

A scenic view of the Golden Gate Bridge in San Francisco, with the bridge's towers and suspension cables visible on the left. The background shows the city skyline across the water under a clear blue sky.

City and County of San Francisco Office of Labor Standards Enforcement

**Healthy Airport Ordinance (HAO)
Proposed Amendment Updates
Event will start at 2PM**



Office of Labor Standards Enforcement

A wide-angle photograph of the Golden Gate Bridge in San Francisco, California. The bridge's iconic orange-red towers and suspension cables are visible on the left side. The background shows the city's skyline across the water under a clear blue sky.

City and County of San Francisco Office of Labor Standards Enforcement

Healthy Airport Ordinance (HAO) Proposed Amendment Updates



Office of Labor Standards Enforcement

Housekeeping

This session is being recorded

Presentation slides and recording will be posted on the HAO webpage

Live Question and Answer Session

- Presenters will answer questions LIVE at the end of the presentations
- Send us your questions in the Questions Box

Some questions may require more information and you may be asked to contact us.



Presenters

Beverly Popek

Office of Labor Standards Enforcement (OLSE)

Patrick Chang

Department of Public Health





City and County of San Francisco Office of Labor Standards Enforcement

Healthy Airport Ordinance (HAO) Proposed Amendment Updates

Beverly Popek, Supervising Compliance Officer



Office of Labor Standards Enforcement

Healthy Airport Ordinance (HAO)

- Presentation is for San Francisco International Airport (SFO) Quality Standards Program (QSP) employers and employees.
- HAO is a requirement for all SFO QSP employers.
- OLSE administers and enforces the HAO.



Amendment Background (1/2)

- On November 10, 2020, the SF Board of Supervisors amended the HCAO with specific requirements for SFO QSP employers.
- The amendment, “Healthy Airport Ordinance” (HAO), becomes operative on **March 21, 2021**.



Amendment Background (2/2)

- On March 2, 2021, Supervisor Rafael Mandelman introduced an amendment to the Healthy Airport Ordinance.
- This presentation provides information on the 3/2/21 proposed amendment.



3/2/21 Proposed Amendment Summary



Amendment Summary (1/3)

1. Allows a buy-up option and caps the employee contribution.
 - After meeting requirements for no-cost Platinum-level plan, employers may offer an alternative Gold-level health benefit plan(s) .
 - Employers may require employees to pay a portion of the Gold plan(s) premium costs BUT the employees' portion cost can't be more than the difference between the employer's premium cost of the most expensive Platinum plan and the employer's premium cost of the Gold plan(s).



Amendment Summary (2/3)

2. Specifies who must be covered by the family health benefit plan.

- The covered employee.
- The covered employee's spouse/registered domestic partner.
- Covered employee's child.
 - Includes any legally adopted child, recognized natural child, stepchild, foster child, and minor legal ward.
 - In accordance with federal law, coverage for children must be made available until a child reaches the age of 26, even if the young adult no longer lives with the covered employee, is not a dependent on the covered employee's tax return, or is no longer a student.



Amendment Summary (3/3)

3. Delays the health benefit plan requirements from March 21, 2021 to April 1, 2021.



Healthy Airport Ordinance (HAO) with Proposed Amendment Requirements



Healthy Airport Ordinance (HAO)

Covered Employers:

HAO applies exclusively to SFO QSP Employers



Healthy Airport Ordinance (HAO)

Covered Workers:

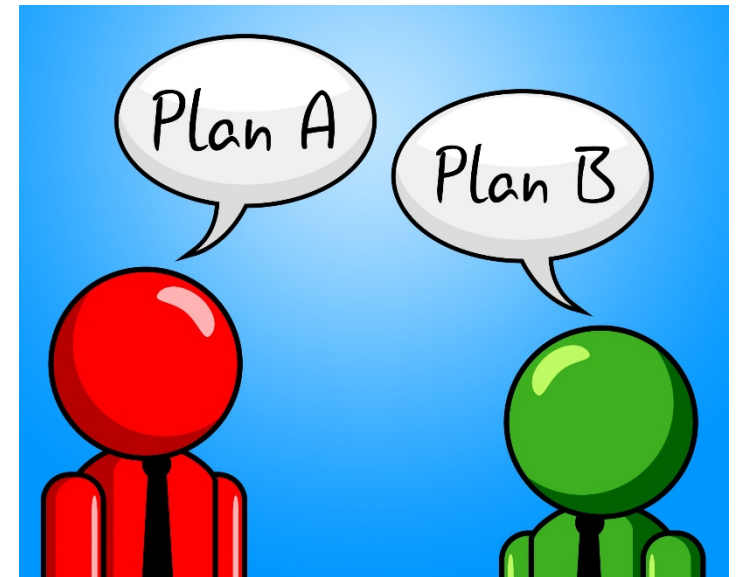
Quality Standards Program (QSP) Employees at SFO

- All hours worked at SFO are covered
- There are no minimum hours requirement
- If you don't know if you are a QSP Employee, contact qsp@flysfo.com or 650-821-1003



Healthy Airport Ordinance (HAO)

- For every QSP worker, Employer must comply with the Healthy Airport Ordinance (HAO)
- Employer has two (2) options



Requirements – Option 1 of 2

1. Offer each covered employee and the employee's dependents a health plan that meets the requirements at no charge to the employee
 - Platinum family plan that meets health plan requirement at no charge to the employee
 - See [HAO website](#) for more information about health plan requirements.



