



Health Care Accountability Ordinance (HCAO)

Beverly Popek
Supervising Compliance Officer



Office of Labor Standards Enforcement

Health Care Accountability Ordinance (HCAO)

- **Contract Requirement**
- Applies to contracts for services and leases.
- Grants are **exempt** from HCAO but company may need to comply with Health Care Security Ordinance (HCSO - CCSF City Wide Labor Law)



Covered Employer

HCAO: Covered Employer

- For-profit with 20 or more employees (anywhere), or nonprofit with more than 50
- with a City contract
- or a lease for City property (i.e. SFO and SF Port)
- includes subcontractors/subtenants



Covered Employee

HCAO: Covered Employee/Worker

- Anyone working for a covered employer on a City contract/leased property at least 20 hours a week
- Anywhere in the United States



HCAO Requirements – Option 1/3

Employer must choose one of the following options that fit the situation/employee:

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:
 - Must meet **ALL of the HCAO Minimum Standards** for health plan
 - See HCAO Minimum Standards Document on HCAO webpage
 - The offer must be made on an annual basis



HCAO Requirements – Option 1/3

Offer your employee the compliant health plan and collect:

Yes – Enrollment Form

OR

No – HCAO Voluntary Waiver Form

You can offer other health plans but obtain waiver form if employee would like to enroll in other plan



HCAO Minimum Standards Questions? Health Plan Reviews?

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(415) 554-2621

HCAO Requirements – Option 2/3

2. Pay HCAO Fee Amount per employee per hour to SF General Hospital every month

- Rate adjusted every July 1
- Fee goes to SF General Hospital – not a benefit or \$ for worker (this is NOT Healthy San Francisco)
- Payment form on HCAO webpage - <https://sfgov.org/olse/health-care-accountability-ordinance-hcao>

This option is only for employees performing work in

- City and County of San Francisco
- San Francisco International Airport
- San Bruno Jail



HCAO Requirements – Option 3/3

3. Pay HCAO Fee Amount to covered employee per hour worked to the employee.

- This is only for employees who work on a contract **outside of the City and County of San Francisco**.
- This is **NOT** an option for work performed in City and County of San Francisco, **NOT** at the San Francisco International Airport or the San Bruno Jail.
- Pay employee on monthly basis – contact our office for options



What if my worker is not an HCAO covered employee/worker?

If your employee/worker does not work 20 hours or more a week AND performs work in the City and County of San Francisco, then you may need to comply with the Health Care Security Ordinance (HCSO).

Health Care Security Ordinance (HCSO)

<https://sfgov.org/olse/health-care-security-ordinance-hcso>

hcso@sfgov.org

(415) 554-7892



Questions and Answers 1

I offer health insurance to an employee. Is this sufficient to meet the requirements of the HCAO?



Questions and Answers 2

My employee says that they don't want the health insurance I have offered, which meets these requirements. They would like me to pay them the HCAO Fee. Is that allowed?



Questions and Answers 3

We don't perform any services in San Francisco or California. Do we have to comply with the requirement?



Questions and Answers 4

My employees' hours fluctuates and I can't figure out if they are covered under this law.

What should I do?



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Health Care Accountability Ordinance

New! HCAO Amendment & Mayoral Directive

- Healthy Airport Ordinance (HCAO Amendment for SFO Quality Standards Program Employees)
- Health Plan Requirements for Specified COVID-Related Essential Services Contracts

Email list [Sign up](#) to receive periodic email updates about the Health Care Accountability Ordinance (HCAO) and the Minimum Compensation Ordinance (MCO).

Overview

The Health Care Accountability Ordinance (HCAO) applies to most City contractors and tenants (including those at the San Francisco International Airport and the Port of San Francisco). The HCAO requires employers to offer health plan benefits to their covered employees, to make payments to

CITY AND COUNTY OF SAN FRANCISCO



CONTRACTOR LAWS

[Citywide Project Labor Agreement](#)[Prevailing Wage - Construction](#)[Prevailing Wage - Non-Construction](#)[Minimum Compensation Ordinance](#)

Health Care Accountability Ordinance

[HCAO Hearing Officer Decisions](#)[Sweatfree Contracting Ordinance](#)[Fair Chance Ordinance](#)[Consideration of Salary History](#)

Overview

The Health Care Accountability Ordinance (HCAO) applies to most City contractors and tenants (including those at the San Francisco International Airport and the Port of San Francisco). The HCAO requires employers to offer health plan benefits to their covered employees, to make payments to the City for use by the Department of Public Health, or, under limited circumstances, to make payments directly to their covered employees.

Effective July 1, 2021, covered employers who make payments to San Francisco General Hospital to satisfy the requirements of the HCAO must pay \$5.85 per hour, capped at \$234.00 per work week. This rate is adjusted for inflation annually on July 1.

- [Understanding the HCAO Video](#)

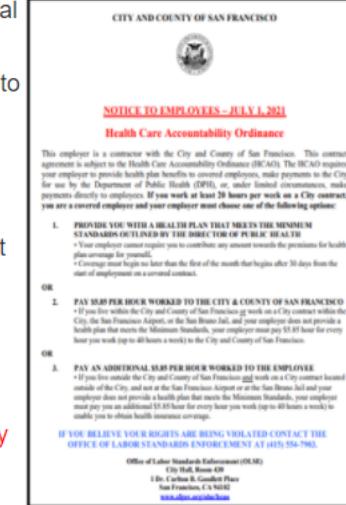
If you have questions about the San Francisco Health Care Accountability Ordinance or wish to report a violation of the law, call 415-554-7903 or email hcao@sfgov.org.

Statutory Authority

The San Francisco Board of Supervisors passed the Health Care Accountability Ordinance in 2001.

- [Health Care Accountability Ordinance, SF Admin Code, Chapter 12Q](#)
- [Regulations Implementing the HCAO \(PDF\)](#)

Forms and Documents – For Employers



[HCAO Hearing Officer Decisions](#)

[Sweatfree Contracting Ordinance](#)

[Fair Chance Ordinance](#)

[Consideration of Salary History](#)

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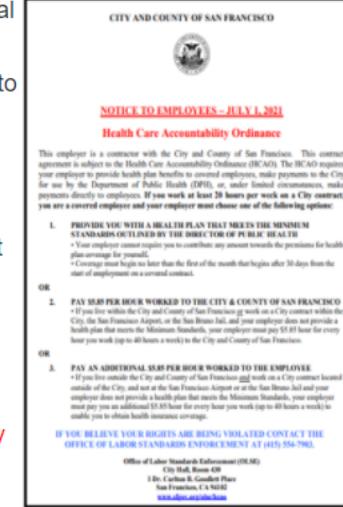
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Forms and Documents – For Employers

HCAO Minimum Standards and Guidance

-  [HCAO Minimum Standards and Guidance](#)
Effective January 2022
- [Previous HCAO Minimum Standards for Health Plan Benefits](#)

HCAO Poster

- HCAO Poster (PDFs) - Must be displayed at each workplace.
   

HCAO Employee Know Your Rights

- Employers must maintain copies signed by employees.
   

HCAO Voluntary Waiver Form

-     

HCAO Payment Form

-  [HCAO Payment Form FY21-22](#)

HCAO Fee Rates

-  [HCAO Fee Option Rates Over Time \(since 2001\)](#)



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Office of Labor Standards Enforcement

Contact OLSE

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Website: [www.sfgov.org/olse](http://sfgov.org/olse)

HCAO

<http://sfgov.org/olse/health-care-accountability-ordinance-hcao>



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