. For more information about the SF MRA benefit program, visit our [FAQs](#) page.

Name: First Last

Available Balance
\$xxx.xx

Current Balance as of
MM/DD/YYYY

Spend Your Funds By
MM/DD/YYYY

You have 3 years, starting from the date of the last activity on your account, to spend your funds. This date resets after new account activity. Examples of new activity include completing your SF MRA enrollment and filing a claim.

Enroll in SF MRA

Complete your SF MRA Enrollment Form before you can access your funds.

[Enroll Now](#)

[Back to Search](#)

Source: “RE: Hold for the Look Up Tool review and demo” (I. Staiculescu, personal communication, January 10, 2024)

Exhibit 5: A List of Communications for SFCO Public Awareness Marketing Campaign

Print	Digital	
<ul style="list-style-type: none"> • BART/Muni 2-sheet posters • BART interior cards • Service Center flyer & employer poster • Vinyl billboard 	<ul style="list-style-type: none"> • Digital billboard • Digital liveboards • Social media (organic) • Social media (paid) 	<ul style="list-style-type: none"> • Google display ads • Website: Homepage banner/pop up ad

The program website (<https://sfcityoption.org/sfmra/>) provides additional information about SFCO.

Appendix A. San Francisco City Option Program Background

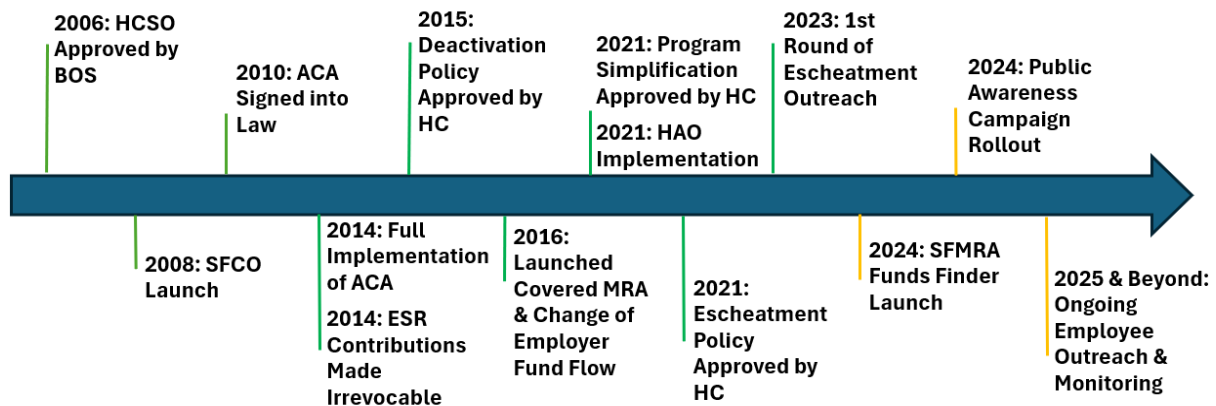
Following the Board of Supervisors' (BOS) approval of the SF Health Care Security Ordinance (HCSO)⁴ in 2006, DPH established the SF City Option program in 2008, to serve as one way for employers to comply with the employer spending requirement (ESR) of HCSO. Since then, DPH has contracted with San Francisco Health Plan as the third-party administrator (TPA) to manage the daily operations of SFCO.

In 2021, ESR was also implemented for employers at the SF International Airport (SFO) due to the BOS' approval of the SF Healthy Airport Ordinance (HAO), an amendment to the Health Care Accountability Ordinance. Employers at SFO are now required to provide their employees either the SFO's Quality Standards Program with family health insurance or to make a specified contribution on their employees' behalf to SFCO so that employees can use the fund there to lower their healthcare expenses⁵.

Once employers in San Francisco or SFO contribute funds to SFCO, the program, through TPA, will notify employees of available funds and the enrollment process for an SF MRA account. Employees can then use the funds for a variety of expenses, such as over-the-counter medication, prescription glasses and copayment for themselves and their eligible family members. Once the SF MRA is activated, an employee can retroactively claim for eligible expenses since their initial deposit by their employer.

Participation in SFCO was modest prior to 2014. However, employer participation and dollars contributed began to significantly grow in 2015 due to the BOS' action in 2014 reaffirming and tightening HCSO so contributions were irreversible. To put this in context, \$64 million was contributed on behalf of the employees in 2014. The contribution reached \$100 million in 2015 and \$196 million in 2020. Over time, unspent dollars have accumulated. The escheatment policy approved by the Health Commission in 2022 is to address the inactive and unclaimed funds in accordance with state law.

Exhibit 6: SFCO Journey Map



Author: Elaine Young (2024), City Programs Manager, SFHN Office of Managed Care

⁴ San Francisco Office of Labor and Standards Enforcement (2024). *Understanding the Health Care Security Ordinance*. <https://www.sf.gov/information/health-care-security-ordinance> Accessed on 7/29/24.

⁵ San Francisco Office of Labor and Standards Enforcement (2021). *San Francisco Healthy Airport Ordinance*. Accessed on 7/29/24. <https://sfgov.org/olse/sites/default/files/HCAO%20-%20Healthy%20Airport%20Ordinance%20FAQs%2004.30.21.pdf>



BART/Muni 2-sheet posters



Targeted BART/MUNI Light Rail Station Two Sheet Strategy: 2-sheet posters targeting four stations with 15 posters in each station: Van Ness (MUNI), Balboa Park (BART), 16th Street (BART) and Embarcadero (BART and MUNI).



