



May 2023

# Updates to Health Commission on SF City Option Escheatment, Outreach, and Program Fund

# Agenda



1. Meeting goals
2. Snapshot of how SF City Option (SFCO) works
3. SFCO escheatment policy approved in 2022
4. Rationale for an escheatment policy
5. Activities to prepare for the implementation of the escheatment policy
6. Program fund summary since its inception in 2008



# 1. Meeting Goals

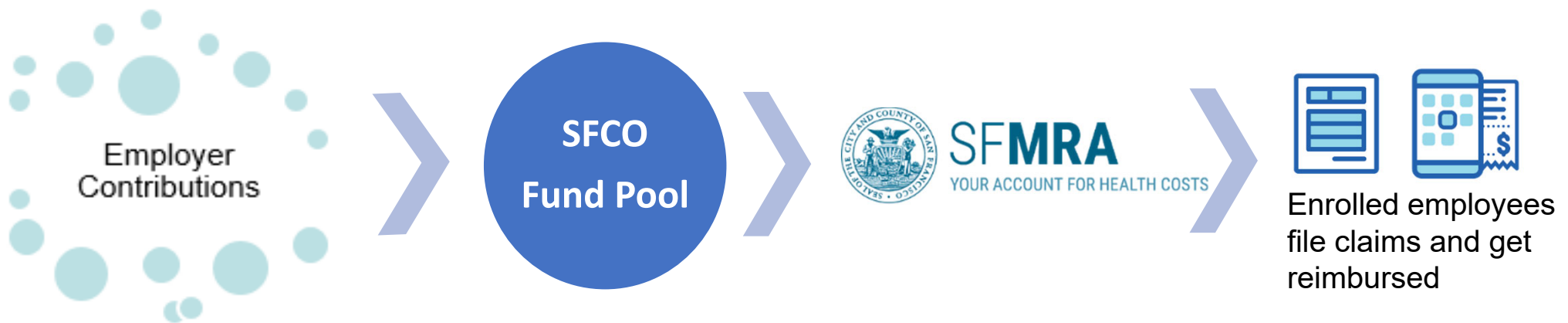


Provide updates on SF City Option  
escheatment policy implementation



Provide a summary of the program fund since  
its inception in 2008

## 2. Snapshot of How SFCO Works



# 3. SFCO Escheatment Policy

## Approved in January 2022

The City's escheatment process is governed by Government Code Section 50050 *et seq.* Section 50050 provides, in relevant part:

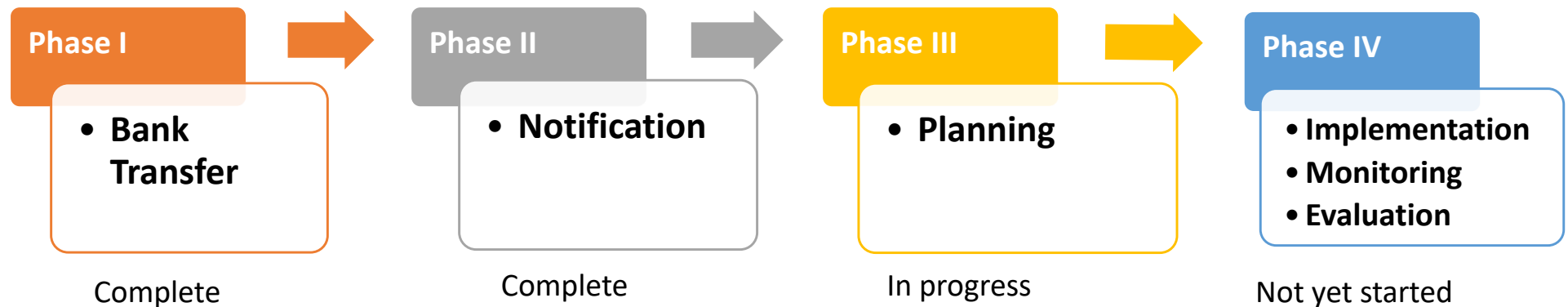
[M]oney...that is not the property of a local agency that remains unclaimed in its treasury or in the official custody of its officers for three years is the property of the local agency after notice if not claimed or if no verified complaint is filed and served. At any time after the expiration of the three-year period, the treasurer of the local agency may cause a notice to be published once a week for two successive weeks in a newspaper of general circulation published in the local agency.

## 4. Rationale for An Escheatment Policy

- Participation in SFCO was modest prior to 2014
- Employer participation and dollars contributed began to significantly grow in 2015
  - \$ 64M contributed in 2014
  - \$100M contributed in 2015
  - \$196M contributed in 2020
- Over time, unspent dollars have accumulated
  - Currently 100,000 accounts with less than \$1 total balance
  - Over 150,000 employees have money but have not enrolled in SF MRA