Requirements – Option 1 of 2

3/2/21 Proposed Amendment

After meeting the Platinum requirement, the employer may offer additional Gold level plans that meet the plan requirements.

Buy Up Option is Allowed

- Employer may require the employee to pay a contribution towards Gold plans.
- Cost limited to the difference between the employer's premium cost of the most expensive Platinum plan and the employer's premium cost of the Gold plan(s).



Requirements – Option 1 of 2

3/2/21 Proposed Amendment

Defines “dependent”

- Covered Employee’s spouse or registered domestic partner, and the Covered Employee’s child, which shall include any legally adopted child, recognized natural child, stepchild, foster child, and minor legal ward.
- In accordance with federal law, coverage for children must be made available until a child reaches the age of 26, even if the young adult no longer lives with the covered employee, is not a dependent on the covered employee’s tax return, or is no longer a student.



Requirements – Option 1 of 2

3/2/21 Proposed Amendment

If employers want to comply by offering health insurance, employers must have a compliant health plan in place by April 1, 2021.



Requirements – Option 1 of 2

- For new employees hired after April 1, 2021, no later than the first of the month after 30 days from the covered employee's start date
- The offer must be made on an annual basis



Requirements – Option 1 of 2

Voluntary HCAO QSP Waiver

When to use this form?

- Use waiver form if the employee does not want to accept the Platinum health plan(s) employer has offered.
- Employers can only use a voluntary waiver form IF they have offered health plan(s) that meet the requirements at no charge.



Amendment Requirements – Option 1 of 2

Voluntary HCAO QSP Waiver

Declination is Voluntary

- Employee decides whether or not to decline your offer.
- Employers can't ask employees to sign form if they have insurance from another source.

Declination Reason

- Employee has health coverage from another source and they would like to decline the offering.
 - Make sure page 2 of the waiver form is filled out completely.
 - Submit supporting document(s) that show employee and family has coverage from another source.



Amendment Requirements – Option 2 of 2

2. Pay \$9.50 per hour (max \$380 per week) to the SF City Option

- Rate adjusted every July 1
- City Option <https://sfcityoption.org/>
- Amount is the same for a employee only and an employee with dependents



Amendment Requirements – Option 2 of 2

When does my employer make contributions?

- Employers must make contributions to the City Option Program by April 15, 2021 for hours worked from March 21 through March 31, 2021.
- Contributions must be made by the 15th of each month for hours worked in the preceding month, including for covered employees hired after the Amendment's operative date (3/21/21)



Posters and Forms

- Employers must use official poster & forms
- All posters & forms will change every July 1

English Posters and Forms are available now at

<https://sfgov.org/olse//healthy-airport-ordinance-hcao-amendment>

Spanish, Chinese, and Filipino documents will be available soon



Frequently Asked Questions



1. Am I a Quality Standards Program (QSP) Employer/Employee?

Contact SFO QSP directly (qsp@flysfo.com or 650-821-1003)
to determine if you are a QSP employee.



2. Union and non-union employees...Who is covered under this ordinance?

All QSP employees are covered under the Healthy Airport Ordinance (HAO).

The HAO does not allow a Collective Bargaining Agreement (CBA) Waiver.



3. When does health coverage need to be in place?

Current Employees: Coverage that meets the requirements must be in place by April 1, 2021, for its covered employees.

New Hires after 4/1/21: Employers must provide family health insurance no later than the first day of the month after 30 days from the covered employee's start of employment.



4. What happens on March 21, 2021 for employers who don't have a compliant health plan in place?

Employers have until April 1, 2021 to get a compliant health plan in effect.

OLSE will not take any enforcement action regarding health plans that are consistent with these amendments, for example plans that are effective April 1, 2021 rather than March 21, 2021.



5. Do I have to sign the wavier form?

If you don't want the health plan your employer is offering you, you should sign the voluntary wavier form and submit the supporting documents to show you have coverage from another source. We require your employer to get an answer (yes or no) for each employee. You must respond to your employer on a timely basis and give your answer.



