



Health Care Accountability Ordinance (HCAO) Minimum Standards Review Webinar

We will begin at 10AM PST

The slide deck and a recording of this webinar will be posted at our website



Health Care Accountability Ordinance (HCAO) Minimum Standards Review Webinar

September 4, 2024



Office of Labor Standards Enforcement & Department of Public Health

Materials & Recording

The slide deck and a recording of this webinar will be posted at our website:

<https://sf.gov/departments/office-labor-standards-enforcement>



Chat Box

- We'll share important information in the Chat Box, like URLs.
- Unfortunately, we won't be able to chat with you during the webinar. Send us a Question in the Question Box!



Questions and Answers

- Send your questions to us in the Questions Box.
- We will select questions to answer during our LIVE Question and Answer Session at the end of the presentation.
- If your question is not selected for an answer LIVE, staff will contact you directly with a response.



HCAO General Compliance Presenter

Beverly Popek

Office of Labor Standards Enforcement (OLSE)

HCAO Minimum Standards Presenter

Max Gara

Department of Public Health





HCAO Compliance Information



Office of Labor Standards Enforcement

Office of Labor Standards Enforcement (OLSE)

OLSE administers and enforces:

- Health Care Accountability Ordinance (HCAO)



San Francisco International Airport (SFO)

The HCAO is applicable to all employees who are **NOT** Quality Standards Program (QSP) employees.

You will need to know this to comply with the requirements.

If you need help figuring out this out contact gsp@flysfo.com or 650-821-1003



Examples of HCAO Covered Employees at SFO

- Food and retail concessionaire workers – check to see if there is a CBA and if the CBA has a waiver.
- Employees who provide professional services, such as engineers, planners, administrators, etc.



Health Care Accountability Ordinance (HCAO)

Covered Employer:

- Have 20 or more workers anywhere in the world
- Has a City Contract (i.e. contract to provide services, SFO/Port lease, etc.)

Covered Employee:

- Anyone who works at least 20 hours a week or more on the contract

Keep in Mind:

- A worker is covered if they are performing work anywhere in the US
- Fluctuating Work Hours
 - If the average number of hours per week during applicable month are 20 hours or more, then the employee is covered under HCAO



HCAO Compliance

- Three (3) Options
- Employer chooses which option(s)
- We will only review Option 1, the offering of an HCAO compliant health plan for this presentation



HCAO Requirements 1/3



Option 1

- Offer each covered employee a compliant health plan
 - At no charge to the employee
 - No later than the first of the month after 30 days
- A compliant health plan meets ALL of the HCAO Minimum Standards
<https://sf.gov/information/understand-health-care-accountability-ordinance>



Compliance Reminders for All Requirements

- New Posters and Forms – Annual Requirement every July 1
- On-Demand Webinars
- Rules and Regulations, FAQs, etc.
- All posters, forms, more information on our webpages
- OLSE Website: <https://www.sf.gov/departments/office-labor-standards-enforcement>



Voluntary Compliance Program

OLSE offers a voluntary compliance program for employers.

1. OLSE will work with you to figure out if you owe anything to workers
2. If fees are owed, we will discount the fees by 50%
3. OLSE will not charge any penalties if you participate in this program

Contact HCAO unit for more information



Contact OLSE's HCAO Unit

Office of Labor Standard Enforcement (OLSE)
1 Dr. Carlton B. Goodlett Place, Room 430
San Francisco, CA 94102

Phone: (415) 554-7903

Email: hcao@sfgov.org

Website: <https://www.sf.gov/departments/office-labor-standards-enforcement>

HCAO Webpage: <https://www.sf.gov/information/health-care-accountability-ordinance>