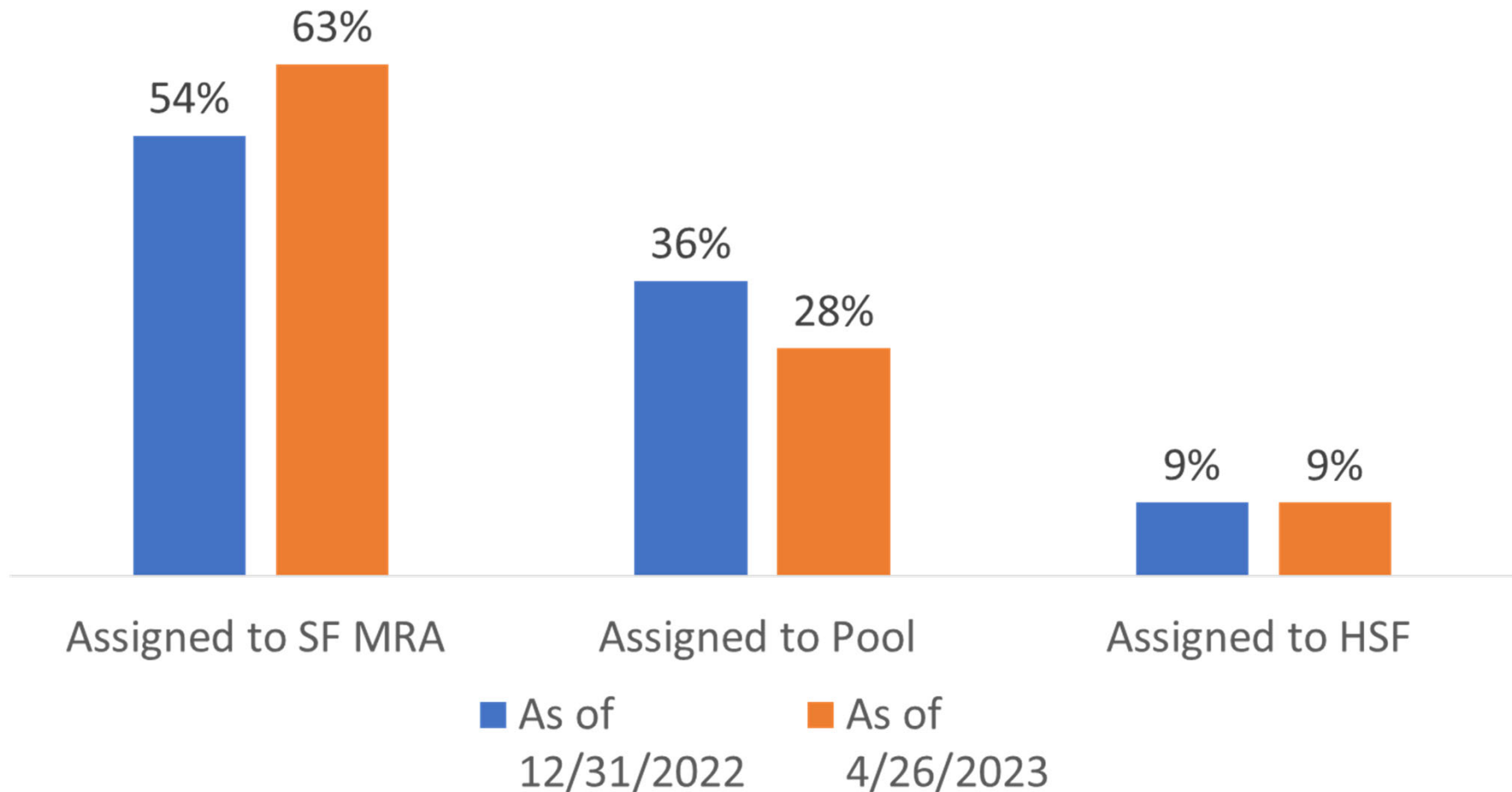
## 5.a. Activities to Prepare for the Implementation of Escheatment Policy

- Health Commission approved the SFCO escheatment policy in January 2022
- The policy has effectuated prospectively as of March 1, 2023





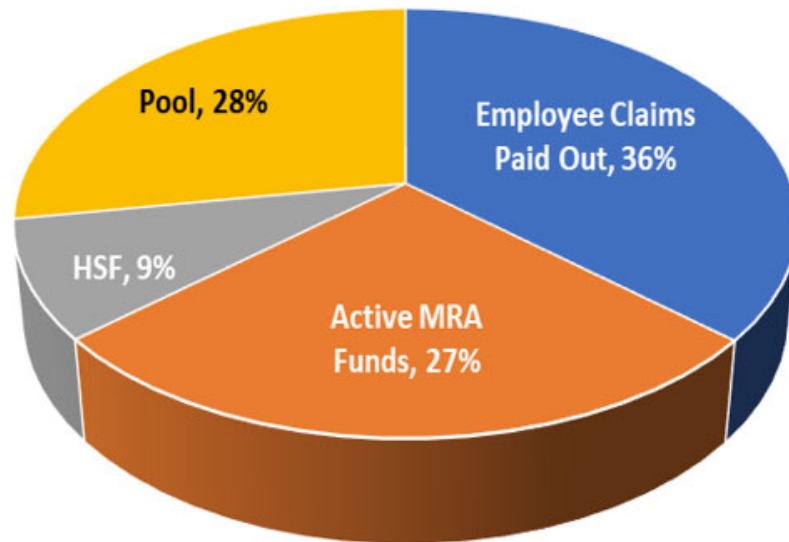
# 5.b. Escheatment Outreach Impact



*\*Assigned to SF MRA funds is inclusive of claims paid out, account fees, and active MRA funds.*



## 6. Program Fund Summary Since 2008



Employee claims and account fees	\$605M	36%
Funds available in SF MRA	\$446M	27%
For HSF coverage	\$146M	9%
For SF Covered MRA*	\$7M	<1%
Pool	\$458M	28%
<b>Total</b>	<b>\$1.66B</b>	<b>100%</b>

\* The actual amount equals to 0.4% of the Total amount and is not showed in the pie chart here.

# 7. In Closing

- DPH will continue testing the effectiveness of various outreach efforts to enroll new and reactivated employees into SF MRA and to encourage them to utilize the program benefits.
- DPH will continue its outreach to the employees in the unassigned fund pool and those with inactive fund in SF MRA, leveraging the escheatment outreach to further engage employees and employers.
- SFCO program goal is to make health care more affordable to uninsured or underinsured San Francisco residents and workers.
- Escheatment of the inactive fund remains to be the last resort of the City to address the cumulation of unclaimed fund.



**Thank You!**