HAO Webpage:

<https://sfgov.org/olse/healthy-airport-ordinance-hcao-amendment>

Resources available on our webpage

- Amendments
- Frequently Asked Questions Document (Revised 3/4/21)
- Posters & Forms
- Recordings of Presentations and Presentation Slides





HCAO Unit
415-554-7903
hcao@sfgov.org



Office of Labor Standards Enforcement

A wide-angle photograph of the Golden Gate Bridge in San Francisco, California. The bridge's iconic orange-red towers and suspension cables are visible on the left side, extending across the frame. The background shows the blue waters of the bay, distant hills, and a clear blue sky.

Questions?

Send us your questions in the Q&A Box.

Questions will be answered in the live Q&A Session.

If we don't answer your question live, someone will contact you via email to answer your question.



HEALTHY AIRPORT AMENDMENT TO THE HCAO
HEALTH PLAN REQUIREMENT UPDATES

March 5, 2021



SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH



AMENDMENT REQUIREMENTS – SEC. 12Q.3(d)

The *Healthy Airport* amendment sets two requirements for a compliant health plan, regardless of employer size:

MINIMUM ACTUARIAL VALUE

Equal to a **platinum plan** (at least 86%)

After platinum plan is offered, additional plans must equal at least a **gold plan** (at least 76%)

+

COVERED BENEFITS

As required by the CA Essential Health Benefits (EHB) Benchmark Plan



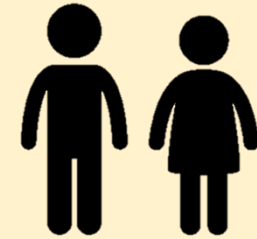
FAMILY PLAN ELIGIBILITY



INDIVIDUAL EMPLOYEE



SPOUSE OR DOMESTIC PARTNER



CHILDREN
(0-25 YEARS OLD)



MINIMUM ACTUARIAL VALUE (AV)

- Percentage of total average costs for covered benefits must be equal to a platinum plan
- Allowed federal variance of $-4/+2\%$
 - platinum plan = at least 86%
 - additional plan(s) = at least 76%
- Verification of AV for benefits provided by insurance carrier(s)
- No specific cost-sharing requirements



COVERED BENEFITS

- As required by [CA's EHB Benchmark Plan](#), for example:
 - ACA's 10 essential health benefit categories
 - pediatric vision and dental
 - no cost preventive care and scheduled pre- and postnatal visits
 - well-baby visits
 - bariatric surgery
 - acupuncture
- Benefits can be embedded / bundled with medical benefits or offered as standalone plans from different carriers



PEDIATRIC VISION & DENTAL

- Only required for employers complying with this amendment for Quality Standards Program (QSP) employees at SFO
- Children aged 0-18 years
- Premium for these benefits must be covered 100% only for children
 - may have premium contribution for adult vision and dental benefits



PEDIATRIC VISION & DENTAL – SCOPE OF BENEFITS

Dental

- As described by [Denti-Cal](#) under “Covered Services”

Vision

- As described by [FEDVIP plans](#), e.g. exams, frames and lenses, contacts



PEDIATRIC VISION & DENTAL – ACTUARIAL VALUE CONSIDERATIONS

- Per SF City Attorney's Office:
 - no actuarial value requirement for pediatric vision and dental so long as the overall actuarial value of benefits is equal to a platinum plan

- Reference Plan Designs Based on Small Group
 - **Dental:** Covered CA's [Dental Benchmark Plans](#)
 - **Vision:** as described at [FEDVIP](#) for reference plans



FREQUENTLY ASKED QUESTIONS

Are premiums covered 100% for family members and children on the plan?

All premiums for benefits offered to comply with the law must be covered 100%, including premiums for pediatric vision and dental.

Exceptions: employees can pay a portion of premiums for:

- a “buy-up” plan option – up to the difference in premiums compared to the initial platinum – if it is more expensive; or
- adult vision and dental coverage for any plan.



FREQUENTLY ASKED QUESTIONS

Can I offer more than one plan?

Yes. After offering a plan that satisfies the amendment's requirements, employers can also offer plans with an actuarial value equal to a gold plan that covers all services described in the CA EHB Benchmark Plan.

Employees can contribute towards the premium difference if the additional plan is more expensive than the initial compliant plan.



FREQUENTLY ASKED QUESTIONS

Can coverage for some services be offered as a stand-alone plan instead of embedded in the health plan?

Yes, benefits can be covered through one or more plans and/or carriers. The amendment only requires that services described in the EHB Benchmark Plan are covered with a corresponding overall actuarial equal to a platinum plan.



FREQUENTLY ASKED QUESTIONS

Are prenatal and postnatal visits required to be covered at no cost?

Yes. All scheduled prenatal and the first postnatal visit must be covered at no cost to the enrollee.

FOR SPECIFIC QUESTIONS ABOUT YOUR HEALTH PLAN'S
BENEFITS, PLEASE CONTACT YOUR INSURANCE CARRIER.

FOR GENERAL QUESTIONS ABOUT HEALTH PLAN REQUIREMENTS:

patrick.chang@sfdph.org
(415) 554-2925

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