Resolution supporting California State Senate Bill No. 343, authored by State Senate Health Committee Chair Richard Pan, to create uniform healthcare data disclosures and parity in data reporting across the healthcare industry, in the expectation that uniform data will more fully inform health insurance purchasing decisions by the City and County of San Francisco and all other purchasers in the City and County.

WHEREAS, California premiums for job-based health insurance have risen 249% since 2002, more than six times the rate of general inflation, which disproportionately impacts the budgets of employers and workers in the private and public sectors, and has most frequently shifted a greater share of cost-sharing onto individual workers; and

WHEREAS, Kaiser Permanente is the State’s largest healthcare provider and health insurer, operates a significant percentage of hospitals in California and holds a majority of the large group employer market in California, and is one of the health insurance choices currently offered to employees of the City and County of San Francisco; and

WHEREAS, In California, we have a highly incomplete understanding of healthcare costs because the Kaiser Health Plan and Kaiser hospitals have reporting exceptions in State law which no other health insurers or acute care health providers enjoy; and

WHEREAS, Kaiser Permanente’s profits have escalated sharply in recent years, with $6.4 billion in profit in the 2017 and 2018 fiscal years, and $3.2 billion in profit in the first quarter of 2019 alone; and

WHEREAS, These profit escalations cause the public to be reasonably concerned that the health insurance rate increases Kaiser Permanente has been demanding of public and
private sector purchasers of health insurance may not be justified by utilizations and costs of
their health care services; and

WHEREAS, According to Health Access “For years, Kaiser Permanente has been
given a different standard, or has been all together exempt from reporting data related to rate
review filings and hospital financial reporting, which leaves regulators and policymakers in the
dark...”; and

WHEREAS, Small Business Majority, an organization representing over 3.9 million
small businesses in California, declares that SB 343 will “…help lower healthcare costs for
California’s business owners by ensuring employers have access to adequate information
about rates and cost drivers behind California’s healthcare…”; and

WHEREAS, The Silicon Valley Employers Forum, which represents over 50 high tech
employers, explains that “…Having uniformed data disclosure will allow consumers and
policymakers to make an “apples to apples” comparison of the true costs of healthcare (to)
ensure that purchasers of healthcare, like large employers or union trust funds, have
adequate information when choosing to purchase healthcare plans…”; and

WHEREAS, The California Labor Federation, representing more than 1,200 Unions
and 2.1 million working Californians, explains in its letter supporting SB 343 that
“…Understanding Kaiser’s financial status, cost drivers, and other information is critical to
understanding and controlling health care costs…”; now, therefore, be it

RESOLVED, That the City and County of San Francisco supports State Senate Bill No.
343, authored by Senator Dr. Richard Pan, which will create parity in data reporting across
California’s healthcare industry, in the expectation that uniform data reporting will more fully
inform health insurance purchasing decisions by the City and County of San Francisco and all
other purchasers in the City and County; and, be it

Supervisors Mar; Peskin, Brown, Haney, Ronen
BOARD OF SUPERVISORS
FURTHER RESOLVED, That the City and County of San Francisco will send letters of support for SB 343 to the Assembly Health and future relevant committees and all state legislators representing the City and County of San Francisco, urging the California Legislature to pass SB 343 into law.
Resolution supporting California State Senate Bill No. 343, authored by State Senate Health Committee Chair Richard Pan, to create uniform healthcare data disclosures and parity in data reporting across the healthcare industry, in the expectation that uniform data will more fully inform health insurance purchasing decisions by the City and County of San Francisco and all other purchasers in the City and County.

June 18, 2019 Board of Supervisors - ADOPTED
Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 6/18/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board