BART Interior Cards



System Wide BART Interior Car Card Strategy: BART interior car cards placed in the highest dwell time areas within the BART system: the cars. With an average dwell time of 30 minutes, the interior car cards have a massive window of opportunity to be engaged with, especially when QR codes are included in the creative.

Service Center Flyer & Employer Poster



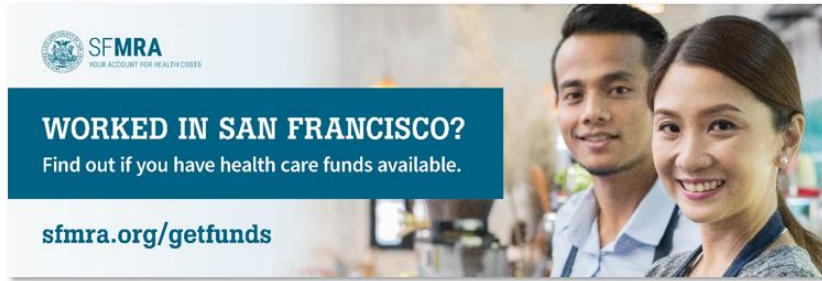
Promotional flyer for handout at Service Center, community events, and through community organizations and posters uploaded to the SFCO Employers Page.

Vinyl Billboard



This bulletin is located on a highly dense section of HWY 101 just before the 280 interchange and is visible to all northbound traffic moving toward downtown San Francisco.

Digital Billboard



The largest digital bulletin in the San Francisco Bay Area is strategically positioned in between the MacArthur Maze and the entrance of the Bay Bridge. It targets traffic heading directly into San Francisco from the I-80 corridor. The Toll Plaza gridlock increases dwell times and will give your brand the opportunity to stand **OUTFRONT** of a captive audience.

Digital Liveboards



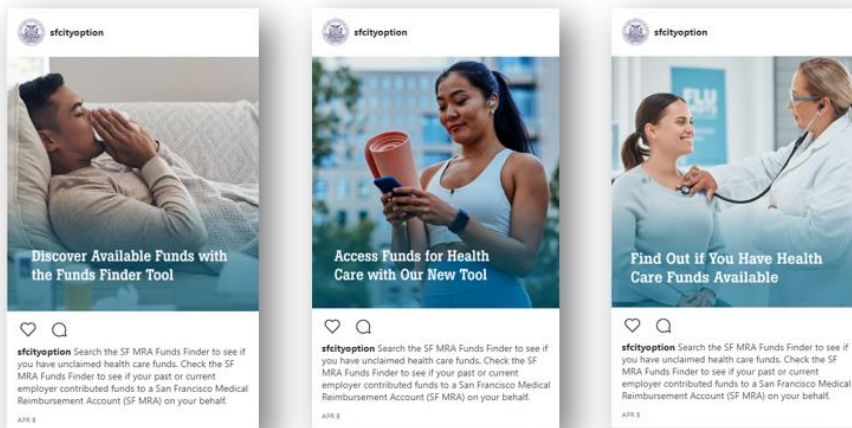
Liveboard advertising displays dynamic digital promotional media such as videos, animations, and brand advertisements. We will utilize this form of advertising at the Powell and Civic Center MUNI/BART stations, where our campaign will be visible to ongoing foot traffic through ad groupings.

Digital Liveboards (continued)



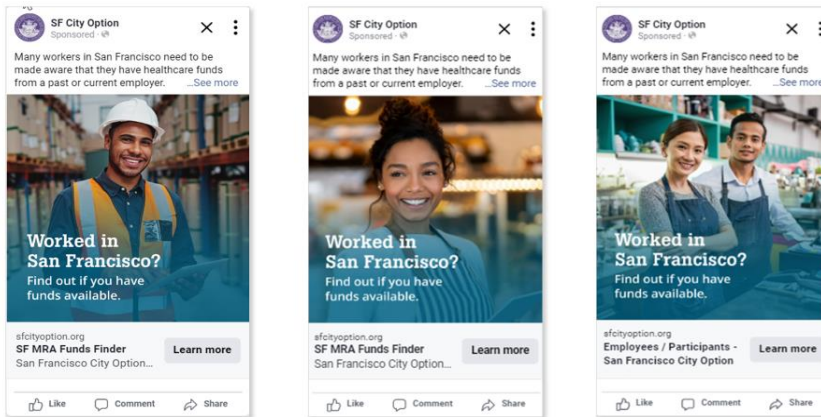
Liveboard advertising displays dynamic digital promotional media such as videos, animations, and brand advertisements. We will utilize this form of advertising at the Powell and Civic Center MUNI/BART stations, where our campaign will be visible to ongoing foot traffic through ad groupings.

Social Media (organic)



We will leverage organic social posts (free, non-paid social content) on all SFCO social channels to promote and educate audiences on the Look Up Tool throughout the year.

Social Media (paid)



Social Media ads will focus on the Meta platform network (Instagram and Facebook) to deliver paid ads to targeted audiences based on relevant demographics.

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Google Display Ads



Google Ads will use the Google Display Network (partnering media outlets) to deliver image-based ads to targeted audiences based on relevant demographics.

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