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HEALTH CARE ACCOUNTABILITY ORDINANCE MINIMUM STANDARDS OVERVIEW

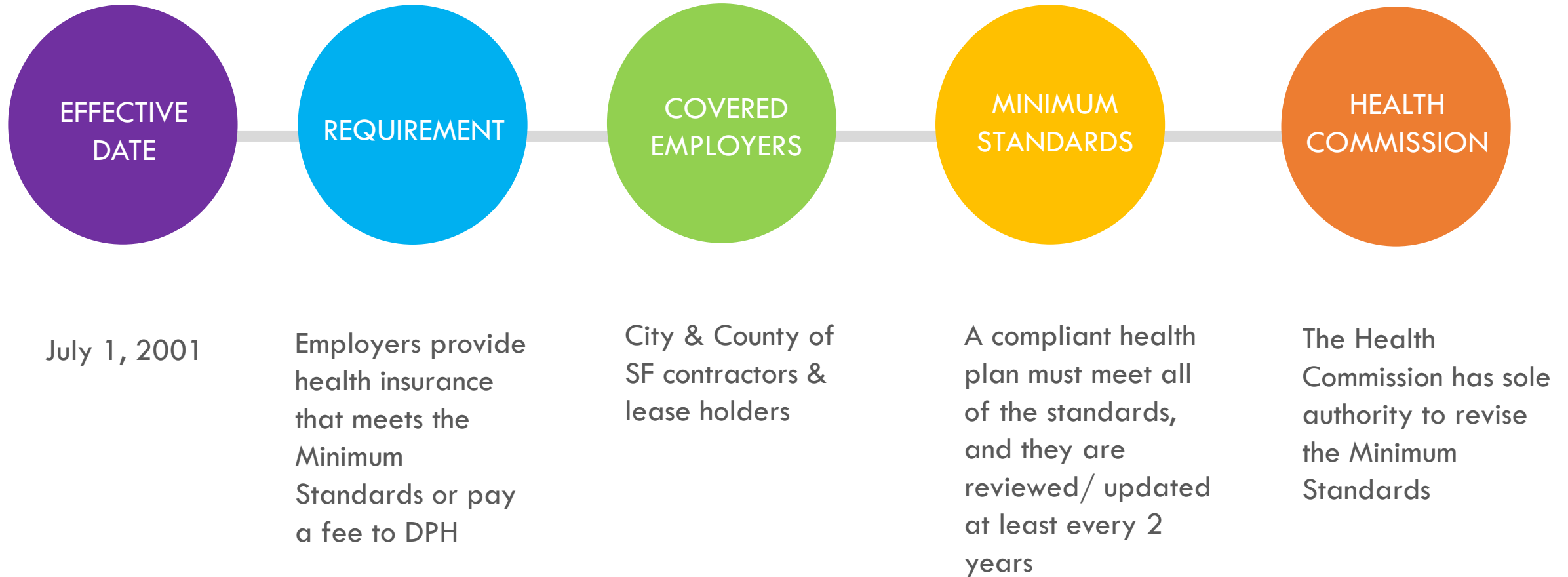
SEPTEMBER 2024

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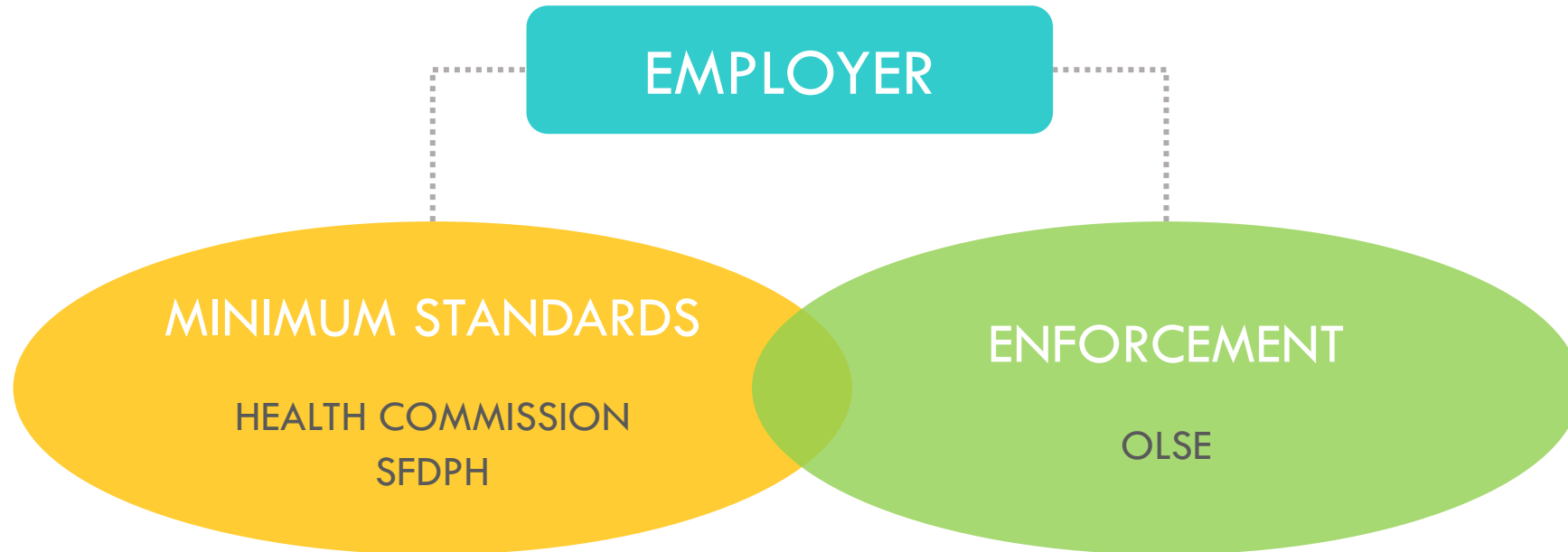
HCAO OVERVIEW



* **Healthy Airport Ordinance:** Applies to employers with employees covered under the SFO Quality Standards Program (QSP). For more info about whether your employees covered under the SFO QSP, contact 650-821-1103; qsp@flysfso.com



DEPARTMENT ROLES



- Updates Minimum Standards
- Reviews health plan compliance

- Audits employers
- Responds to worker complaints
- Negotiates settlements
- Coordinates payment plans



MINIMUM STANDARDS

16

MINIMUM STANDARDS

JAN 1, 2025 – DEC 31, 2026

- EMPLOYER CONTRIBUTION
- EMPLOYEE COST-SHARING
- COVERED SERVICES



MINIMUM STANDARDS

All gold and platinum plans are automatically deemed compliant if:

- the employer covers 100 percent of both the plan premium and medical services deductible; and
- the plan covers all required covered services standards (5, 8-16)



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
1. Premium Contribution	Employer pays 100%	No change
