



FOR IMMEDIATE RELEASE:

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Contact: Mayor's Office of Communications, mayorspressoffice@sfgov.org

***** PRESS RELEASE *****

**MAYOR LONDON BREED ANNOUNCES PLAN TO FREE UP
\$138 MILLION TO SUPPORT WORKERS DURING THE
COVID-19 PANDEMIC**

\$138 million from SF City Option Medical Reimbursement Accounts will become available for over 100,000 San Francisco employees to use for food, rent, utilities, and other basic needs

San Francisco, CA — Mayor London N. Breed today announced a plan to allow employees in San Francisco to use funds their employer has contributed in compliance with the Health Care Security Ordinance (HCSO) for necessary expenses such as food, rent, and utilities during the declared local emergency, in addition to eligible health care expenses.

Mayor Breed's Supplemental Declaration will allow over 100,000 covered employees to access funding that their employer has contributed to Medical Reimbursement Accounts (MRAs). The MRAs, provided under the San Francisco City Option, currently have \$138 million in available funds, which is an average of \$1,300 per covered employee. The MRAs are normally designated for medical expenses and health care needs, however during the COVID-19 pandemic, there is an urgent need to provide people with additional resources so they can afford necessities and remain healthy.

"Our priority during the COVID-19 pandemic is to protect public health, and an important part of ensuring our residents are healthy is making sure people have enough to eat, have a roof over their head, and have the peace of mind that they'll be able to pay their bills at the end of the month," said Mayor Breed. "We know that having access to food and housing is a basic need, and by giving people access to the funding in these accounts, we are helping keep people healthy and safe during this challenging time."

"Workers fought hard for this program to close the gap in healthcare access," said Supervisor Gordon Mar. "This pandemic has widened the gap, and we must give employees the flexibility to do what they need to remain healthy and support public health."

"This is the right thing to do in these unprecedented times," said Supervisor Hillary Ronen. "However, we mustn't forget that record numbers of people are losing their employer based health insurance during a pandemic when they need it most. This law was always about getting workers the health insurance they deserve and it will continue to play that role in the future until we have a Medicare For All system and healthcare becomes a human right."

The Health Care Security Ordinance (HCSO) is a San Francisco law that established several employer health care-related obligations enforced by the Office of Labor Standards Enforcement.



HCSO created a Health Access Program, including Healthy San Francisco and MRAs, administered by the San Francisco Department of Public Health.

Under HCSO, businesses with 20 or more employees and nonprofits with 50 employees or more in San Francisco make health care expenditures including contributions to MRAs, which their employees can access for eligible medical expenses. The City Option employer-funded MRAs have a balance of \$138 million for 104,000 employees, or an average of \$1,300 per eligible employee.

Over half of the employees with MRAs are San Francisco residents and 80 percent are from the Bay Area. The SF City Option covers a wide range of San Francisco employees, including employees in the retail, accommodation, and food service sectors.

Mayor Breed's Supplemental Declaration allows employees to withdraw funding from their MRAs for basic expenses including food, rent and mortgage payments, and utilities during the declared local emergency. The funding will continue to cover eligible medical expenses. Approximately 104,000 covered employees of San Francisco businesses and nonprofits that have MRAs will be able to request a one-time disbursement of their available funds. Employees can find the most updated information on the San Francisco City Option website (www.sfcityoption.org) about the disbursement.

The SF City Option program will contact eligible employees with MRAs about how to withdraw funds. Employees should always be cautious with their personal or financial information. Individuals should also consult a tax professional about the use of funds. **The SF City Option program will never email or call any SF City Option employee to request their Social Security Number or banking information.** Employees who wish to verify if they have an MRA can also call SF City Option Customer Service at (877) 772-0415.

"The decision to open up MRA funds to workers to use for their essential, every day expenses is absolutely the right move at the right time," said Rodney Fong, CEO of the San Francisco Chamber of Commerce. "Families need this money now to cover critical costs like rent and food. In addition, these released HCSO funds will provide an urgently needed local economic stimulus for our San Francisco small businesses, bringing millions of dollars into our economy to during this COVID-19 downturn."

"San Francisco's HCSO has delivered health care benefits to hundreds of thousands of workers, particularly in the restaurant industry," said Anand Singh, President of the hotel and restaurant workers' union, UNITE HERE Local 2. "Our City had the foresight to pass this ground-breaking law over a decade ago, and the Mayor's action shows just how relevant it is today. We look forward to working with the Mayor and the Supervisors to strengthen San Francisco's health care system in the months and years to come."

"San Francisco restaurants have paid millions and millions of dollars over the years so their employees can access health care when they need it," said Anna Weinberg, co-owner of Tosca Cafe and the Big Night Restaurant Group in San Francisco. "We are in a public health



emergency unlike any we've seen in our lifetimes and workers need those funds for their health and basic living expenses now. I applaud the Mayor's efforts to return this money to restaurant employees to help them cope with this pandemic.”

The HCSO, along with all other San Francisco labor laws, remains in full effect during the local emergency. Mayor Breed issued this order as part of a Supplement to the Local Emergency Declaration she made on February 25th. All Supplemental Declarations are available at <https://sfmayor.org/mayoral-declarations-regarding-covid-19>.

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