2. Annual Out-of-Pocket (OOP) Maximum	<p><u>In-Network:</u></p> <ul style="list-style-type: none">• Require employer cover OOP expenses up to 50% of the plan's out-of-pocket maximum. These expenses must be covered on a first dollar basis.• Employers may use any health savings or reimbursement product that supports compliance with this standard.• OOP Maximum is \$8,750. <p><u>Out-of-Network:</u> Not specified.</p>	<p><u>In-Network:</u></p> <ul style="list-style-type: none">• Require employer cover OOP expenses up to 50% of the plan's out-of-pocket maximum. These expenses must be covered on a first dollar basis.• Employers may use any health savings or reimbursement product that supports compliance with this standard.• OOP Maximum limit ↑ to \$9,200• <u>Out-of-Network:</u> Not specified.



OPTIONS FOR COMPLYING WITH ANNUAL OOP STANDARD

- Employers are encouraged to discuss the optimal reimbursement mechanism with their benefits administrator.
- Employer may use a third-party administrator or other appropriate option to manage reimbursement of employees' medical expenditures that count towards the in-network out-of-pocket expenses as long as employees' protected health information remain private and confidential in accordance with state and federal laws.
- **Employers are strongly encouraged to provide an employer-funded mechanism, such as a pre-funded debit card, to beneficiaries to cover out-of-pocket expenses (e.g. copays) upfront.**
- Note that if a HRA or HSA is utilized to cover the employee's in-network out-of-pocket expenses, there is no need to pre-fund the full out-of-pocket expenses amount.



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
3. Regular (Medical Services) Deductible	<ul style="list-style-type: none">• <u>In-Network</u>: \$3,000 max• <u>Out-of-Network</u>: Not specified	No change
4. Prescription Drug Deductible	<ul style="list-style-type: none">• <u>In-Network</u>: \$300 max• <u>Out-of-Network</u>: Not specified	<ul style="list-style-type: none">• <u>In-Network</u>: ↑ to \$400 max• <u>Out-of-Network</u>: Not specified
5. Prescription Drug Coverage	<ul style="list-style-type: none">• Plan must provide drug coverage, including coverage of brand-name drugs.	No change



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
6. Coinsurance Percentages	<ul style="list-style-type: none">• <u>In-Network</u>: 60% / 40%• <u>Out-of-Network</u>: 50% / 50%	<ul style="list-style-type: none">• <u>In-Network</u>: 55% / 45%• <u>Out-of-Network</u>: 50% / 50%
7. Copayment for Primary Care Provider Visits	<ul style="list-style-type: none">• <u>In-Network</u>: \$60 max / visit• <u>Out-of-Network</u>: Not specified	<ul style="list-style-type: none">• <u>In-Network</u>: ↑ to \$65 max / visit• <u>Out-of-Network</u>: Not specified



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
8. Preventive & Wellness Services	<ul style="list-style-type: none">• <u>In-Network</u>: Provided at no cost, per ACA rules.• <u>Out-of-Network</u>: Subject to the plan's out-of-network fee requirements.	No change
9. Pre/Post-natal Care	<ul style="list-style-type: none">• <u>In-Network</u>: Scheduled prenatal exams and first postpartum follow-up consult is covered without charge, per ACA rules.• <u>Out-of-Network</u>: Subject to the plan's out-of-network fee requirements.	No change



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
10. Ambulatory Patient Services (Outpatient Care)	<ul style="list-style-type: none">• When coinsurance is applied See Benefit Requirement #6• When copayments are applied for these services:• Primary Care Provider: See Benefit Requirement #7• Specialty visits: Not specified	No change
11. Hospitalization	<ul style="list-style-type: none">• When coinsurance is applied See Benefit Requirement #6• When copayments are applied for these services: Not specified	No change



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
12. Mental Health & Substance Use Disorder Services, Including Behavioral Health <hr/>	<ul style="list-style-type: none">• When coinsurance is applied See Benefit Requirement #6	No change
13. Rehabilitative & Habilitative Services <hr/>	<ul style="list-style-type: none">• When copayments are applied for these services: Not specified	
14. Laboratory Services		



MINIMUM STANDARDS

BENEFIT REQUIREMENT	CURRENT STANDARD (2024)	EFFECTIVE JAN 1, 2025
15. Emergency Room Services & Ambulance	Limited to treatment of medical emergencies. The in-network deductible and coinsurance also apply to emergency services received from an out-of-network provider.	No change
16. Other Services	The full set of covered benefits is based on the ACA list of Essential Health Benefits in conjunction with the <u>Covered California EHB Benchmark plan</u> .	No change



COMPLIANCE = ALL OR NOTHING

An employer plan is compliant with the minimum standards if it is:

- A bronze or silver health plan that satisfies all minimum standards.

OR

- A gold or platinum health plan where the employer covers 100 percent of both the plan premium and medical services deductible; and the plan covers all required covered services standards (5, 8-16).

IF YOU HAVE QUESTIONS

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(628) 271-7517

SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH



Questions and Answers

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Thank you for attending our webinar!

A copy of the slides and a recording will be available on our website soon.

<https://www.sf.gov/videos-about-san-francisco-labor-laws>



Office of Labor Standards Enforcement